

Tanzania Situation Analysis: In support of UNDAP II

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Acronyms

AAL	–	Annual Average Loss
AfDB	–	African Development Bank
AFRICOM	–	African Organization for Museums
AICD	–	Africa Infrastructure Country Diagnostic
ANC	–	Antenatal Care Coverage
ARV	–	Anti-Retro Viral
AU	–	African Union
BEST	–	Business Environment Strengthening for Tanzania
BEST	–	Basic Education Statistics in Tanzania
BRN	–	Big Results Now
CAG	–	Controller and Auditor General
CCM	–	Chama Cha Mapinduzi
CEDAW	–	Convention on the Elimination of all Forms of Discrimination Against Women
CET	–	Common External Tariff
COBET	–	Complementary Basic Education Programme in Tanzania
COMESA	–	Common Market for Eastern and Southern Africa
COWSO	–	Community Owned Water Supply Organization
CPIA	–	Country Policy and Institutional Assessment
CPR	–	Contraceptive Prevalence Rate
CPT	–	Co-trimoxazole Preventive Therapy
CRC	–	Convention on the Rights of the Child
CREW (T)	–	Credit Scheme for Productive Activities of Women in Tanzania
CSCBF	–	Civil Service Capacity Building Fund
CSDP	–	Community Social Development Programme
CSO	–	Civil Society Organization
CSW	–	Commission on the Status of Women
CTC	–	Care and Treatment Clinic
DAC	–	Development Assistance Committee
DOTS	–	Directly Observed Treatment Short course
DP	–	Development Partners
DPG	–	Development Partners' Group
DPT	–	Diphtheria, Pertussis (whooping cough), Tetanus
DRR	–	Disaster Risk Reduction
EAC	–	East African Community
EACPP	–	East Africa Community Power Pool
EAPP	–	Eastern Africa Power Pool
EMA	–	Environmental Management Act
EOC	–	National Emergency Operation Centre
EOTF	–	Equal Opportunities for all Trust Fund
EPA	–	Economic Partnership Agreements
EPI	–	Expanded Program on Immunization
EPP	–	Emergency Power Producer
EPRU	–	Emergence Preparedness and Response Unit
ESRC	–	Economic and Social Research Council
EU	–	European Union
EWS	–	Emergence Warning Systems
EWURA	–	Energy and Water Utility Regulatory Agency
FAO	–	Food and Agriculture Organization
FAWETA	–	Federation of Associations of Women Entrepreneurs in Tanzania
FDC's	–	Folk Development Colleges
FDI	–	Foreign Direct Investment
FGM	–	Female Genital Mutilation
FSDT	–	Financial Sector Deepening Trust
FYDP	–	Five-Year Development Plan

GBI	–	Gender Budget Initiative
GBS	–	General Budget Support
GDP	–	Gross Domestic Product
GER	–	Gross Enrolment Ratio
GFCF	–	Gross Fixed Capital Formation
GFP	–	Gender Focal Points
GPI	–	Gender Parity Index
Gwh	–	Gigawatt-hours
HBS	–	Household Budget Survey
HDI	–	Human Development Index
HEP	–	Hydro ELECTRIC Power
HIPC	–	Heavily Indebted Poor Countries
HIV/AIDS	–	Human Immune Deficiency Virus/Acquired Immune Deficiency Syndrome
HSSP	–	Health Sector Strategic Plan
HVLV	–	High Value-Low Volume
IADG's	–	Internationally Agreed Development Goals
ICBAE	–	Integrated Community Based Adult Education
ICCROM	–	International Centre for the Study of Preservation and Restoration of Cultural Properties
ICESCR	–	International Covenant on Economic, Social and Cultural Rights
ICOMOS	–	International Council on Monuments and Sites
ICT	–	Information Communication Technology
ICTR	–	International Criminal Tribunal for Rwanda
IEC	–	Information Education and Communication
IFMS	–	Integrated Financial Management System
ILFS	–	Integrated Labour Force Survey
ILO	–	International Labour Organisation
IMCI	–	Integrated Management of Childhood Illness
IMF	–	International Monetary Fund
IMG	–	Independent Monitoring Group
IMTU	–	International Medical and Technology University
IPP	–	Independent Power Producers
ISOA	–	Institutional Sector and Organisational Analysis
ITN's	–	Insecticides Treated Nets
ITU	–	International Telecommunication Union
IUCN	–	International Union for Conservation of Nature
JAST	–	Joint Assistance Strategy for Tanzania
LGA's	–	Local Government Authorities
LNG	–	Liquefaction Natural Gas
LSS	–	Life Saving Skills
LTPP	–	Long Term Perspective Plan
M&E	–	Monitoring and Evaluation
MAF	–	MDG Acceleration Framework
MAFS	–	Ministry of Agriculture and Food Security
MAIR	–	MKUKUTA Annual Implementation Report
MCC	–	Millennium Challenge
MCDGC	–	Ministry of Community Development Gender and Children
MCDWAC	–	Ministry of Community Development, Women's Affairs and Children
MCH	–	Maternal and Child Health
MDA's	–	Ministries, Departments and Agencies
MDG's	–	Millennium Development Goals
MDRI	–	Multilateral Debt Relief Initiative
MEM	–	Ministry of Energy and Minerals
MHSW	–	Ministry of Health and Social Welfare
MIS	–	Management Information System
MITM	–	Ministry of Industry, Trade, and Marketing
MIYCS	–	Ministry of Information, Youth, Culture and Sports
MKUKUTA	–	<i>Mkakati wa Kukuza Uchumi na Kupunguza Umaskini Tanzania</i>
MKUZA	–	<i>Mkakati wa Kukuza Uchumi na Kuondoa Umaskini Zanzibar</i>

MLEYD	–	Ministry of Labor, Employment, and Youth Development
MMMMP	–	MKUKUTA Monitoring Master Plan
MMR	–	Maternal Mortality Rate
MN	–	Million
MNRT	–	Ministry of Natural Resources and Tourism
MNRT	–	Ministry of Natural Resources and Tourism
MOEVT	–	Ministry of Education and Vocational Training
MoHSW	–	Ministry of Health and Social Welfare
MoLE	–	Ministry of Labor and Employment
MTDP	–	Multi-Sectoral Tourism Development Programme
MTEF	–	Medium Term Expenditure Framework
MUCH	–	Maritime and Underwater Cultural Heritage
MVP	–	Millennium Village Project
MW	–	Megawatts
MYEWC	–	Ministry of Youth, Employment, Women and Children's Development
NACP	–	National AIDS Control Program
NAPIP	–	National Avian and Pandemic Influenza Emergency Preparedness and Respond Plan
NBS	–	National Bureau of Statistics
NCAA	–	Ngorongoro Conservation Area Authority
NDCS	–	National Disaster Communication Strategy
NECP	–	National Employment Creation Program
NEMC	–	National Environmental Management Council
NEPRP	–	National Emergency Preparedness and Response Plan
NER	–	Net Enrolment Ratio
NGO	–	Non-Governmental Organization
NHC	–	National Housing Corporation
NMB	–	National Microfinance Bank
NMSPF	–	National Multi-Sectoral Social Protection Framework
NPS	–	National Panel Survey
NSA	–	Non State Actors
NSGRP	–	National Strategy for Growth and Reduction of Poverty
NTB	–	Non-Tariff Barriers
OCS	–	Office of the Chief Government Statistician
ODA	–	Official Development Assistance
ODI	–	Overseas Development Institute
OECD	–	Organization for Economic Co-operation and Development
OHS	–	Occupation Health and Safety
OPG	–	Open Government Partnership
OSHA	–	Occupational Health and Safety Authority
PADEP	–	Participatory Agricultural Development and Empowerment Project
PAF	–	Performance Assessment Framework
PCCB	–	Prevention and Combating of Corruption Bureau
PEDP	–	Primary Education Development Programme
PEFA	–	Public Expenditure and Financial Accountability
PEP	–	Proportion of Employed People
PER	–	Public Expenditure Review
PFM	–	Participatory Forest Management
PHCSDP	–	Primary Health Care Services Development Program
PHDR	–	Poverty and Human Development Report
PLHA	–	People Living with HIV and AIDS
PMO-RALG	–	Prime Minister's Office-Regional Administration & Local Government
PMS	–	Performance Management System
PMTCT	–	Prevention of Mother to Child Transmission
PPP	–	Public-Private Partnerships
PRIDE	–	Promotion of Rural Initiatives and Development Enterprises
PRS	–	Poverty Reduction Strategy
PRSP	–	Poverty Reduction Strategy Paper
PSSN	–	Productive Social Safety Net

RDT	–	Rapid Diagnostic Tests
REA	–	Rural Energy Agency
RGZ	–	Revolutionary Government of Zanzibar
SACAS	–	Savings and Credit Associations
SACCO's	–	Savings and Credit Cooperative Societies
SADC	–	Southern Africa Development Community
SAGCOT	–	Southern Agricultural Growth Corridor of Tanzania
SAPP	–	Southern Africa Power Pool
SATF	–	Social Action Trust Fund
SDG's	–	Sustainable Development Goals
SDP	–	Sector Development Plan
SEDP	–	Secondary School Education Program
SELF	–	Small Entrepreneurs Loan Facility
SENAPA	–	Serengeti National Park Authority
SEZs	–	Special Economic Zones
STI's	–	Sexually Transmitted Infections
SWAP	–	Sector Wide Approach
TACAIDS	–	Tanzania Commission on AIDS
TaESA	–	Tanzania Employment Services Agency
TAMWA	–	Tanzania Media Women's Association
TANAPA	–	Tanzania National Parks Authority
TANESCO	–	Tanzania National Electricity Supply Company
TANGO	–	Tanzania Association of Non-Governmental Organizations
TAS	–	Tanzania Assistance Strategy
TASAF	–	Tanzania Social Action Fund
TAWLA	–	Tanzania Women Lawyers' Association
TAWLAE	–	Tanzania Association of Women Leaders in Agriculture and Environment
TBA's	–	Traditional Birth Attendants
TBC	–	Tanzania Broadcasting Commission
TCMT	–	Transformation Management Team
TDHS	–	Tanzania Demographic and Health Survey
TDS	–	Tanzania Debt Strategy
TDV	–	Tanzania Development Vision
TFTW	–	Training Fund for Tanzania Women
TGNP	–	Tanzania Gender Networking Programme
TGS	–	Tanzania Geological Survey
THB	–	Tanzania Housing Bank
THMIS	–	Tanzania HIV and AIDS and Malaria Indicator
TMA	–	Tanzania Meteorological Agency
TMRC	–	Tanzania Mortgage Refinance Company
TRCHS	–	Tanzania Reproductive and Child Health Survey
TSED	–	Tanzania Social Economic Database
TSPAS	–	Tanzania Service Provision Assessment Survey
TTB	–	Tanzania Tourist Board
TVET	–	Technical and Vocational Education and Training
TWA	–	Tanzania Wildlife Authority
TWPG	–	Tanzania Women Parliamentarians' Group
UDSM	–	University of Dar es Salaam
UN	–	United Nations
UNCTAD	–	United Nations Conference on Trade and Development
UNDAP	–	United Nations Development Assistance Plan
UNDP	–	United Nations Development Programme
UNECA	–	United Nations Economic Commission for Africa
UNFCCC	–	United Nation Framework Convention on Climate Change
UNICEF	–	United Nations Children's Fund
UNIFEM	–	United Nations Development Fund for Women
UNSDR	–	Nations Office for DRR
UNWTO	–	United Nations World Tourism Organization

UPE	–	Universal Primary Education
URT	–	United Republic of Tanzania
USAID	–	United States Agency for International Development
USGS	–	The United States Geological Survey
VCT	–	Voluntary Counselling and Testing
WAT	–	Women’s Advancement Trust
WDF	–	Women’s Development Fund
WDI	–	World Development Indicators
WEF	–	World Economic Forum
WEO	–	World Economic Outlook IMF’s database
WHC	–	World Heritage Centre
WHO	–	World Health Organization
WITS	–	World Bank’s World Integrated Trade Solution
WMA	–	Wildlife Management Areas
WRI	–	World Risk Index
WSDP	–	Water Sector Development Program
WTO	–	World Trade Organization
WTTC	–	World Travel & Tourism Council
ZSGRP	–	Zanzibar Strategy for Growth and Reduction of Poverty.
ZURA	–	Zanzibar Utility Regulatory Authority
ZYEAP	–	Zanzibar Youth Employment Action Plan

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Executive summary

Tanzania is on the move. Transformation towards middle-income status, which, is expected to be attained in the next 4 years, is the new mantra among politicians, civil servants, academics, and development partners. However, transformation is moving at different speeds and affecting people in different economic strata and parts of the country differently. The economy is growing at a fast clip but producing few well-paying formal sector jobs to absorb the mass of individuals graduating from the growing number of tertiary and vocational training institutions. In rural areas, poverty, for the most part, remains entrenched with significant variations across regions and transformation seems a long way away. Social attitudes are changing as a process of modernization takes hold, particularly in urban areas, but for the majority deeply entrenched norms and standards still hold sway.

The benefits of transformation are largely urban in nature and based in a small number of capital-intensive fast growing sectors with limited linkages to the rest of the economy. The discovery of sizeable gas reserves should provide impetus for the transformation process. However, expectations need to be well managed given significant uncertainties facing the industry including price movements, technological development in the USA oil and industry and concerns over profitability of the proposed liquid natural gas plant.

Having reviewed a wide range of data and information, this situation analysis has identified four overarching challenges and several supplementary challenges that are preventing the benefits of economic transformation from being reflected in sustained and rapid poverty reduction. These are:

1. A relatively untransformed agricultural sector characterized by low productivity and incomes and hampered by the lack of basic inputs such as improved seeds, irrigation, fertilizer and electricity;
2. The capital-intensive nature of the fast growing sectors and their limited spillover effects to other sectors;
3. Poor quality and availability of education, health and other essential social services leading to poor outcomes in the area of human capital development;
4. Insufficient support in the form of access to working capital and training for the informal sector which houses more than 20% of the working population in conditions of low productivity and wages.

A rich mélange of policies, plans and strategies often prepared with significant donor support are in place but for the most part their effective implementation remains a challenge beyond the capacity of the civil service. Implementation has been rendered difficult by a variety of factors. These include decentralization of implementation to Local Government Authorities not sufficiently equipped to meet the challenge; low wages and poor incentive structures keeping needed human resources from areas where they are most needed; insufficient human and financial resources relative to needs; and diversions of financial resources from their intended purposes.

There have also been some significant achievements by Tanzania over the past few years. These include sustained strong economic growth averaging around 7% per annum in both Mainland and Zanzibar. On the Mainland this growth has been driven by tourism, mining, financial intermediation, construction and telecoms. The sectorial growth trends show that Tanzania is turning into a service economy while having only limited experience of industrialization. In Zanzibar, transport and communications, mining, financial intermediation and construction were the leading drivers. The country has also registered strong progress towards a number of social goals. These include: weight for age malnutrition, enrolment, HIV/AIDS incidence and prevalence, malaria and gender parity in primary and secondary education.

Another set of achievements relate to the maintenance of peace and stability, the regular conduct of multi-party elections and a relatively free press. At the time of writing there was some uncertainty due to the proposed new

media bill, which was being discussed in-camera. The country has also prepared a large number of legal, policy and planning reforms. However, the country is struggling to match its strength in political stability with improved competitiveness – a prerequisite for higher investment rates and sustainability of current growth rates.

Looking ahead to the next decade a number of megatrends that will define the arena in which development is to take place are already starting to unfold. These megatrends give rise to a number of challenges and opportunities that constitute the nuts and bolts of development. How well the Government of Tanzania is able to turn challenges into opportunities and takes advantage of them will define how well the Government will be able to propel the economy towards equitable growth with rapid poverty reduction.

Megatrends

1. **Rapid population growth.** The population of Mainland Tanzania is currently growing at 2.7% per annum while that of Zanzibar is growing at 2.8% per annum. This compares to a global average of 1.1% and an Africa wide average of 2.5%. While the population density estimated at 51 persons per square kilometer is still manageable, rapidly increasing population would put several areas of the country under pressure (e.g. delivery of social services). Zanzibar has an even more challenging situation with a population density of 530, amongst the highest in Africa. Population on the Mainland is expected to double in 26 years while that of Zanzibar in 24 years. Unless significant actions are taken to moderate population growth, the island will move towards a situation in which its carrying capacity will be reached.
2. **Rapid urbanization.** The urban areas of Mainland Tanzania are growing at 5.2% per annum while those of Zanzibar are growing at 4.2%. This compares with a global average of 2% and an Africa wide average of 3.5%. Dar es Salaam is growing at 5.6% and is expected to be a megacity of more than 10mn within a generation. While urbanization is a normal pathway in the development process, such rapid growth in such a constrained area will call for new ways of thinking, planning and management. This is particularly the case since an estimated 70% of the city consists of unplanned urban settlements. A Master Plan for the Development of Dar es Salaam to 2036 has been developed and provides an opportunity to successfully transition to the future. Likewise in Zanzibar, the pressure of ever expanding urban settlements is reducing the available land for agriculture and threatening its natural heritage.
3. **The unavoidable effects of climate change,** which, are already being felt in many parts of the Mainland and throughout Zanzibar. This is made more serious by the high degree of reliance on climate sensitive activities. Smallholders and fishermen are the first to be affected by the increase in temperatures and increased frequency of extreme weather events. Rising sea levels, increasing winds and wave heights are already contributing to beach erosion and saltwater intrusion particularly in Zanzibar. These negative effects are further compounded by human activities such as deforestation and cutting of mangroves. Timely adaptation to these changes is necessary to ensure a sustainable future.
4. **Increasing political dynamism.** This is reflected in the growing number of political parties and the wider range of issues up for debate. It is also reflected in the increasing importance of the Office of the Controller and Auditor General and Parliament in keeping government accountable. Though the ruling party CCM remains a dominant party in terms of the number of legislators and councilors, recent results from local government elections show that opposition parties are gaining ground. Furthermore, civil society organizations are increasingly engaged in the ongoing debate on the new constitution.
5. **Changes in the aid environment.** There are changes taking place in the composition of development partners and sectorial ODA allocations. China is playing an increasingly important role both in Mainland and in Zanzibar. ODA is now a smaller part of GDP having declined from 17% in 2007 to 10% in 2012 with an increasing relative importance of domestic revenue, Foreign Direct Investment and non-concessional source of funding. There is an increasing ODA focus towards the productive sectors at the expense of social and economic infrastructure sectors. Within the social sector, ODA is more focused on water and sanitation with

declining allocations to the education sector. There is also a trend away from General Budget Support towards projects and other forms of assistance, which will require greater coordination implying increased transaction costs.

Major challenges facing Tanzania

Going forward there are a number of critical challenges, which the country will have to address to ensure success. These include the need to: -

1. **Significantly increase capacity** at national and sub-national levels to plan, implement and manage interventions and services;
2. Seriously **increase the limited revenue collection** which has led to limited public investment in core sectors and reliance on foreign aid
3. **Improve the quality and scale of health, education and other social services** to deal with the rapid increase in population and to facilitate the improvement in human capital needed to compete effectively in regional and global markets.
4. **Deal with persistent regional disparities** – South, Central, Lake and Western Zones, in particular, lag behind national averages on most indicators;
5. **Accelerate the slow pace of job creation** relative to growth in the size of the labor market;
6. **Enhance urban planning** to address the rapid growth in towns and cities;
7. **Enhance productivity and diversify the product mix and linkages in industry and agriculture** to be able to compete regionally and globally.
8. **Address a number of governance issues.** These include better protection for vulnerable groups, improving the business environment including through improving the availability of a stable supply of electricity, tax regimes and maintaining ethical standards.
9. **Manage environmental and climate change** challenges through measures for enforcement, mitigation and adaptation.

Opportunities

1. **Rapid economic growth and diversification** is expected to continue despite headwinds including slowing growth in China and unstable growth in Western Europe leading to declining commodity prices. This should provide a steady flow of resources for investment in measures that reduce poverty and inequality.
2. **Investment in productivity enhancing measures for agriculture** and development of agro industries given that 80% of agricultural exports are not processed in the country.
3. Investment in **building the productivity of the micro, small and medium enterprise sector** through increasing access to finance, business development services and training.
4. **Taking advantage of the high rates of return on investment in the social sectors** to address the challenges of equity, quality and scale.
5. The natural beauty and historical heritage of Tanzania mainland and Zanzibar provide opportunities for upgrading the tourist sector for **branding the country as a destination of choice.**

6. **Completion and implementation of the National Social Protection Framework** including a social protection floor would provide a means for sharing the benefits of development more widely.
7. **Ensuring adequate environmental protection** through strengthening climate change adaptation, building capacity for public education and enforcement of environmental standards and implementing the climate change strategies.

Chapter 1: Introduction

1.1 Background

As the UN Development Assistance Plan (UNDAP I, 2011-2015) comes to an end, the UNCT has planned a number of activities to support the development of UNDAP II, 2016-2020. These include externally conducted activities such as an independent evaluation and a Situation Analysis, along with internal exercises including a SWOT analysis, an operations context analysis and a mapping of UN mandates and accountabilities. These will feed into a strategic planning retreat, which will then result in an agreement on the broad areas of UNCT support to national priorities. The UNDAP was designed to support achievement of the internationally agreed development goals, the Millennium Development Goals (MDGs) and the realization of international human rights in the country, including the right to humanitarian assistance for refugees.

1.2 Purpose and scope of the situation analysis

The overall purpose of the Situation Analysis is to identify and document significant achievements and key development challenges and their underlying causes, including capacity gaps, to facilitate agreement on potential areas for UN support. In particular, it seeks to:

- Assess progress towards the national and internationally agreed development goals and commitments to international norms and standards, with particular attention to Gender Equality and Human Rights issues. These include the MDGs, the International Human Rights Instruments, the Beijing Declaration and Platform for Action, the MKUKUTA II and MKUZA II goals and the National Development Plan 2011/12 – 2015/16.
- Ensure a balanced understanding of economic, social, environmental and institutional causes, as well as capacity gaps that prevent action.
- Include a mapping of external stakeholders in Tanzania including their current and planned development interventions. This will take into account the evolution of aid modalities and patterns, in particular the impact of the changing economic environment on donor preferences.
- This has been done within the context of the proposed Sustainable Development Goals, the Tanzania Development Vision 2025 and the Zanzibar Vision 2020 and bears in mind the risks of domestic and regional conflict, humanitarian crises and natural disasters.

1.3 Methodology

At the outset, an inception report was prepared to gain clarity and agreement on the purpose, scope, methodology and work plan for the exercise. This included identification, collection and preliminary review of the relevant documents and data that informed the Situation Analysis. Issues arising were later triangulated against data and information received through key informant interviews and other relevant documents.

The identification of challenges and analysis of causes was primarily based on an in-depth review of the sources contained in Annex 1 of the Terms of Reference, along with other sources of relevant data and analysis including: studies, evaluations and analytical reports from Government entities, research institutions and bilateral and multilateral donors. A full list of documents consulted by thematic area is contained in Annex Two.

This written data was complimented by a limited number of key informant interviews in mainland Tanzania and Zanzibar. Interviews in Zanzibar were done jointly with the UN evaluation team. Contributors included International Financial Organizations, development partners, foundations, private sector and INGOs, members

of the UNCT and officials of the central Government on the mainland and Zanzibar. A list of key informants consulted can be found in Annex Three.

To the maximum extent possible, data has been disaggregated to reveal disparities and inequalities affecting the population of Tanzania. In this respect, special attention has been paid to geographic, gender, disability and age dimensions of the issues being studied.

The analysis used human rights based approach tools including causality and capacity gap analyses. Progress towards the national development goals has been evaluated against the MKUKUTA and MKUZA “goals” indicators rather than the process and output indicators. In areas where analysis has already been undertaken by credible institutions, the Situation Analysis will focus on synthesizing relevant information from such reports by summarizing the statistical data reflecting the current status and projected trends of different economic, political, cultural and social phenomena.

Throughout the exercise there was close coordination with the team undertaking the evaluation. This included sharing of relevant information particularly in areas of possible overlap such as that of capacity gaps, joint participation in key informant interviews and providing inputs into the planned set of Perception Surveys and sessions planned for exchange of initial ideas and findings.

Initial findings of the Situation Analysis were presented for discussion and input to a meeting of UN, Government and CSO counterparts on 5 March 2015. A second presentation was made to the UNDAP Steering Committee on 6 March 2015. Valuable feedback was received which helped shape this document.

1.4 Limitations

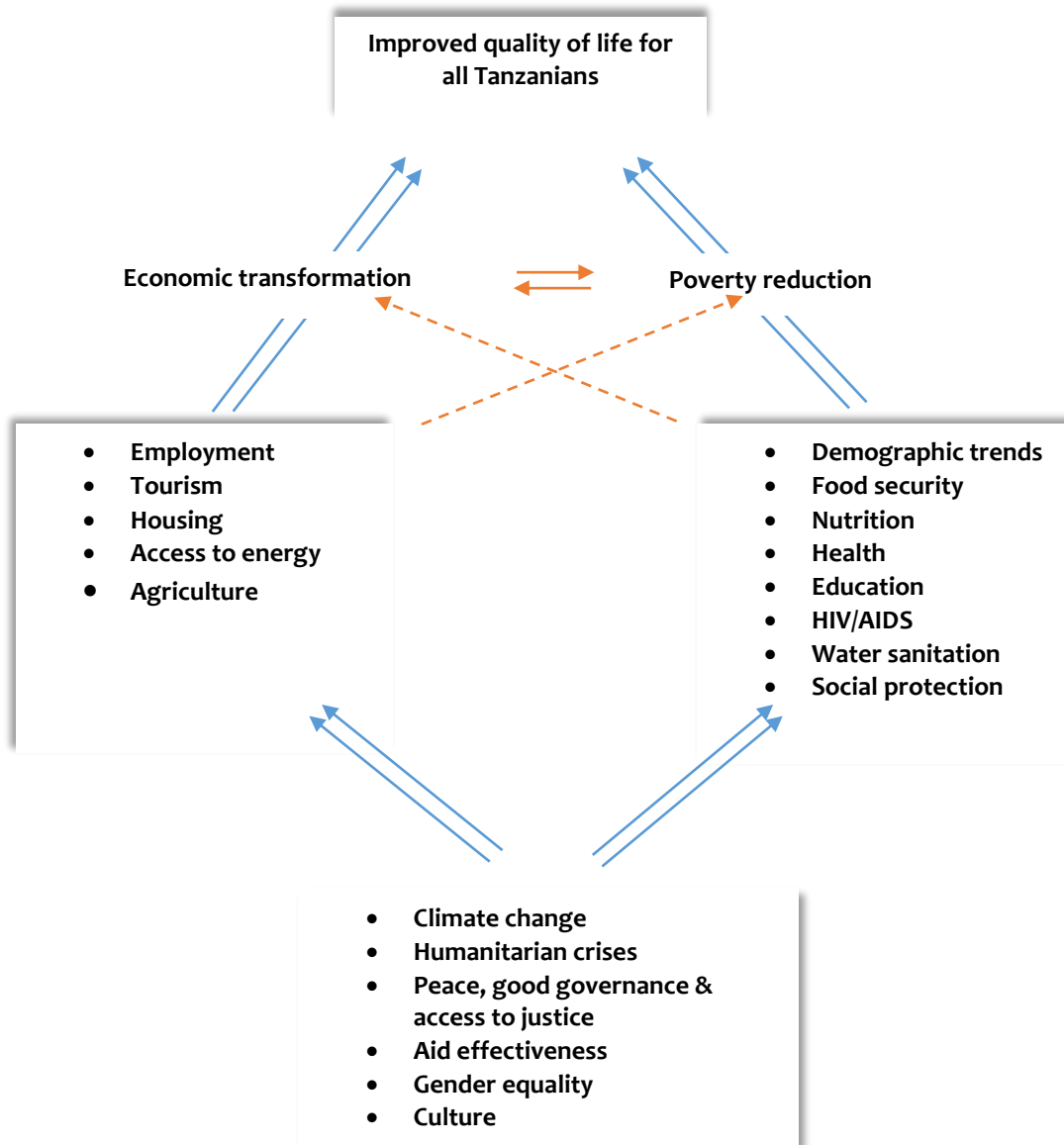
The main limitations are as follows:

- The Situation Analysis is primarily a desk review with limited opportunities for further research or validation in the field.
- There was no well-structured consultative process to jointly undertake the analysis.
- Quality of the data used is reliant on the quality of data available in the reference documents.
- Significant data gaps exist, particularly for MKUKUTA and MKUZA monitoring.
- Recent data — in particular for 2014 and in some cases for 2013 — might not be available. Furthermore, projected data are available for only a few indicators, which are mostly sourced from multilateral agencies.
- A number of data collection exercises are taking place at the time of writing and their outcomes could materially alter some of the conclusions.

1.5 Conceptual framework for the exercise

The consultants developed a conceptual framework (Figure 1) to guide their work on the Situation Analysis. The conceptual framework is based on the premise that the ultimate goal of all development activities is the achievement of a better quality of life for all Tanzanians. This reflects the aspirations contained in the Tanzania Development Vision 2025 and the Zanzibar Vision 2020 as well as the aspirations of all Tanzanians included in various surveys and publications. Improved quality of life means having access to adequate housing, sufficient income, quality education and health services. It also means adequate personal and human security for everyone. Overall, it means filling those quantity and quality gaps that have been challenging for the average Tanzanian to date. At the macro level, two key contributors to an improved quality of life in the context of Tanzania are economic growth and transformation. Here we note that economic growth is essential and a necessary — but not sufficient — condition for poverty reduction. Poverty reduction, in turn, can contribute to economic growth. A series of thematic areas underlie these two macro areas and the entire framework is underpinned by crosscutting issues, which contribute to achievements on both sides.

Figure 1: Conceptual framework



Chapter 2: Economic Growth and Poverty Reduction

2.1 Introduction

Based on a careful reading of the available literature on Tanzania it seems evident that throughout history to the present day, attainment of a significantly improved quality of life for all Tanzanians has been the overriding goal. It is also clear that the two key strategic approaches to achieving the goal have been poverty reduction and economic growth. These two are inter-related and not necessarily contradictory. Economic growth is essential for poverty reduction, while investments in poverty reduction do contribute to increased economic growth.

It is also clear that among developing countries seeking to achieve poverty reduction, a given rate of economic growth may result in a wide range of outcomes. Some countries reduce poverty more quickly than others even though the growth rate may be similar. Others may grow more slowly but achieve greater poverty reduction. Yet others may grow very quickly but with limited impact on poverty reduction. An important challenge for this section of the situation analysis is determining the success factors that allow a country to translate economic growth into meaningful poverty reduction. The ultimate objective of course is to achieve rapid and sustainable economic growth alongside significant poverty reduction and reduced inequality.

Over the last decade much has been done in Tanzania to boost economic growth in order to reduce poverty. However, while growth has averaged around 7% over the decade, the rate of poverty reduction has been relatively slow and the numbers of people in poverty have actually increased. Understanding the reasons behind this phenomenon, along with the success factors, would be useful for designing appropriate interventions. The analysis has identified three broad pathways towards translating economic growth into poverty reduction, which need higher priority. These are: increasing productivity and incomes in smallholder agriculture; increasing the quality and accessibility of social sector services notably education and health; and strengthening support for the micro, small and medium enterprises sector.

2.2 Economic growth

2.2.1 Policy and programming framework

The policy and programmatic framework for economic growth in Tanzania has significantly evolved over the past decade. Against the backdrop of rapid growth accompanied by relative slow poverty reduction and the desire to accelerate structural transformation, the country introduced the Five Years Development Plans (FYDP) as operational tools for the Long-Term Perspective Plan (LTPP) 2011-2025. In the midst of implementing MKUKUTA II and the 1st FYDP, the government went further by launching an ambitious public investment programme titled Big Results Now (BRN) with specific goals across 6 priority sectors of energy, transport, agriculture, water, education and resource mobilization. Unlike MKUKUTA development strategies, both FYDPs and BRN offer opportunities for stronger prioritization and align well with the growing international attention to results in aid delivery.

The FYDPs have been informed by preceding analyses of the *critical growth constraints* and therefore prioritize public investment in the energy and transport infrastructure, agriculture and manufacturing to raise productivity levels (1st first FYDP 2011-2015); natural gas based and agro-processing industries and medium –technology industries (2nd FYDP 2016-2020) and improving competitiveness across all sectors (3rd and the last FYDP 2021-2025). Specific interventions such as the Special Economic Zones (SEZs), Public-Private Partnerships (PPPs) coupled with regional integration, adaptation of technological innovation and policy reforms to improve business and investment climate are all anchored within the FYDPs.

Regional integration through the establishment of Common External Tariff (CET), elimination of Non-Tariff Barriers (NTBs) and infrastructure development (road and energy) have all received considerable prioritization

in the national planning framework and resource allocation. For instance, the roads sector saw a sharp increase in domestic funding resulting into 14% expansion of the national roads network between 2008 and 2011 (URT et al, 2013). Specific non-concession loans, sovereign bond and DPs' resources from aid agencies such as Millennium Challenge Corporation (MCC) and African Development Bank (AfDB) have been largely directed towards infrastructure development. Other specific sectorial initiatives such as the Southern Agricultural Growth Corridor of Tanzania (SAGCOT) are expected to boost agricultural production by linking large agribusinesses with small holders.

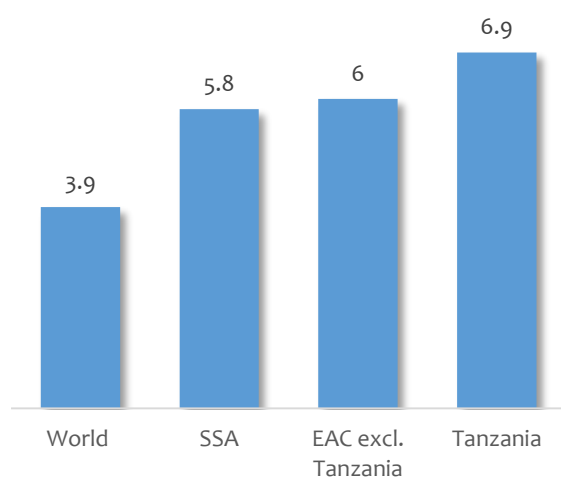
Monetary policy through a mix of instruments such as sale of government securities, foreign exchange operations, repurchase agreements and stand-by facilities (i.e. the discount window and Lombard facility) assisted in maintaining price stability in support to economic growth. Adherence to a tight monetary policy was essential particularly in the period 2011 and 2012 where the inflation rate escalated to double digits (12.6% and 16% respectively (URT, 2013)). Sectorial and macro reforms are ongoing including the implementation of a roadmap to improve the business and investment. Notably is the planned revision of the National Investment Policy (1996), the Tanzania Investment Act (1997) based on benchmarks outlined by OECD.

2.2.2 Achievements and challenges

2.2.2.1 Overall economic growth

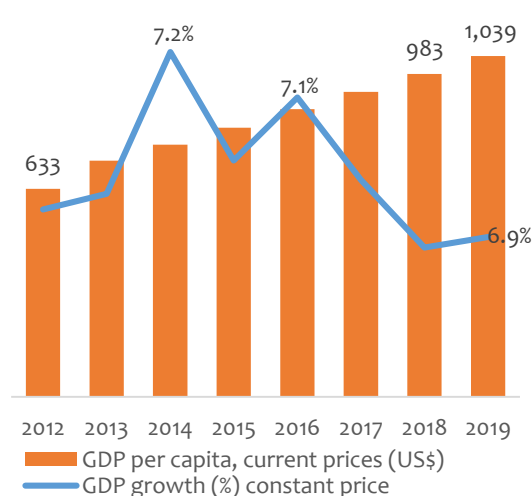
The average economic growth of 7% recorded in the past decade has been more than double the average growth of about 3% in the 1980s and 1990s. Such growth rate was well above the 6% average for SSA and EAC members and the global average of 4% (Figure 2). The 2007 rebased national accounts data does not dispute such trends¹, but reveal more volatility than previously depicted². The GDP expansion in Zanzibar matched the mainland performance with an average growth rate of 6.7% in the period 2009-2013. Despite such growth rates and based on a number of issues discussed in this chapter, Tanzania is yet to be firmly considered as a competitive and well diversified economy capable of producing sustainable and equitable growth.

Figure 2: Average GDP growth (%): International comparison



Source: IMF – WEO (2015)

Figure 3: Projected GDP growth (%) and GDP per capita (US\$)



Source: IMF – WEO (2015)

¹ The rebased national accounts data give an average growth of 6.6% from 2007-2013; while it is 6.8% from the old series.

² This higher volatility mostly reflects improvements in the methodology to measure GDP data (World Bank, 2015).

Despite the growth volatility as revealed by the 2007 rebased figures, the growth rates in Tanzania have been relatively stable when compared to most of its neighbors. Such stability is an outcome of three factors. First, the economy of Tanzania remains relatively isolated from the global economy. Despite the recent rise in the volume of international trade, Tanzania stands at 103rd out of 153 countries in the trade openness index (trade to GDP ratio). Second, incidences of volatility were confined to sectors with a limited overall impact on GDP. Third, the following five sectors: communication, internal trade, financial intermediation, manufacturing and mining that have been expanding rapidly accounted for almost 70% of overall GDP growth. If the country achieved the IMF projections of an average annual GDP growth rate of 7% in the next five years, then the middle-income status will be achieved 4 years from now in 2019 (Figure 3)³.

The most restrictive growth constraints identified in 2011 (URT and USAGOV, 2011) remain valid today from the infrastructure constraints (electricity, roads, railways, port facilities and efficiencies) to limited access to secure land rights, shortages of skilled labor, access to finance; and, weak business environment. In addition to prevailing uncertainties and risks in the global economy, then the outlook for Tanzania to grow beyond the current average of 7% in the medium term is limited.

It is worthwhile to note that the macroeconomic performance over the past two decades have significantly reduced risks and distortions in private sector operations. However, the very recent trends in the national budget (e.g. accumulation of arrears, scaling down of development expenditure, missed revenue targets, increasing debt burden through accelerated borrowing from non-concession sources and domestic market⁴ etc.) could potentially bring back the macroeconomic risks that Tanzania successfully addressed two decades ago.

2.2.2.2 Explaining the growth patterns in Tanzania

2.2.2.2.1 Supply side - economic transformation and sectorial performance

Three indicators are used to respond to the question on whether the Tanzanian economy is transforming (i) sources of rapid growth (ii) trends in the sectorial shares in the GDP and employment (iii) sectorial composition of foreign exchange earnings⁵.

Sources of growth

The 2007 rebased national accounts data shows that communication, financial intermediation, manufacturing, wholesale and retail and construction sectors have exhibited sharpest expansion in mainland in the recent years. While the financial, construction and manufacturing sectors have all expanded by more than 50% over the period 2007-2013, the size of the communication sector has more than doubled over the same period of time (Figure 4). Despite the wholesale and retail sector expanding by nearly 50%, it is a sector that is highly characterized by low-productivity and widespread informality with 40% of businesses having a survival rate of less than five years (World Bank, 2014).

The fastest growing sectors in Zanzibar over the period 2009 – 2013 include mining and quarrying (12%), trade (10%), financial intermediation (10%) and transport and communications (17%). After relative slow growth over the years, the construction sector in Zanzibar expanded at an average rate of 12% in 2012 and 2013. With relatively sluggish growth rates in other sectors such as manufacturing and disappointing growth of hotels and restaurants (within which tourism activities are embedded), the Zanzibar's economy is not expected to be transformed in

³ The June 2014 World Bank classification based on atlas method places a middle income threshold at US\$ 1,045 per capita income.

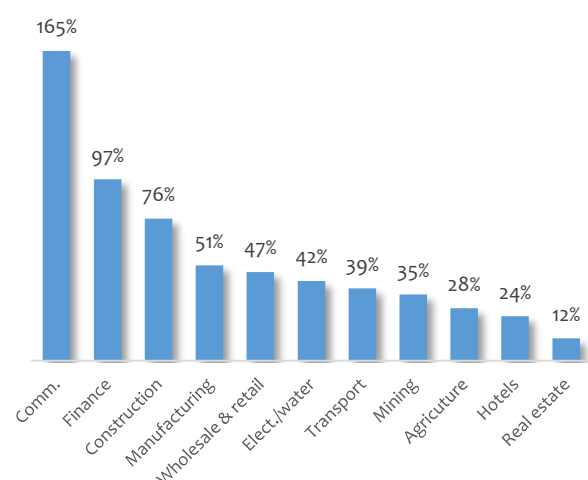
⁴ For example, domestic credit to government increased by more than 25% from June to September 2014 (from TShs 3,219bn to TShs 4,043 compared to a reduction from TShs 2,395bn to 2,360bn a year before) (World Bank, 2015). It is however worth clarifying that the current debt to GDP ratio of around 40% is acceptable by international standards, with a number of OECD countries having debt-to-GDP ratios in excess of 100%. However, the risk rests with the limited repayment space charactering most developing countries including Tanzania (e.g. fiscal constraints and difficulties in refinancing debt in financial markets at affordable cost) (World Bank 2013).

⁵ To be discussed in section 2.2.2.2.2

the medium term – unless the major oil and gas reserves are discovered. It is only fishing and trade that are marginally expanding their GDP shares unlike a number of other sectors (Figure 7).

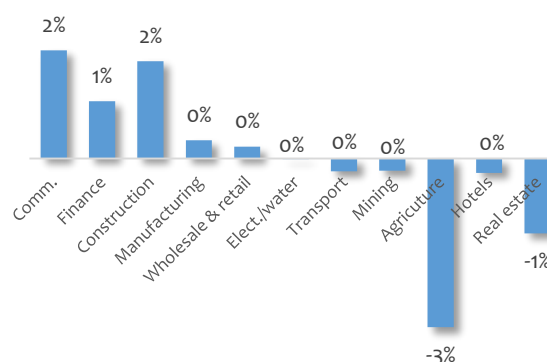
The medium term will continue to witness further expansion of the construction sector in the mainland fueled by planned large public sector infrastructure projects including the reconstruction of the Dar es Salaam port, a new port in Bagamoyo, rehabilitation of the railway, flyovers in Dar es Salaam and the construction of several private and public sector energy plants. It is worthwhile to highlight that growth prospects in the medium term are not dependent on the recent discoveries in natural gas, as incorrectly perceived by the public. The growth impact of such discoveries is expected from 2021 where the construction of the LNG plant will be completed. Managing the current expectations and temptation to heavily borrow from non-concessional sources remain a critical a critical economic governance in the medium term (IMF, 2014).

Figure 4: Growth in the level of value addition (GDP) 2007 – 2013 (Mainland)



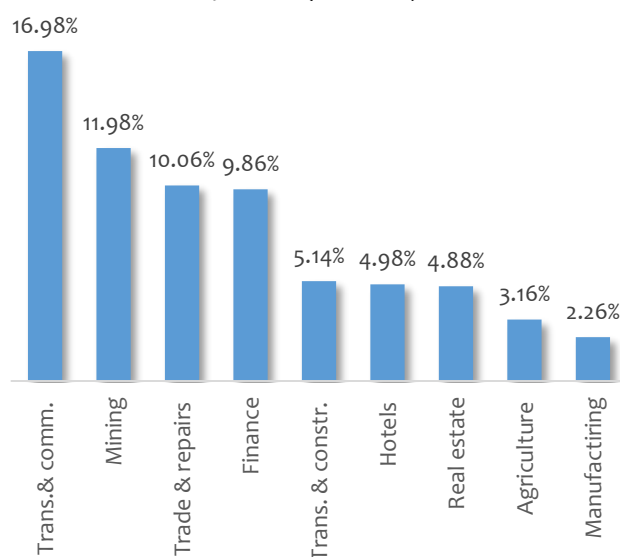
Source: URT (2013)

Figure 5: Changes in the sectorial GDP shares 2007 – 2013 (Mainland)



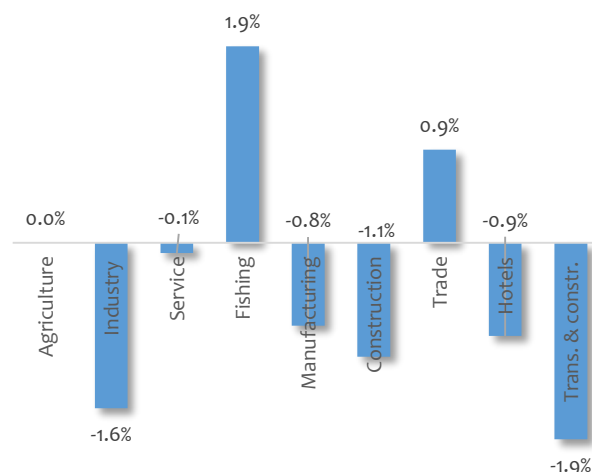
Source: URT (2013)

Figure 6: Growth in the level of value addition (GDP) 2009 – 2013 (Zanzibar)



Source: OCGS (2013)

Figure 7: Changes in the sectorial GDP shares 2009 – 2013 (Zanzibar)



Source: OCGS (2013)

Data from the fastest growing sectors in the mainland show some signs of unsustainability of the growth rates (especially when the data are broken between 2007-2010 and 2011-2013 timeframes). Over the period 2011-2013 the growth rates of livestock, manufacturing, mining and wholesale and retail trade appeared to be slowing down. The livestock sector, for instance, has lost 68% of its growth rate achieved during the period 2007-2010, while the loss in growth rates in the mining and manufacturing sectors is 11% and 36% respectively.

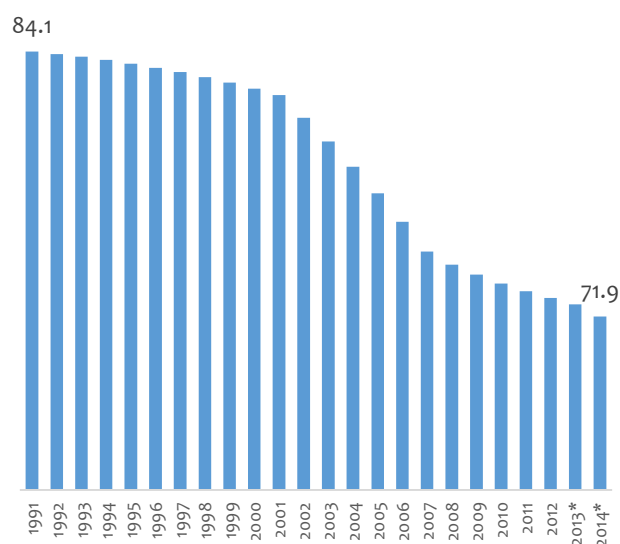
Such slow-downs signal the potential growth barriers emanating from structural bottlenecks in areas of openness, business regulations, access to finance and governance aspects (policy coherence, stability and corruption practices) which have to be addressed for Tanzania to maintain continued uninterrupted high growth rates in the medium to long run. A clear message from the experience in the mining sector is that economic development cannot be assured or accelerated by merely availability of natural resources such as minerals, oil, gas etc. Such resources can only transform an economy when the country is embedded with strong complementary institutions in the areas of policy and governance.

Trends in sectorial shares of GDP and total employment

A decline in the GDP share of agriculture (Figure 5) and a corresponding rise in the shares of modern sectors apparently confirm that structural transformation is taking place in Tanzania mainland. It is however a moderate transformation as the agriculture sector still managed to raise its level of value addition by 28% (Figure 4) and therefore limiting the extent to which its share of GDP is contracted by the fast growing service sub-sectors. The relative large size of the agriculture GDP, its continuing moderate growth and the low initial GDP base of the fastest growing sectors also explain the marginal rise in the GDP shares of the fastest growing sectors. For instance, despite expanding by 165% from 2007 to 2013, the share of the communication sector to GDP ratio increased by only 2%.

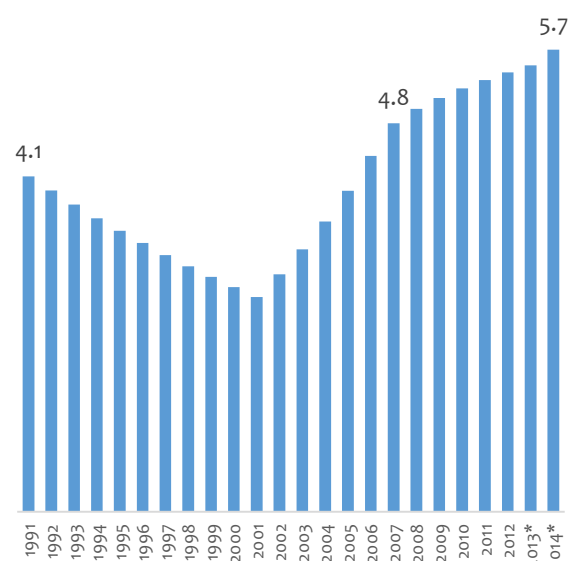
Changes in the sectorial employment shares also reveal moderate structural transformation process. The decline in the employment share of agriculture (Figure 8) is mirrored by gains in the other two sectors with service emerging as the biggest winner (Figure 9 and 10). Over the period, the employment share of agriculture declined by 12 percentage points with industry and service sectors gaining 2 and 11 percentage points. In the transformation process, the proportion of women in the two modern sectors is increasing at a higher rate than that of men (Figure 11).

Figure 8: Employment share of the agriculture sector (%)



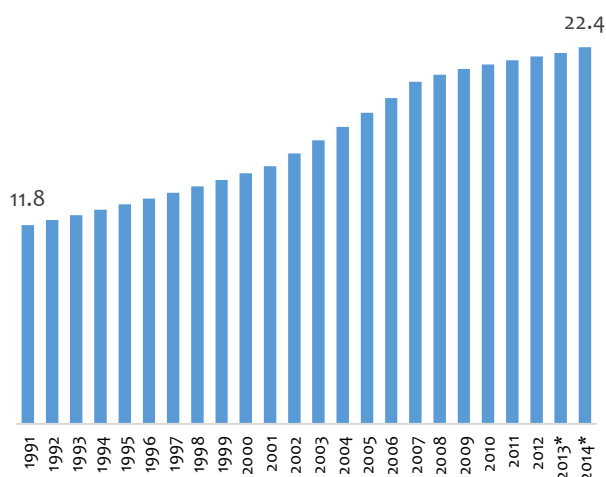
Source: ILO Employment database (2015)

Figure 9: Employment share of the industry sector (%)



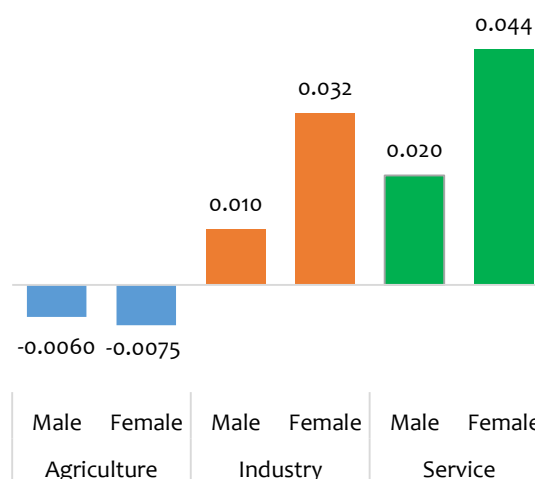
Source: ILO Employment database (2015)

Figure 10: Employment share of the service sector (%)



Source: ILO Employment database (2015)

Figure 11: Average employment growth rates across sectors 1991-2012 (%): Gender disaggregation



Source: ILO Employment database (2015)

Despite signs of transformation, there are still a number of challenges along the way. First, data on the sectorial shares of the growth (Figure 4) confirms the dominant role of labor saving capital-intensive sectors in the transformation process. Second, as in most African countries that are experiencing rapid economic growth, the Tanzania's economy is transforming into a service economy by bypassing manufacturing and heading straight into services – which is opposite to the experience of the Asian countries which managed to raise growth through industrialization and reduce poverty at the same time.

The meager increase in industry share of employment relative to the service sector is testimonial to that (see the differences in the increase in the employment shares between Figure 9 and 10). If the manufacturing sector has expanded by 51% between 2007 and 2013 (as shown by Figure 4) and its share of employment increased by only 0.9 percentage points over the same period of time (Figure 9) then it is likely that the expansion of the manufacturing sector is highly dominated by labor saving technologies. This is what Rodrick (2015) termed as premature de-industrialization that has potential significant economic and political ramifications, including lower economic growth and democratic failure.

Third, the transformation process is not based on well-connected activities. For instance, the construction and tourism sectors are largely dependent on imports of finishing materials. The local value addition in the two sectors is constrained by market conditions such as quality standards, supply chains, and capacity. For example, most of the construction materials are imported, including glass (Spain and Dubai), card locks (Sweden), and even doors (Kenya) (WTO, 2008). Fourth, the agriculture sector, which stagnated during the hardships in the 80s, is yet to gain from the current economic expansion. The sector remains weakly linked to manufacturing, tourism etc. It is heavily dependent on weather and characterized by weak extension services, inadequate infrastructure, technology, warehouse and irrigation facilities and market networks.

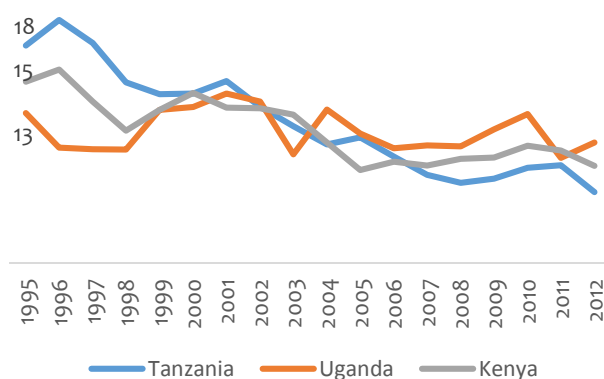
Productivity in agriculture remained at low level and unchanged for the past two decades. For instance, cereals yields has stagnated around 1.25 tons per hectare with labor productivity standing at US\$ 500 per person per year (Repoa, ESRC, UKaid and ODI, 2015). The observed moderate growth is mostly driven by the expansion of cultivable land rather than growth in productivity. There are also limited evidence of productive sectors, manufacturing for instance, diversifying through utilizing the country's diverse natural resource base (forestry, agricultural products, minerals and fisheries) and ultimately creating strong domestic value chains.

The pace of transformation could depend on the facilitating role of the financial sector. It is well documented that the reforms in the 90s have significantly raised private investment in the banking and non-banking

institutions, with the number of commercial banks reaching 52 from just 23 in 2004 accompanied by increasing number of bank branches to 559 by 2013. As a result of increased competition, the bank margins (lending rate minus deposit rate) have narrowed significantly overtime in Tanzania, more than in neighboring countries of Uganda and Kenya (Figure 12) accompanied by increasing lending to the private sector (Figure 13). However, the interest rate spread remains wide against global standards, while the lending to the private sector lags behind benchmark countries.

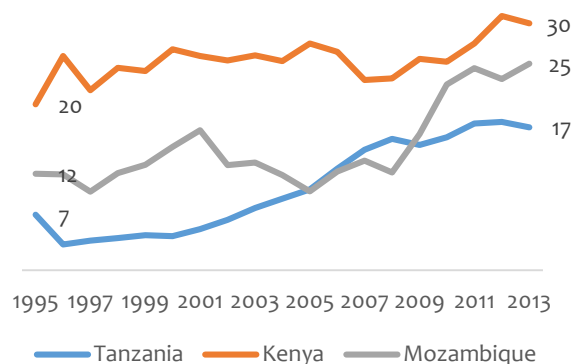
The IMF's Financial Access Indicators (FAI) further highlights positive developments. Bank branches per 1,000 km² have increased by 49% from 0.51 in 2010 to 0.76 in 2013 coupled with increasing bank branches per 100,000 adults from 1.83 to 2.56. Similarly, ATMs per 1,000 km² increased from 1.12 to 1.72 over the same period of time. Though Tanzania is lagging behind its neighbors in a number of indicators (Figure 14), noticeable trends from Figure 15 suggest that access to finance in Tanzania is growing at a faster rate than its neighbors.

Figure 12: Price indicators: Interest rate spread (%):
Regional comparison



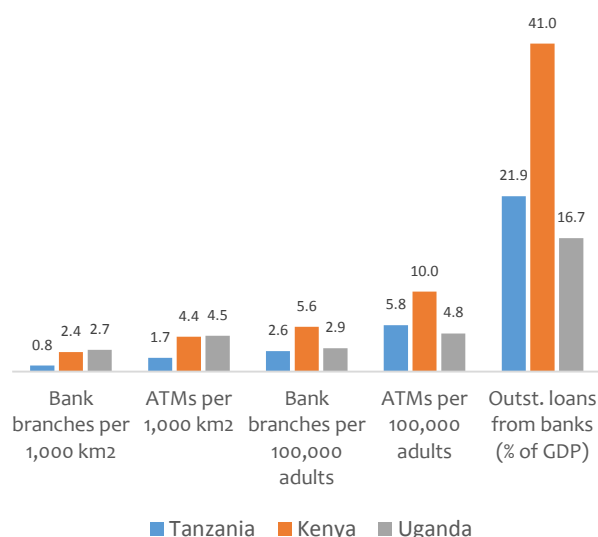
Source: World Bank – WDI (2015)

Figure 13: Domestic credit to private sector/GDP (%):
Regional comparison



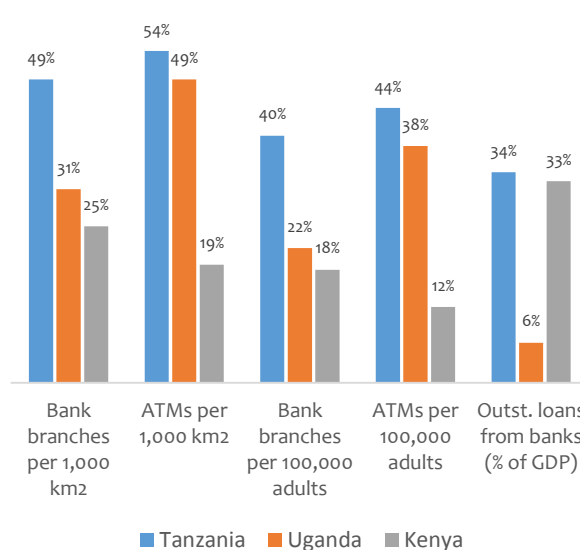
Source: World Bank – WDI (2015)

Figure 14: Access to finance indicators: Regional
comparison (2013)



Source: IMF-FAS (2015)

Figure 15: Access to finance growing faster in Tanzania
than Kenya and Uganda

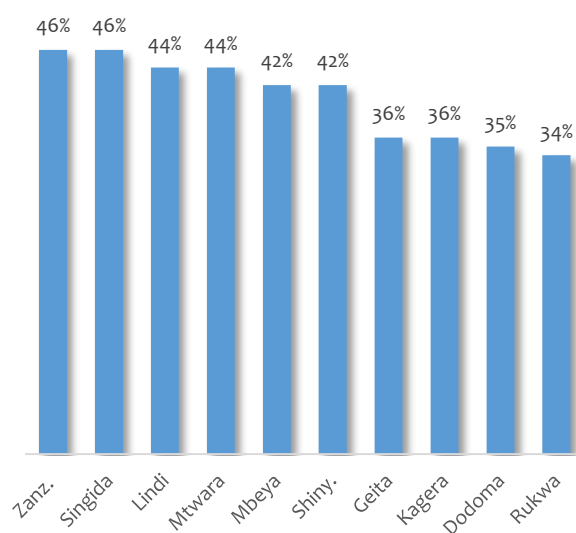


Source: IMF-FAS (2015)

Despite such progress, the sector remains relatively underdeveloped. Financial inclusion is significantly low with only 14% of the adult population maintaining bank account against 29% and 21% in Kenya and Uganda respectively. Significant gender differences persist as well with 18% of men “financially included” against 10% of women (FSDT, 2013). Regional disparities persist with nearly 50% of the adult population in areas such as Zanzibar, Singida and Lindi being completely excluded from the financial services (Figure 16). Kilimanjaro, Dar es Salaam and Njombe have the lowest levels of financial exclusion (Figure 17). In addition to limited linkages with global financial markets, the sector remains urban biased and characterized by an infant stock market and credit reference facility.

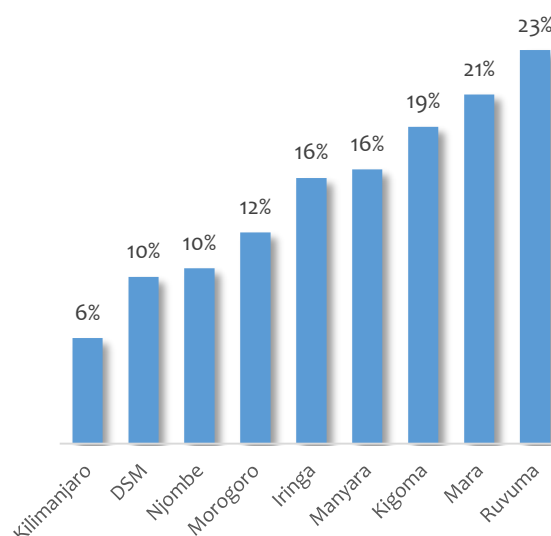
Limited expansion of the financial and insurance services beyond urban centres is compounded by dispersed rural population and weak infrastructure (roads, electricity) to attract branch expansion. In the absence of affordable and diversified products from the banking sector, most businesses in particular SMEs are inclined toward costly informal financial services⁶, where 21% of adult population in agribusiness are entirely dependent on such services (FSDT, 2013).

Figure 16: Regions with the highest levels of financial exclusion



Source: FSDT (2013)

Figure 17: Regions with the lowest levels of financial exclusion



Source: FSDT (2013)

2.2.2.2 Growth patterns on the expenditure side

Gross Fixed Capital Formation (GFCF)

Investment is one of the main determinants of long-run growth rate and productivity of an economy's and critical in sustaining growth and development (UNCTAD, 2013). Data from 1990s show that Tanzania is slowly strengthening the role of investment in the growth process, much faster than its neighbors and SSA as a whole (Figure 18). Improvements in investment rates (Figure 19) are accompanied by declining GDP share of the household consumption (Figure 20).

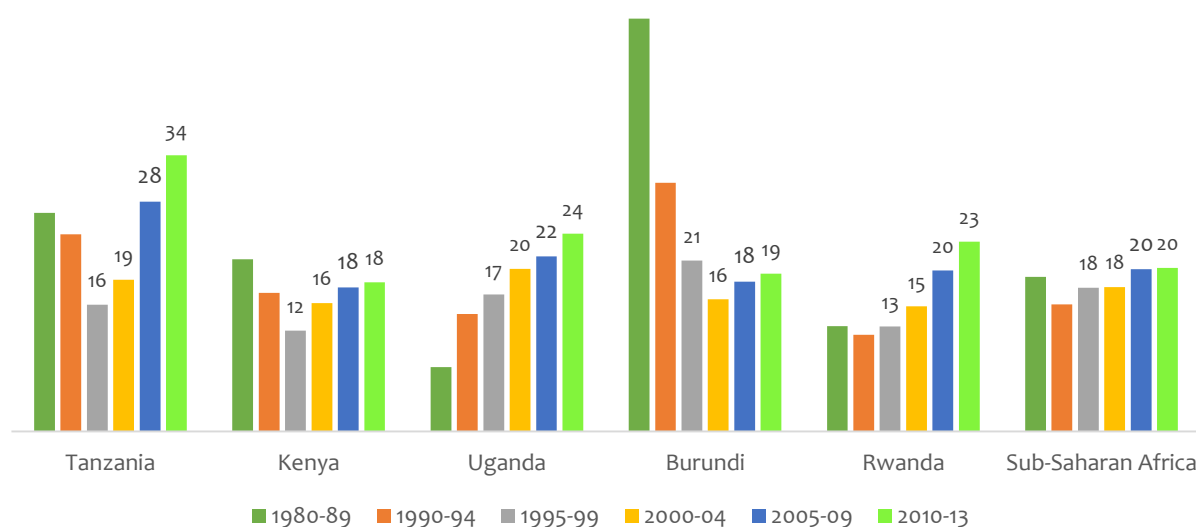
However, the full potential of investment in the growth process is constrained by relative weak business and investment environment. The country ranks 121st out of 144 economies in the global competitiveness index (WEF 2014/15) and struggle to match its strength in political stability with improved competitiveness – a prerequisite for higher investment rates. Challenging areas range from inability of the higher education and training to

⁶ High interest rates compared to the formal sector, seasonality in the availability of loanable funds etc.

produce highly skilled labor, weak efficiency enhancers and technological innovations and limited property rights to mention the least. Though progress is noted in areas such as the use of ICT, most businesses still lack sophistication necessary to modernize operations. Infrastructure bottlenecks and other growth constraints highlighted in the causal analysis section continue to make headlines. Simulations by AICD demonstrate that if Tanzania's infrastructure platforms were improved to the level of Mauritius, the country's annual per capita growth would increase by 3.4% (AICD, 2010).

Results from the World Bank report "Doing Business" 2014 further amplify WEF's findings with regards to the Tanzania's business environment in relation to the rest of the world. The country is ranking 145th out of 189 economies in 2014 for the ease of doing business dropping from 134th position in 2013. Corruption, excessive administrative burden, inconsistent and erratic changes in policies have all been unsupportive to business plans and decisions. It is however, worth noting that such constraints have heterogeneity impact depending on the type, nature, location and size of the businesses.

Figure 18: Regional comparison of investment rates (GFCF % of GDP)



Source: IMF – WEO (2015)

Household and government consumption

Despite a declining trend, which could be accounted for by persistent structural constraint such as limited access to finance, household consumption remains a dominant component of demand in Tanzania at 63% of GDP (Figure 20). With an expanding role of investment, Tanzania is therefore experiencing a change in the growth pattern away from the consumption-fueled growth, which normally results in overdependence on imports of consumer goods (particularly for countries with low manufacturing bases such as Tanzania).

The GDP ratio of the government consumption has also been on the rise, fueled by the increasing domestic revenue from 12% of GDP in 2005 to 18% in 2012 as well as increasing ODA inflows⁷. However, one of the key issues remains to be the limited efficiency of the government expenditure as has been revealed by CAG annual reports and further discussed in the Public Expenditure and Financial Accountability report (URT, 2013).

⁷ ODA as a % of GDP has been falling from the peak of 17% in 2007 to 10% in 2012. This is followed by the declining government consumption to GDP ratio from 2010-2013.

Figure 19: Investment % GDP

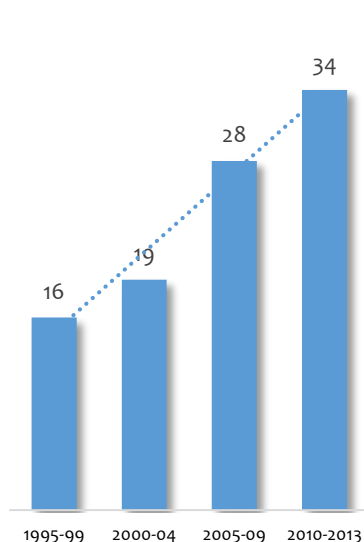


Figure 20: Household consumption % GDP

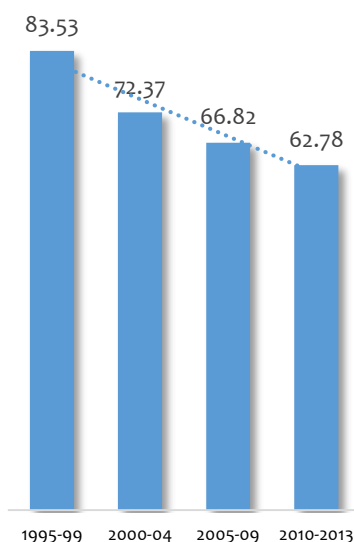
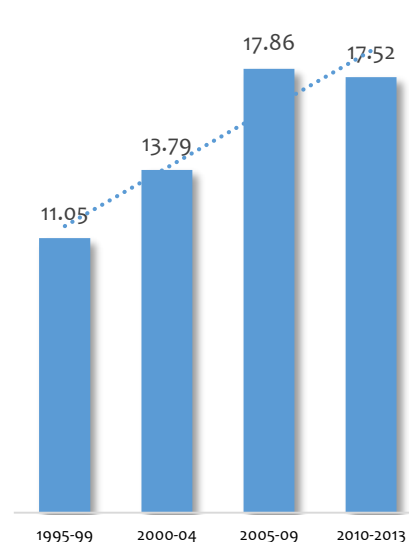


Figure 21: Government consumption % GDP



Source: World Bank – WDI (2015)

Import and export

Trade statistics highlight four major transformation trends: -

- Non-traditional exports, in particular, manufacturing merchandise have surpassed traditional exports in generating foreign exchange earnings.
- Growing diversification of trade destinations from 54 export partners in 1995 to 75 by 2013.
- Increasing diversification of exports products from 161 in 1995 to 384 by 2013.
- However, the two successes (diversification of export destinations and products) remain fragile as evidenced by the downward trends in recent years (Figure 24 and 25).
- Rising GDP shares of exports and imports over time⁸.
- Tourism is now the leading foreign exchange earner (surpassing the mining sector from 2012).

The value of the manufacturing exports shot from US\$ 196mn in 2006 to US\$ 1.7bn in 2013 more than the value of the traditional exports (Figure 22). The country has taken advantage of the regional trade protocols by destined most of its manufacturing exports to the EAC and SADC. For example, the country's merchandise exports to EAC partners rose by 62% to US\$ 512mn in 2012 from US\$ 315.6mn in 2008. Tanzania is also increasingly exploring the SADC market and has so far raised its merchandise exports to the region from US\$ 443mn in 2008 to US\$ 1.4bn by 2012.

Trade statistics show that Tanzania's exports to SADC, EAC and Asia are growing much faster than exports to traditional markets in Europe (Figure 23). The Sub-Saharan market offers significant exports opportunities for Tanzania to industrialize through manufacturing exports to the region. The region's economy is valued at US\$ 1.6tn⁹ and consists of countries with fastest GDP growth rates in the world and an average GDP per capita of US\$ 1,657. Despite noted progress in merchandise exports, the manufacturing sector remains weakly developed and inadequately integrated into the diversified global economy. For instance, the domestic value addition to exports from Tanzania remains relatively low compared to its neighbors. Analysis by REPOA et al. (2015) shows that the

⁸ Exports and imports values have also increased by more than 50% between 2007 and 2013, with exports raising its share of GDP from 31% in 2007 to 34% in 2013. The share of import to GDP remained unchanged over the same period.

⁹ World Bank – WDI 2014

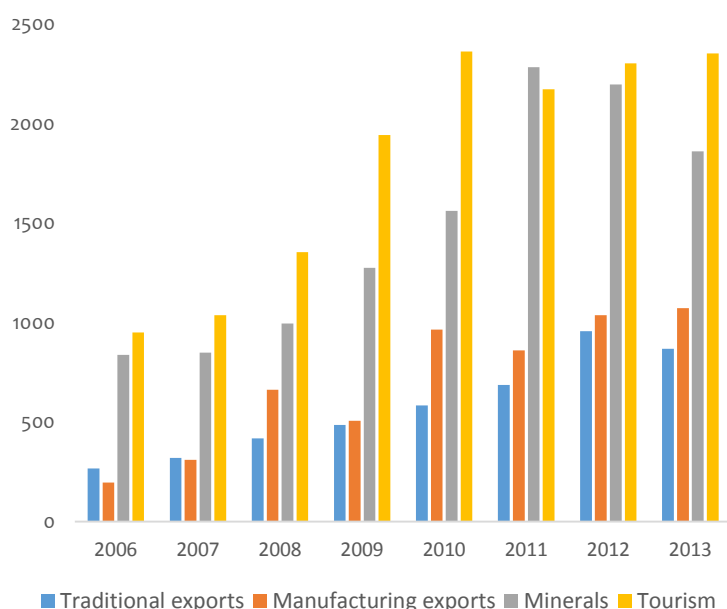
annual growth rates of the local content is 5.4% in Tanzania far behind 15.9% (Zambia), 10.9% (Uganda) and 8.8% (Kenya)¹⁰.

Increasing diversification of export products and their destinations is evidenced by the trends depicted in Figure 24 and 25. Despite such successes, the country remains behind its neighboring Kenya who exports 788 products to 99 countries against Tanzania's 384 products to 75 countries. Furthermore, Figure 25 highlights a declining number of export products in recent years from the peak of 425 products in 2008 to 384 in 2013. In other words, Tanzania has exported 41 products less between the two periods. It is either the country is losing comparative advantages in some of its export products or the weak business and investment environment is slowly becoming a limiting factor to the sustainability of the export growth the county has witnessed in the last two decades. Further investigations could however provide solid insights behind the observed trends.

It is clear from a number of perception surveys and studies that for Tanzania to further expand its export businesses, then the widely known infrastructural bottlenecks need to be addressed. The World Bank (2013) shows that in spite of Tanzania's favorable geographic position, it costs 60% more to trade between Tanzania and China, than between Brazil and China where the distance is two-fold. Unreliability of energy supply is also a significant challenge with the country scoring 2.3 out of 7 in the competitive index on quality of electricity supply. It is estimated that Tanzania's producers are on average losing 17% of sales due to electricity outages (World Bank, WDI 2014).

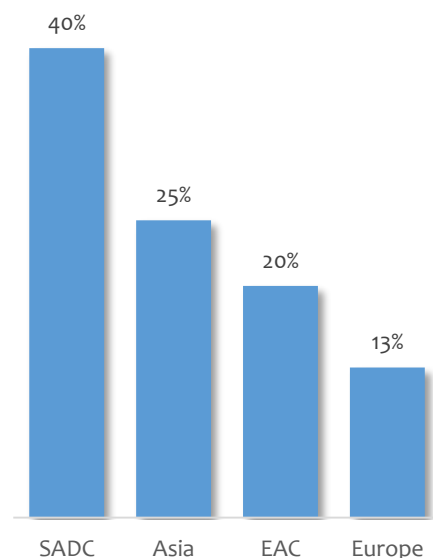
Infrastructure facilities are not only insufficient but also inefficient. The World Bank report (2013) shows that container vessels transporting imported merchandise were on average queuing for 10 days to berth at the Dar es Salaam port (a port where approximately 90% of Tanzania's international trade passes) compared to less than a day at the port of Mombasa in the neighboring Kenya. The international standard is two days. Such inefficiencies at the Dar es Salaam port cost the economy about 7% of GDP.

Figure 22: Sectorial trends in forex earning in Tanzania



Source: URT (2013)

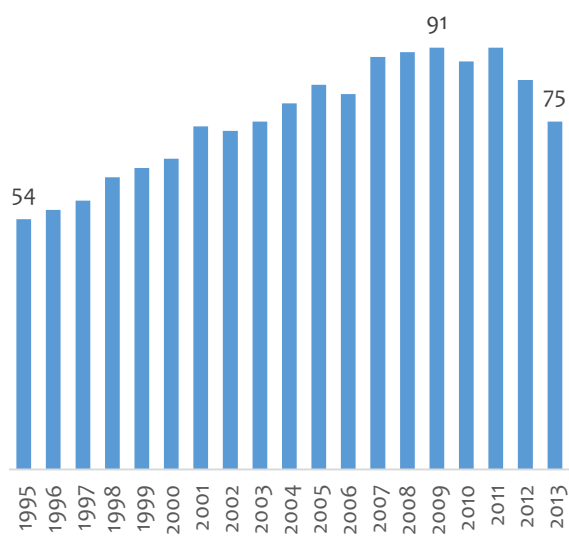
Figure 23: Exports to SADC display fastest growth rate in the past 5 years



Source: URT (2013)

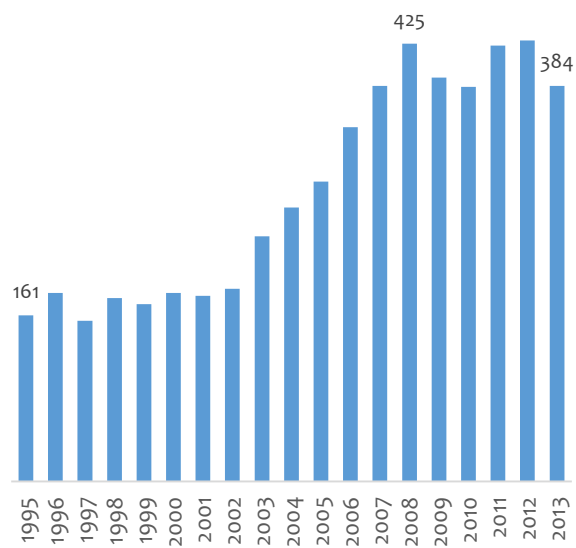
¹⁰ Despite bringing in much foreign exchange, the tourism sector supports limited value addition at the local level (see the tourism chapter for such discussion).

Figure 24: No. of Tanzania export destinations



Source: World Bank – WITS (2015)

Figure 25: No. of products exported by Tanzania



Source: World Bank – WITS (2015)

2.2.3 Causal analysis of key challenges: Economic growth and transformation

Challenges	Immediate causes	Underlying causes	Root causes
1. Infrastructure bottlenecks, particularly transport (road, railways and port infrastructure) and energy.	Energy infrastructure:		
	<ul style="list-style-type: none"> National grid covering small part of the country. Inadequate and unreliable supply of electricity Frequent power outage. Distribution and transmission losses. Low level of access and use of modern source of energy. 	<ul style="list-style-type: none"> Delayed/ underinvestment/ insufficient public sector investment in the sector. Underpricing and inefficient collection of revenue. 	<ul style="list-style-type: none"> Years of poor planning and governance of the sector. Limited diversified sources of energy. Years of overreliance of hydro source of energy. Years of government monopolizing the sector.
	Ports		
	<ul style="list-style-type: none"> Increased congestion and ‘dwell time’, at the berth. Series and slow processing, particularly on customs clearances, and excessively long storage periods. Higher port tariffs than in Mombasa. 	<ul style="list-style-type: none"> Insufficient infrastructure capacity at the port of Dar es Salaam (insufficient berth points and modernization, freights stations, old or too few equipment) Operational inefficiencies of the port (outdated standards operating procedures, coordination failures) 	<ul style="list-style-type: none"> Delayed/insufficient public sector investment in the sector. Limited enthusiasm for reforms due to benefits associated with the current inefficiency of the port.
	Railways		
	<ul style="list-style-type: none"> Unreliable and poorly maintained rail network. 	<ul style="list-style-type: none"> Poor truck conditions means that speed restrictions are imposed on many sections of the rail network leading to long delays. 	<ul style="list-style-type: none"> Delayed/insufficient public sector investment in the sector.
	Road infrastructure		
	<ul style="list-style-type: none"> Poor state of rural and tertiary roads connecting high production areas to markets. 	<ul style="list-style-type: none"> Insufficient investment that do not meet the needs of the growing economy. 	<ul style="list-style-type: none"> Limited financial resources and insufficient allocations from central government and insufficiency

3. Relative limited access to finance that would facilitate resource allocation, greater diversification and risk sharing.	<ul style="list-style-type: none"> • Low density of paved roads. • Disparities in infrastructure distribution – urban/rural, regional differences. 	<ul style="list-style-type: none"> • Poor engineering quality of the invested infrastructure. • Lack of social inclusion and gender considerations in infrastructure development e.g. disability, elderly, pregnant women, children). 	<ul style="list-style-type: none"> revenue from fuel levy to cover maintenance costs. • Deteriorating railway conditions has contributed to switch from rail to the road for many shippers and therefore increase the maintenance costs. • Lack of inclusive decision-making and accountability mechanisms.
	<ul style="list-style-type: none"> • High cost of borrowing from the financial sector. • Limited access especially to SMEs. • Increase use of imperfect and costly informal financial services. • Financial institutions concentrating in formal urban/modern sector. • Low utilization of banks (individuals having bank loans standing at 7% (with marginal gender differences)¹¹. • Rural-urban and gender gaps in access to finance. Large parts of the country are un-served. • Limited access to credit from formal institutions by women, youth and people with disability. 	<ul style="list-style-type: none"> • High risk spread (lending minus deposit rates). • Limited outreach of the financial institutions and business development services providers especially in rural areas. • Lack of credit guarantee schemes to mitigate the risk of operating in rural and remote areas. • Costly access to markets in distant rural areas. • Complicated loan approval process and demand for collaterals. • Limited diversified financial/insurance products and institutions (e.g. for long term financing) & frameworks to use fixed or movable assets as collaterals. 	<ul style="list-style-type: none"> • Limited credit information and expertise (infant credit bureau). • Lack of basic infrastructure in rural areas including electricity and roads. • Low density of potential customers especially in rural areas. • Limited innovations (including gender sensitivity) and competition in the financial sector.

¹¹ World Bank Findex (2011)

		<ul style="list-style-type: none"> • Lack of social inclusive and gender responsive financial and credit systems. 	
3. Weak business environment.	<ul style="list-style-type: none"> • Complicated customs procedures and high transaction costs of meeting tax obligations. • High cost of investing and doing business (no. of days in registering a property etc.). • Unpredictable policy environment (e.g. frequent bans on exports of food crops based on the concerns over food security). • Uncertainties and ambiguity on land use rights. 	<ul style="list-style-type: none"> • Registering property, dealing with construction permits, getting credit, protecting minority investors, paying taxes, trading across borders. • Lack of efficient and timely access to secured land rights especially for women and youth and constrained land markets. • Weak professional and skills development in the education system. 	<ul style="list-style-type: none"> • Weak institutional capacity to comprehensively and effective implementation of necessary reforms (URT, 2011). • Lack of favorable market conditions such as quality standards, supply chains, and capacity.
4. Heavy reliant on few sectors, commodities and Limited participation in the regional and global value chains.	<ul style="list-style-type: none"> • Weak development of productive sectors. • Limited local value addition. • Limited sectorial linkages. • Weak competitiveness of the economy. • Vulnerability to external shocks. 	<ul style="list-style-type: none"> • Deficiencies in knowledge and technological expertise. • Weak supportive facilities (insurance, financial, marketing, technology). • Limited capacity for gender responsive economic growth - policies & strategies. • Lack of recognition of contribution & costing of the care economy. 	<ul style="list-style-type: none"> • Weak human resource base. • Lack of favorable market conditions (quality standards, supply chains). • Unequal regional and international trading relations. • High cost of investing & doing business. • Lack of gender aware macro-economic frameworks –investments, markets, stocks.

2.3 Poverty reduction

2.3.1 Introduction

Poverty is the outcome of many distinct but related processes in society that culminate in an inability to meet basic needs, to access essential services and to achieve human rights. The distribution of poverty among regions and population groups gives rise to inequality. Economic growth is a necessary but not sufficient condition for equitable and shared prosperity. The equitable distribution of any resulting benefits requires pro-poor and gender responsive strategies targeting those in poverty. In turn, well thought out investments aimed at critical bottlenecks in poverty reduction can make a direct contribution to economic growth and social justice. The return on investment from targeting issues such as low productivity in agriculture and quality education can be substantial.

Tanzania has a long history of people-centered development. The Arusha Declaration (1967) placed egalitarianism and social development in the forefront of thinking and planning. More recently, Tanzania Development Vision 2025, among others, visualizes high quality livelihoods and the eradication of extreme poverty as key goals. In Vision 2020, the Government of Zanzibar has dedicated itself to achieving similar goals. In line with these plans, development is to be people centered and based on shared and sustainable growth.

This emphasis was reinforced when the Government adopted the Millennium Declaration (MD) and the eight Millennium Development Goals (MDGs). The ultimate intent of the Millennium Agenda (MA) was to sharply reduce poverty and overcome some critical bottlenecks in order to achieve freedom from hunger and assure access to life saving health care and education. Poverty in Tanzania has declined significantly since 1967 and there has been notable progress towards many of the MDGs. However, despite impressive recent growth over the last decade averaging more than 7 per cent per annum, poverty in both mainland Tanzania and Zanzibar remains at unacceptably high levels.¹²

2.3.2 Poverty and inequality in Tanzania

Using Household Budget Survey data it can be seen that there is a steady decline in poverty incidence between 1991 and 2012 — from 38.6% to 28.2%. This should be seen against the MDG target of 19%. By 2015, however, the absolute number of people living in poverty had steadily increased from 11.5mn in 1991 to 13.2mn in 2012. At the same time the rate of food poverty or extreme poverty was calculated at 9.7 per cent in 2012. In the case of Zanzibar, basic needs poverty was estimated at 44.1% against an MDG target of 30.5% while food poverty declined marginally from 13.14% in 2004/5 to 13.04% in 2011/12.

Various assessment approaches suggest that while 72% of Tanzanians are considered non-poor only 36% are living a life of non-poverty, as characterized by access to at least 6 of the 9 determinants of deprivation.¹³ It also suggests that many Tanzanians are living close to the borderline and are vulnerable to unforeseen events that could push them back into poverty.

¹² There are two main sources of data employed for the measurement of poverty in Tanzania. The Household Budget Survey (HHBS) compiles data on two types of income-based poverty. The first is food poverty based on the income required to purchase sufficient food for adequate nutrition (roughly 2100 kcal per day) while the second, more widely used indicator, is basic needs poverty which adds the cost of other essentials including clothing and shelter. Tanzania uses a national basic needs poverty line that differs from the globally used poverty line of US\$1.25. The basic needs poverty line was estimated at 36,482 Tanzanian shillings per adult per month and 26,085 Tanzanian shillings for the food poverty line. This is the standard approach to assessing progress in poverty reduction. The Multidimensional Poverty Index (MPI) is a broad measure of poverty that measures a wider range of deprivations. These include: years of schooling, school attendance, child mortality, nutrition, electricity, improved sanitation, safe drinking water, house flooring, cooking fuel and ownership of assets. A similar methodology named Multiple Overlapping Deprivations Analysis (MODA) has been used to measure child poverty. This approach uses an operational measure of poverty based on deprivation of seven basic human needs: nutrition, health, shelter, water, sanitation, education and information. It should be noted that due to the different methodologies used these two approaches are not strictly comparable. Also while the HHBS approach is done internally, the MPI and MODA approaches are usually externally driven.

¹³ Using MPI methodology, poverty in mainland Tanzania is estimated at 64 per cent while severe poverty at 31 per cent. A household is classed as being in “severe poverty” if they are deprived in over 50 per cent of indicators (after weightings have been applied), as “poor” if they are deprived in over 33.3 per cent of the indicators, and as “vulnerable” if they are deprived in between 20 per cent and 33.3 per cent of the indicators.

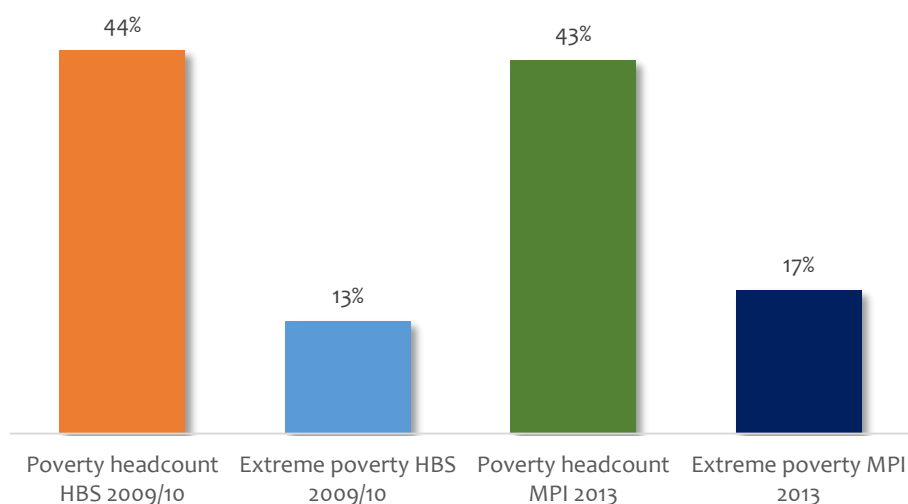
A 2009 report on child poverty indicates that although Tanzania has made positive strides towards achieving health and education goals, child poverty and deprivation remain high, as does inequality. Approximately half (48%) of all children in rural Tanzania suffered three or more severe deprivations, of which water and shelter deprivation were most common; 78% of all children suffered severe shelter deprivation and 63% severe water deprivation. Estimates for 2007 suggested that roughly 6mn children aged 10-14 lived below the basic needs poverty line while 3mn lived below the food poverty line (NBS/REPOA/UNICEF).

2.3.3 Poverty and inequality in Zanzibar

Two official measures of poverty are used in Zanzibar: food poverty (which measures the inability to meet minimum food consumption needs), and basic needs poverty (which measures the inability to meet a broader range of basic consumption needs, including clothing, shelter, etc. as well as food). The food poverty line was set at TSh.960 per adult equivalent per day in 2010, while the basic needs poverty line was set at TSh.1, 465, or approximately one US dollar a day. The food poverty rate – a measure of extreme poverty – remained unchanged at 13% between 2005 and 2010, partly because high food price inflation (which averaged 14% per annum) made food unaffordable for low-income consumers whose incomes did not keep pace with rising prices. However, the basic needs poverty rate – a measure of moderate poverty – fell from 49.1% in 2005 to 44.4% in 2010, despite Zanzibar’s strong economic growth performance during this period (MDG Report, 2014)

In the case of Zanzibar, the two measures indicate small variations. The graphic below shows that the incidence of poverty according to MPI is 43.3% compared with 44.4% reported by the HBS poverty headcount (Figure 26). The MPI indicator further reveals that the proportion of the population in extreme poverty in Zanzibar is 16.6% compared to the 13% reported by HBS data.

Figure 26: Status of poverty by HBS and MPI, Zanzibar



Source: URT and UNDP (2014)

2.3.4 Location of poverty

Poverty reduction has been overwhelmingly focused on Dar es Salaam (Table 1), reflecting investment in fast growing sectors such as mining, construction and services including tourism, transportation and communication, all of which are largely urban centered. However, these sectors have limited linkages with rural economies and are more capital than labor intensive. Relatively less investment has gone into addressing challenges in rural areas where the majority of the poor live. Of the 13.2mn people estimated to be living in poverty, roughly 11.1mn are in rural areas.

Table 1: Poverty incidence since 1991 (%)

	1991	2001	2007	2012
Dar es Salaam	28.1	17.6	16.0	4.2
Other Urban	28.7	25.8	24.2	21.7
Rural	40.8	38.6	37.4	33.3
Tanzania ML	38.6	35.6	33.4	28.2

Source: URT (2013)

The number of poor people in mainland Tanzania increased between 2001 and 2012 (Table 2)

Table 2: Increase of people in poverty between 2001 and 2012 (mn)

	Population (TZ ML)	Poverty rate (%)	People in poverty
2001	32.4	35.6	11.5
2007	38.3	33.4	12.8
2012	46.9	28.2	13.2

Source: URT (2013)

Likewise, the total number of poor people in Zanzibar increased between 2005 and 2010. The basic needs poor rose by 24%, from 518,000 to 644,000, while the food poor rose by 59%, from 139,000 to 221,000.

Table 3: Distribution of extreme poverty in Tanzania Mainland

Dar es Salaam	Other urban	Rural	Tanzania ML
1.0%	8.7%	11.3%	9.7%

Source: URT (2013)

We can see from the Table 3 that extreme poverty on aggregate is 11 times greater in rural areas than in Dar es Salaam. Economic and social transformation requires urgently addressing this imbalance. Living standards in rural areas are significantly worse than those of urban households. For example, while the use of electricity has doubled from 10% in 2002 to 21% in 2012, usage in rural areas is still only at 8% (compared to 49% in urban areas). While 88% of urban residents have access to clean and safe water, only 46% of rural residents do. Overall, only 13% of Tanzanian households have access to improved sanitation facilities. Of this 34.2% in urban areas have access compared to 8.3% in rural areas (Table 4).

Table 4: Non-monetary indicators of poverty showing rural/urban gap (% having access or use)

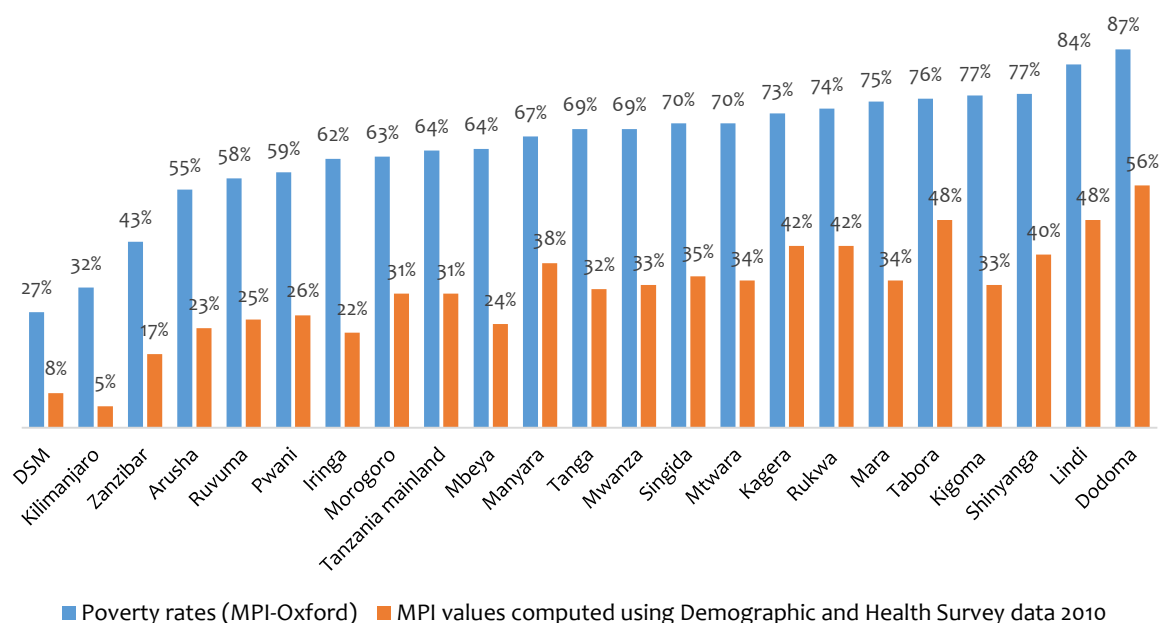
	Electricity usage	Safe clean water	Improved sanitation	Modern roofing	Sand flooring
Tanzania ML	21	59	13.9	66	61
Urban	49	87.6	34.2	93	22
Rural	8	45.4	8.3	53	80
Zanzibar	43	85	38	81.4	38
Urban	75	96	56.1	96.8	6.6
Rural	17	77	22.6	69	47

Source: Compiled from data available in HHBS and Census 2012

2.3.5 Regional dimensions of poverty

Poverty in regions of mainland Tanzania, according to MPI, is presented in Figure 27 below which shows that. Dar es Salaam, Kilimanjaro and Arusha are the most prosperous regions in Tanzania. The regions with the highest poverty levels are Dodoma, Lindi and Tabora.

Figure 27: Disaggregated regional poverty rates



Source: URT and UNDP (2014)

Overall, the data indicates that across all measures people in the semi-arid Central Zone are the most deprived with those in Lake and Western Zones not far behind. For example, it is estimated that only 3% of the population in Dodoma, Tabora and Singida are neither poor nor vulnerable to falling into poverty while those in the Eastern and Northern Zones and Zanzibar are better off. The better off regions include vibrant economic centers such as Dar es Salaam, Morogoro, Tanga, Kilimanjaro and Arusha. Based on the available data it is also clear that deprivation in health and education is much lower than that in living standards.

2.3.6 Zanzibar location of poverty

Poverty is much higher in rural than in urban Zanzibar (Table 5) and is geographically concentrated, being higher on Pemba than Unguja. Across Zanzibar's ten districts, the basic needs poverty headcount in 2010 ranged from a low of 28% (Mjini Magharibi) to a high of 75% (Micheweni). The range of food poverty rates across districts is also extremely wide, from 4% in Kusini to 28% in Micheweni. In almost all districts, the basic needs poverty headcount fell between 2005 and 2010, but in 4 out of 10 districts, food poverty increased over these 5 years – in Mkoani, for example, food poverty tripled from 7% to 21%.

Table 5: Poverty rates in Zanzibar

	Urban	Rural
Basic needs poverty	36%	51%
Food poverty	8%	17%

Source: URT (2014)

The population of Zanzibar is urbanizing: the proportion living in urban areas rose from 39.4% in 2005 to 42.9% in 2010. There is also an urbanization of poverty in Zanzibar –during those five years the number of poor people living in rural areas did not change (65%), but the proportion of people living in basic needs poverty in urban areas rose from 32.5% to 35.1% over the same time period.

2.3.7 The faces of poverty in Tanzania

Data from HHBS 2011/12 show a clear correlation between household size and degree of poverty (Table 6).

Table 6: Poverty by household size

<i>Number of Children</i>	<i>Percentage in Poverty</i>
None	19.8%
1 child	23.2%
2 children	30.3%
3 or more children	40.8%

Source: URT (2014)

2.3.8 Female headed households

Female-headed households increased from 18% of the total in 1991/92 to 25% of the total in 2011/12. In Tanzania, female-headed households average 7.3 members compared to 3.5 for male-headed households. As noted above, the 2011/12 Tanzania Household Budget Survey has shown that poverty rate increases with household size which implies that female headed households are more likely to be poor compared with male headed households (Census 2012). In Zanzibar almost one household in four (23%) is female-headed, but there were no statistically significant differences in the incidence of poverty between female- and male-headed households in either 2005 or 2010. Another related gender dimension is the phenomenon of unpaid work largely performed by female members of the household in both the formal and informal sectors of the economy.

2.3.9 Key achievements

- As noted above there has been a steady decline in poverty rates.
- Poverty remains a key policy priority for the Government.
- Several promising initiatives aimed at poverty reduction are currently underway.

2.3.10 Key challenges

- Slow decline in poverty rates leading to an increasing number of people living in poverty.
- Greatest incidence of poverty has been in the Central and Southern Zones.
- Women and children have suffered disproportionately from the effects of poverty.

2.3.11 Analysis

There are many possible reasons why rapid economic growth may not result in rapid poverty reduction. According to the World Bank, for example, highly skewed income distributions make it difficult for the benefits of growth to trickle down. However, this might not apply in the case of Tanzania since the Gini coefficient is relatively low at 0.35 and lower than both Uganda and Rwanda who have both experienced rapid growth along with poverty reduction. A second more plausible explanation relates to the pattern of growth i.e. when growth is concentrated in sectors that are capital intensive and not located where the majority of the poor live. A third explanation by the Bank concerns market failure when, for example, the equilibrium level of wages is too low to facilitate an escape from poverty. The second and third explanations resonate in the case of Tanzania.

A series of analyses published by Nkuku na Nyota Publishers in Dar es Salaam point to a range of factors keeping people in poverty or driving them into poverty. These include: property grabbing, alcoholism, old age, divorce, serial polygamy, bad weather, disease and low wages for casual labor on which an increasing number of rural households depend on for survival. (Kessey et al. 2013). These studies also point to the lack of opportunities for escaping from poverty. For example, policy focus at the national level has focused more on production and less on marketing.

2.3.12 Causes of the persistence of poverty

The most immediate causes of household poverty are insufficient income going to poorest households and poor social outcomes in the form of illness and poor education status. Low incomes result from low productivity in agriculture but also from low wages, which do not keep pace with inflation. In addition, lack

of recognition and accounting for unpaid work by women and girls is another factor contributing to the persistence of poverty.

These in turn are caused by underlying causes including lack of employment opportunities, low wages, severely limited access to credit in the informal sector, low productivity in the agricultural sector and limited access to quality basic social services including lack of nutrition education leading to poor feeding practices and limited health seeking behavior, low use of ante- and post-natal care services and limited child protection services. This situation leaves households vulnerable to shocks caused by the absence of a comprehensive social protection system.

Root causes of the situation include insufficient budget allocations to the social sectors, limited availability of tax revenues, differential allocations to Local Government Authorities, harmful customs and traditional practices especially affecting women and girls and challenges in Governance. Women are disproportionately affected due to their relative limited access to and ownership of household resources, a situation that is compounded by limited adoption of a rigorous gender analysis is poverty discourse and poverty reduction implementation at macro, meso and micro levels.

Capacity gaps identified include significant gaps in implementation capacity at the Local Authority level (including gender analysis and mainstreaming approaches), inadequate resources, low wages leading to lack of motivation, access to credit by MSMEs.

2.3.13 Policy implications

- Capacity of Local Government Authorities particularly in the poorest regions in the Central, West and Lake Zones, must be increased as a matter of urgency.
- Accelerated investment in productivity enhancing measures particularly aimed at agriculture.
- Investments in improving quality of education and its relevance to the labor market.
- Well-designed, targeted and implemented Social Protection Programs.
- Improved Governance in all sectors to ensure that leakages are eradicated and that funds allocated are spent and accounted for.

2.3.14 Causal analysis of poverty challenges: Poverty

Challenges	Immediate causes	Underlying causes	Root causes
1. Slow reduction in poverty rates	<ul style="list-style-type: none"> • Slow growth in formal sector employment opportunities • High reliance on low productivity, slow growing agriculture • Low productivity and incomes in the informal sector • Limited emphasis on agro-processing and value chain addition • Lack of accounting/recognition of unpaid <i>care</i> work, mainly done by girls and women in formal and informal sectors 	<ul style="list-style-type: none"> • Poor Quality and limited relevance of education for the labor market • Insufficient investment in agricultural infrastructure • Unavailability of key agricultural inputs • Limited capacity of Local Government Authorities • Insufficient access to credit and/or working capital for both small holders and micro entrepreneurs • Insufficient access to information or training for smallholders or micro-entrepreneurs • Fast growing economic sectors are capital intensive and have limited linkages to other sectors • Unequal access and control over resources between women and men • Limited capacity and accountability for social inclusion and gender responsive planning and budgeting. 	<ul style="list-style-type: none"> • Inadequate conceptualization, planning and resources for increasing quality of education • Insufficient budget allocation to poverty reduction initiatives • Limited application of pro-poor and gender responsive growth policies • Insufficient investment in productivity enhancing measures in agriculture • Insufficient political clout of rural smallholders • Insufficient investment for inclusive and gender responsive health and education • Insufficient institutional financial support for enterprises of the poor notably in the MSME sector • Lack of a strong voice speaking on behalf of smallholders • Absence of adequate inclusive and gender responsive job creation strategies

Chapter 3: Economic Thematic Areas

3.1 Agriculture and food security

3.1.1 Introduction

Agriculture has potential to be the main driver of the Tanzanian economy. At present, it provides 75% of employment, 25% of GDP (BRN 2015), 30% of exports and 65% of inputs to the industrial sector. However, these outputs are far below potential. Tanzania has 44mn hectares of arable land, of which only 27% is under cultivation. The vast majority of participants in the sector are small-scale subsistence farmers owning less than four hectares of land relying on rain-fed agriculture and low-level technology. The country has vast tracts of largely idle and unproductive land.

Agriculture is undergoing radical transformation to attract and increase investment to increase productivity and output and, ultimately, its growth rate. Part of this transformation is creating a greater role for the private sector. The Big Results Now (BRN) initiative is fast-tracking the land acquisition process, with a total of 80,000 hectares entrusted to the Tanzania Investment Centre (TIC) for fielding expressions of interest from investors for land grants (Grow Africa p. 159).

On aggregate, increases in production have kept pace with population growth and food imports have been limited. Agricultural campaigns have boosted the amount of land under cultivation as well as boosting the availability of key inputs. However, access to and lack of diversity of food has been an issue contributing to poor household food security and malnutrition.

3.1.2 The planning framework

KILIMO KWANZA is Tanzania's overall framework for achieving transformation of the agricultural sector. It provides the framework for national coordination of resources, planning and accountability for implementation of agricultural transformation efforts. It enhances strong private sector participation as a key strategy towards the realization of agricultural goals. KILIMO KWANZA has a strong focus on pro-poor growth.

Tanzania committed to implement the Comprehensive Africa Agriculture Development Programme (CAADP) by signing a national CAADP compact in July 2010. The country then developed the Tanzania Agricultural and Food Security Investment Plan (TAFSIP) which was officially launched in November 2011. TAFSIP is a 10-year (2011/2012 - 2020/2021) sector wide mechanism for promoting investments in the Tanzanian agricultural sector within the CAADP framework. The plan identifies seven priority investment areas: (1) irrigation development and sustainable water resources and land use management; (2) agricultural productivity and commercialization; (3) rural infrastructure, market access, and trade; (4) private sector development; (5) food and nutrition security; (6) disaster management and climate change adaptation and mitigation; and (7) policy and institutional reforms and support.

Implementation of the range of agricultural policies, strategies, and commitments that fall under TAFSIP is done through a number of programs, including the Agricultural Sector Development Programme (ASDP) for the mainland and the Agricultural Sector Strategic Plan (ASSP) for Zanzibar. Several synergistic initiatives that add value to the efforts under the ASDP and the ASSP include the Southern Agriculture Growth Corridor of Tanzania (SAGCOT), the agriculture component of the Big Results Now (BRN) initiative, and a number of donor-funded initiatives. Several agricultural projects implemented by nongovernmental organizations (NGOs), individual farmers, civil society organizations, and private firms also contribute to food and nutrition security and poverty reduction in Tanzania.

With regard to financial commitments to agricultural development activities in Tanzania, the government is committed to increasing spending in the agricultural sector. The nominal sector budget has increased from less than 3% of the total annual budget in 2002/2003 to close to 8% in 2010/2011. However, agricultural funding has not increased consistently over time, with some fluctuations being observed. Moreover, despite the CAADP commitment made by the government to allocate at least 10% of the total annual budget to the

agricultural sector, the target has not yet been met. Moreover, on average only 80% of the approved annual sectorial budget is spent.

3.1.3 Agriculture

Agriculture supports about 80% of the mainland rural population and plays a critical role in reducing hunger. About 71% of Tanzania's population lives in rural areas, with over one third being poor. Given its role in supporting the rural poor and in reducing malnutrition, agriculture has the greatest potential of lifting many of the poor out of extreme poverty and hunger. The sector's sluggish growth is a result of a combination of many factors. These include poor infrastructure to support agriculture, inadequate extension services, low level of production technology, low value addition, a lack of appropriate financing mechanisms for agriculture, unreliable markets, unfair and uncompetitive farm gate prices, and environmental degradation.

In addition, poor women are negatively affected by gender specific barriers in agriculture such as limited access and ownership of productive resources including land, technology and markets. Women are often found at the bottom of the agriculture value chain with limited decision making power over agricultural receipts while at the same time constrained with nurturing roles including care for children, the sick and elderly; fetching water and firewood; cooking and washing etc.

Agriculture is also a vital part of Zanzibar's economy and is the second largest employer of the island's inhabitants (directly or indirectly), with 37.3% of the population employed within the sector. While the primary exports are seaweed and cloves, there are also other secondary exports such as marine products, spices and fruit.

Many smallholder farmers suffer from either pre-harvest losses due to drought or post-harvest losses due to inadequate storage. For Sub-Saharan Africa, dry spells reduce output two of every three years and droughts cause complete crop-failure at least once in every ten years. Lack of access to credit is a major barrier to increased productivity and income: in 2010-11, only 2 per cent of Tanzanian farmers reported receiving credit for the purchase of agriculture inputs.

3.1.4 Food security in Tanzania

Achieving food security is a central part of sustainable development. The ability of people to feed themselves is essential today but so is the capacity of future generations to be able to exercise their right to food. Food security implies that all people, at all times, have physical and economic access to sufficient safe and nutritious food that meets their dietary needs and food preferences for an active and healthy life.

Gender analysis is important for understanding the causes of hunger and malnutrition because women play critical roles in the food system, in the production, processing, preparation, consumption and distribution of food, as well as in its distribution (FAO, 2011). Yet women face discrimination and often have limited bargaining power in these roles. Gender relations within the household and wider society shape the distribution of and access to food for consumption. Gender inequality shapes access to land and other resources needed to produce food, as well as the allocation of household incomes to food and other determinants of food security, such as health. Gender relations also shape the consequences of changing market conditions for both food production and distribution (UN Women, 2014).

In Tanzania, women make up over half of the agriculture sector's work force. They also carry the burden of performing the most labor-intensive tasks, including harvesting, threshing, and transporting produce, all while taking care of their families. Despite their substantial responsibilities, women have insufficient access to the resources – primarily to land ownership and financial credit – which would help put them on an equal footing with men. Furthermore, they often do not control the resources they generate through their agricultural activities. In addition to their agricultural labor, women are also expected to perform unpaid care services to their families.

Between 1990 and 2010, the Global Hunger Index for Tanzania dropped only marginally from 22.9 in 1990 to 20.7 in 2010, in both instances remaining in the category of "alarming hunger" (Nutrition Vision 2025, p.17). This indicates challenges in household food security and ultimately nutrition. In 2010-11 some 43% of households overall did not consume enough calories (based on WHO recommendations) compared with 36%

in 2008–09. The proportion of Tanzanian households classified as highly food energy deficient went up from 24% in 2008–09 to 29% in 2010–11. The proportion of food energy deficiency was higher in rural areas (48% up from 39% in 2008/09) than urban (31%) (WFP, p.4).

In the 12 months before the second round of interviews for the Comprehensive Food Security and Vulnerability Analysis (2012), a fifth of households reported facing at least one situation when there was not enough food to feed members, with the average shortfall lasting around 3.5 months of the year. Lake (26%), Western (25%), and Central (24%) zones were most likely to report a food shortage and the Southern Highlands and Zanzibar least likely. In the week before the survey, 42% of households employed at least one coping strategy to manage a food shortage situation (WFP, p.5).

Overall, households in the country's northern bimodal rainfall zone were more likely than unimodal rainfall zone households to experience a shortage (23% versus 17%) largely because of drought and rainfall shortages (WFP pg.5). After a drought, rural households blamed food shortages on small land size and lack of farm inputs while urban households blamed lack of money and high food prices alongside drought, reflecting the fact that town dwellers are more likely to buy than produce their food. A very high 72% of Zanzibar households that experienced food deficits pinpointed drought as the main cause.

For unimodal households, shortages reportedly peaked outside the main harvest periods, between October and February, reaching a shortage peak at the onset of the rainy season. The bimodal north experienced a more consistent – though much higher – rate of food shortages throughout the year with shortages peaking during the short rains (October– December), and not dropping below 5% for any month (WFP).

On average Tanzanians derived 37% of their food energy from their own production, rising to 45% for PDI households and 62% for farming households. Of the 9% of households that derived more than 90% of their food energy from their own efforts, 22% were classified as food insecure (compared with 8.3% nationally). Coping mechanisms for households facing food insecurity include reduction in food intake, migration to other areas and sale of assets.

Overall, Tanzania's food security situation appears to be improving - but food security gains are not matching national economic gains. The country's poor farming households need better livelihood support, such as access to credit and training, so they can improve their agricultural inputs and techniques, increase yields and alleviate their poverty. Small farmers reliant on their own produce for consumption should also be trained in how to cultivate a more diverse and nutritionally rich selection of crops. A WFP study found Zanzibar's food security status in 2010–11 to be largely similar to that of the country's rural population. However, unlike that of the overall rural population, the food security situation of households in the archipelago has improved notably since 2008–09. Findings from the self-assessment component of the survey suggest the island's residents consider themselves relatively more food secure than their mainland counterparts (WFP).

3.1.6 Key Achievements in the agriculture sector

A **comprehensive planning framework** is including Kilimo Kwanza, Agricultural Sector Development Plan in Mainland, the Agricultural Sector Strategic Plan in Zanzibar, The Tanzania Agriculture and food security plan and Big Results Now provide a good starting point for transformation. Tanzania as a whole has managed to produce sufficient food to meet its own domestic demand.

Significant progress has been made in acceleration initiatives such as SAGCOT and BRN. By 2030, SAGCOT partners seek to bring 350,000 hectares of land into profitable production, transition 100,000 small-scale farmers into commercial farming, create 420,000 new employment opportunities, lift 2mn people out of poverty, and generate US\$1.2 billion in annual farming revenue. By 2015/16, the BRN initiatives are expected to involve 400,000 smallholder farmers, and cover 330,000 hectares of land for smallholder farming. In addition, it aims to prepare 350,000 hectares of land for large-scale farming. Through BRN initiatives, the Ministry of Agriculture, Food Security and Cooperatives (MAFC) will work with the private sector to increase the production of rice by 290,000 MT; of maize by 100,000 MT; and of sugar by 150,000 MT.

One of its achievements in Zanzibar has been the **further inclusion of women in the sector** not just as laborers but also as decision makers. Women now play a vital role in farmers groups with many more women participating in these groups than men and more of them in leadership positions. This can be attributed to affirmative actions that have been a part of developmental programs put in place in recent years

3.1.7 Key challenges

i) Low incomes for agricultural households

The most immediate cause for low incomes in agricultural households is the predominance of low productivity, rain fed, and smallholder subsistence agriculture. Smallholder farmers comprise roughly 85% of producers and produce primarily for their own consumption. These producers are subject to fluctuations in output due to erratic weather patterns. Thanks to inadequate storage facilities, post-harvest losses can be substantial. Those in more remote areas are unlikely to have access to off-farm work and, as there are limited investments in agro-processing, have little access to that which could provide an additional source of income.

At the level of underlying causes, there are significant gaps in rural infrastructure including roads, markets, irrigation systems and electricity. There are also key shortages of critical agricultural inputs. In the 2010-11 growing season, for example, less than a third of farmers (32%) used fertilizer and only 17% sowed improved varieties of seeds, designed to enable crops to grow in adverse conditions such as drought. Over 95% use hand hoes.

At the institutional level there was insufficient agricultural extension support, lack of market information and poor collaboration and coordination among key actors in the sector. Similarly, there is limited capacity to plan, implement and monitor gender responsive outcomes of various projects addressed to low incomes agricultural households. There is also an absence of a strong farmers' organization, which could articulate the concerns of farmers. The growing frequency of extreme weather events and changing weather patterns also challenged the capacity of smallholders to manage.

At the root cause level, there has traditionally been insufficient domestic resource allocation to agriculture leading to a heavy reliance on donors to fund agricultural initiatives. There has, over time, been a multiplicity of initiatives in the sector leading to lack of policy coherence and lack of focus on gender equality and disadvantaged groups in the sector.

ii) Poor household food security

Overall food poverty in mainland Tanzania is estimated at 9.5%, which implies that approximately 4.4mn Tanzanians are considered food poor. At the most immediate level, unpredictability in the availability of food and unaffordability of food for purchase are the two key causes for household food insecurity. High food prices are a way of life, particularly in food deficit areas of the country. This is caused by the high cost of transport between food surplus and food deficit areas and poor functioning of the Strategic Grain Reserve, which is supposed to act as a buffer against higher prices. Another factor is the limited production and storage of food at the household level. When food runs out there is a "hungry season" as farmers await the next harvest. During this period they must purchase food.

In the absence of basic inputs, farmers are unable to increase production and productivity. What little they may produce may be lost to pests and rodents due to insufficient availability of adequate storage facilities. Availability of off-farm employment is limited and pays low wages, which means there is little disposable income to buy food. At the institutional level, poor implementation of policies for household food security leaves many farmers on their own.

The root causes of this challenge include high levels of household poverty. Poverty in Tanzania is largely a rural phenomenon, which is concentrated in the Central and Southern Zones. This is compounded by insufficient access to credit by farmers and insufficient budgetary allocations for basic agricultural inputs.

At the level of root causes, insufficient allocation and poor distribution of budgetary resources using social and gender criteria, for both health and nutrition is a key factor. The Public Expenditure Review for Nutrition indicated that in the period under review, expenditure was inadequate to achieve the stated nutrition goals. Furthermore, of the budget allocated for 2011/2012 and 2012/2013 only 22.9% and 23.1% respectively was disbursed. It also concluded that nutrition expenditure was not targeted at the most vulnerable groups (children under age two and pregnant women). Other root causes include the low educational status of mothers and chronic poverty compounded by insufficient food production in drought prone regions.

3.1.8 Causal analysis for key challenges: Agriculture sector

Challenges	Immediate causes	Underlying causes	Root causes
1.0 Low incomes for agricultural households including for women and young farmers	<ul style="list-style-type: none"> ▪ Main focus on low productivity rain fed subsistence agriculture ▪ High degree of post-harvest losses ▪ Limited investment or opportunity for agro processing ▪ Fluctuations in output due to extreme weather ▪ Women and young farmers have limited access to and ownership of productive resources – land, capital and equipment 	<ul style="list-style-type: none"> ▪ Limited agricultural extension support including gender and youth sensitive support ▪ Unavailability of key inputs including finance, to increase production and productivity ▪ Poor implementation of existing programs and initiatives ▪ Insufficient investment in rural infrastructure ▪ Increase in extreme weather events ▪ Poor sector wide coordination ▪ Lack of strong functioning farmer's organization ▪ Lack of market information 	<ul style="list-style-type: none"> ▪ Insufficient domestic budget allocation to agriculture ▪ Heavy reliance on donors to fund agricultural initiatives ▪ Climate change ▪ Lack of policy coherence in the agricultural sector ▪ Lack of policy focus on disadvantaged groups in the agricultural sector including women and youth
2.0 Poor household food security	<ul style="list-style-type: none"> ▪ Unpredictability in availability of food ▪ Unaffordability of food for purchase ▪ Limited production and storage of food at the household level 	<ul style="list-style-type: none"> ▪ High cost of transport between food surplus and food deficit regions ▪ Low productivity of land in absence of irrigation and fertilizers ▪ Low incomes ▪ Strategic Grain Reserve not functioning as intended ▪ Poor implementation of gender responsive policies for household food security 	<ul style="list-style-type: none"> ▪ Household poverty ▪ Insufficient credit or budgetary allocation for basic agricultural inputs

Capacity gaps analysis: Agriculture

Levels Capacity constraints

Household and Community	<ul style="list-style-type: none">• Access to information regarding correct feeding practices is lacking.• There is a shortage of extension workers to provide advice and support on correct agricultural production practices.• Limited efforts to curb harmful food taboos and traditions regarding women's workload
Institutional	<ul style="list-style-type: none">• Low wages and incentives for health workers (particularly in remote areas) demotivates them and leads them to engage in alternative means of generating income.• Poor quality and reliability of data collected in the sector is a challenge. In addition, there is little or no impact evaluation, which would provide evidence and lessons learned on what works and what does not.• Insufficient budgetary allocations to both health and nutrition.• Local councils responsible for nutrition interventions were found in the PER to not have analyzed the nutrition situation in their areas nor have plans on how to deal with malnutrition; they also did not receive any funds earmarked for nutrition.

3.2 Employment and income

3.2.1 Introduction

Recent phenomenon in Tanzania (economic growth with slower than expected poverty reduction, rapid population growth, demographic patterns and fast growing cities in particular Dar es Salaam and other secondary cities) have made employment, in particular youth employment, one of the critical development challenges confronting Tanzania today.

The Tanzania demographic structure resembles that of many other African countries and is characterized by a large population of young people. For example, the proportion of the population aged 15-35 is the second highest age group, 34.6% of the mainland population and 36.2% of Zanzibar. The population pyramid for Dar es Salaam, which is the major commercial city of the country, shows a bulge in age group 20–29 a direct indication of youth in-migration from other regions. All such developments point towards an increasing demand for employment opportunities for the country to maintain social harmony and progress towards poverty reduction targets.

3.2.2 Programmatic and policy framework for the sector

Youth development, which encompasses employment issues falls under the auspices of the Ministry of Information, Youth, Culture and Sports (MIYCS). The national youth development policy was revised in 2007 and covers 46 policy statements across 29 issue areas. In Zanzibar the second generation Zanzibar Youth Employment Action Plan (ZYEAP) 2013 – 2018 is in place and has identified six priority areas for action and about fifteen expected outcomes. Tanzania mainland is also implementing a youth employment program under the coordination of the Ministry of Labor and Employment.

A number of agencies including the International Labor Organization (ILO) are actively supporting programs with direct or indirect implications on employment. ILO, for instance, has been actively engaged in strengthening the national programmatic and policy framework by facilitating the government in Zanzibar to develop an apprenticeship policy (2011/12) and the Technical and Vocational Education and Training (TVET) policy (2012/13). The former was accompanied by the introduction of the framework for informal apprenticeship in the mainland. The ILO interventions went beyond the macro/policy level to the meso level (e.g. institutional level training of BDS, technical support to Tanzania Employment Services Agency (TaESA) to strengthen employment services in Tanzania, capacity building of the ministries of labor and statistical institutions in mainland Tanzania and Zanzibar to undertake the ILFS 2014 including provision of minimum equipment for data analysis) and micro level (individual level capacity building). In addition, with ILO support, a certified apprenticeship program was launched to address the skills mismatch in the tourism (hotel) sector thereby provide alternative training mode which provide training and work experience in parallel.

Promoting good health, including Occupation Health and Safety (OHS) has always been regarded as an important component of the inclusive growth process. In the mainland, the Occupational health and safety act 2003 and the Occupational Health and Safety Authority (OSHA) govern occupational health aspects. The act protects workers' rights on health and safety at workplace. It also protects people other than persons at work against dangers to health and safety arising out of or in connection with activities of persons at work.

In 2012 the government of Zanzibar with ILO support drafted the island's version of the occupational safety and health policy. Despite significant challenges, the occupational health and safety regulatory framework is relatively advanced in the mainland, for example, the engagement of the Controller and Auditor General (CAG) in auditing the ground level monitoring of the occupational safety and health at workplaces. The year 2013 marked the beginning of the minimum wage regulations in the private sector covering a total of 12 sub-sectors.

3.2.3 Achievements and challenges

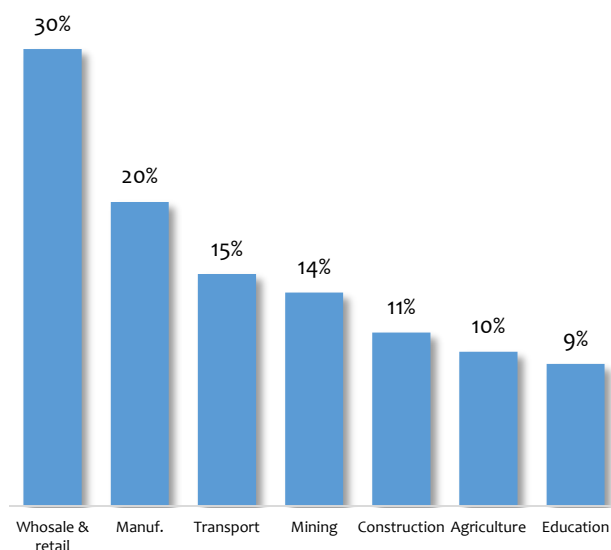
3.2.3.1 Which sectors offer most employment opportunities?

The wholesale and retail trade, manufacturing, transport, mining and construction have been relatively “poverty reducing” with employment growth rates above 10% over the period 2010-2013 (Figure 28). Their Gross Value Additions (GVA) have been expanding relatively higher than traditional sectors like agriculture but less than the service sectors of communication and financial intermediation (see section 2.2.2.2.1). It means that, the GVA growth rates of the latter make Tanzania’s growth pattern in Tanzania skew towards sectors largely dominated by labor saving technologies. Further evidence discussed in section 2.2.2.2.1 demonstrate that the expansion of the manufacturing sector is an outcome of the employment of capital intensive technology rather than expanding employment opportunities to Tanzania.

3.2.3.2 Social protection and employment in Tanzania

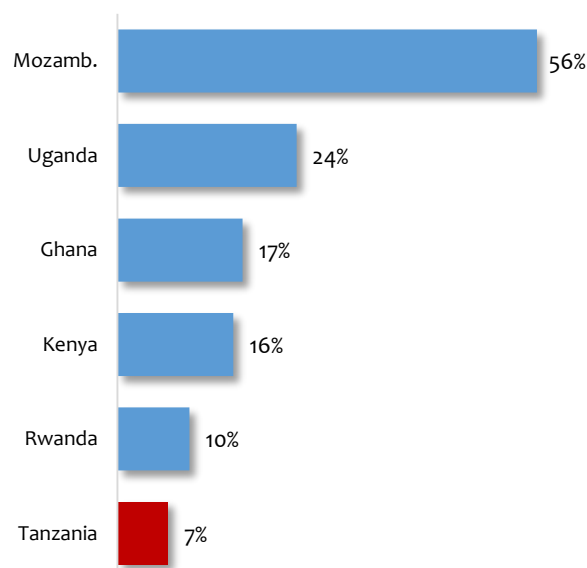
The existing labor social protection mechanisms cannot cope with the pace of the economic growth currently being experienced in Tanzania. Figure 29 shows that Tanzania is far behind its regional neighbors with respect to adequacy of social protection and labor programs¹⁴. The existing six social security schemes in Tanzania covers less than 1% of the entire population and only 6.5% of the total formal working population (ILO, 2012). The situation is much more critical in the informal sector where almost all workers lack social security coverage and are therefore vulnerable to fall into poverty when confronted by economic shocks. The ILO report identified key challenges as the absence of a comprehensive national system of social protection to deliver sufficient and adequate protection to vulnerable groups. The other challenge is with respect to limited knowledge on ways to raise coverage and outreach of the existing social protection schemes.

Figure 28: Average growth rates of employment by sectors
2010-2013



Source: NBS (2013)

Figure 29: Adequacy of social protection and labor programs (% of total welfare of beneficiary households)



Source: World Bank – WDI (2015)

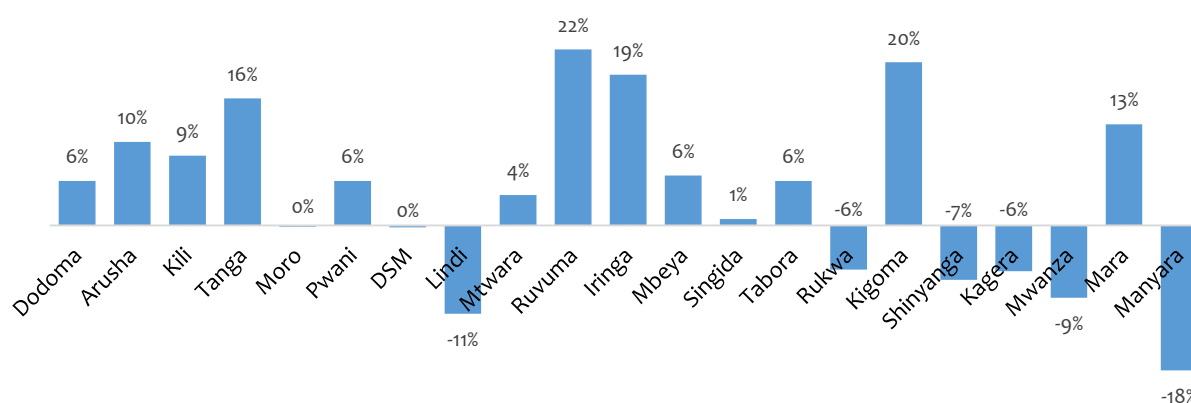
¹⁴ Adequacy of social protection and labor programmes is measured by the total transfer amount received by the population participating in social insurance, social safety net, and unemployment benefits and active labor market programmes as a share of their total welfare. Welfare is defined as the total income or total expenditure of beneficiary households. Estimates include both direct and indirect beneficiaries

3.2.3.3 Regional disparities in formal employment.

Figure 30 demonstrates the extent to which individual regions gained (in terms of employment shares) from the wave of economic growth Tanzania has experienced over the years. Major beneficiaries are Ruvuma, Kigoma, Iringa and Tanga with more than 15% average growth in their employment shares from 2010-2013. Conversely, regions such as Lindi, Rukwa, Shinyanga, Kagera, Mwanza and Manyara lost more than 5% of their regional employment shares. Some of these regions (Lindi, Singida and Rukwa) experienced negative migration between the two censuses (2002 and 2012).

Two messages are emerging from the data displayed by Figure 30 (i) Most of the growth in Dar es Salaam went to the informal rather than formal sector. This is because a region like Dar es Salaam, which absorbed about 2mn migrants (NBS, 2014) between the two censuses did not expand its regional share of formal employment (ii) unlike the well-off regions, the poor regions are not benefiting from the ongoing economic expansion in Tanzania. Regions such as Lindi and Rukwa are the 2nd and 7th poorest respectively and as confirmed above their regional shares of employment are declining.

Figure 30: Percentage change in the regional shares of employees in the private sector 2010-2013



Source: NBS (2013)

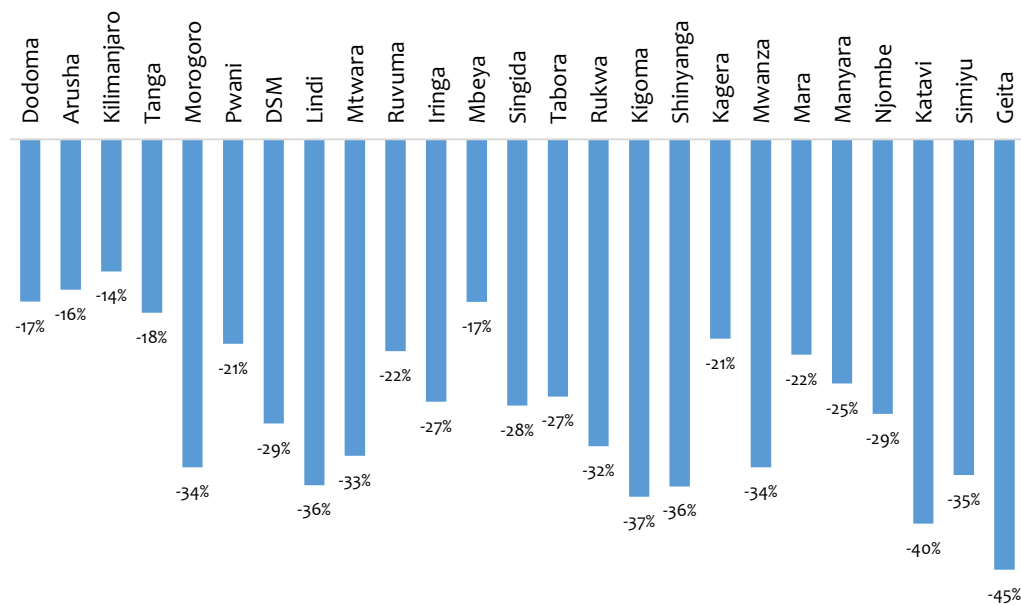
3.2.3.4 Gender gap in accessing formal employment

The gender gap¹⁵ remains significant and higher in the formal regular employment (28%) than in the casual labor than in regular labor category. Regional disparities in gender gap prevail as well. Figure 31 shows that the likelihood of securing a formal regular job is higher for men than women and amplified in regions such as Geita, Katavi, Lindi, Kigoma, Simiyu and Shinyanga (regions where the gender gap is more than 35%). Overall data from ILO (2010) reflect the similar gender disparities where the share of women in wage employment was 29.5% in 2006, a marginal increase from 29.0% in 2001.

The correlation coefficient between regional gender gap and percentage changes in the shares of regional employment is 0.35. It implies that a rise in the regional employment shares goes hand in hand with an increasing gender gap in the regular employment category. Hence, in the current process of economic growth women are gaining less than men in terms of opportunities to penetrate the formal sector.

¹⁵ The difference between the proportion of men and women in the formal employment.

Figure 31: Regional gender gap in regular employment



Source: NBS (2014)

3.2.3.5 Informal employment, vulnerability and labor market transition¹⁶

A reliable source of data on employment characteristics in the informal sector is the ILO report on school to work transition authored by Shamchiyeva, Kizu and Kahyarara (2014). The study confirms that informal employment is the prevalent mode of work among youth in Tanzania. The youth informal employment rate was found to be 78.2% with the majority of young Tanzanians informally employed in the informal sector (72.8%), while the remaining 27.2% are occupied with informal jobs in the formal sector. The informal employment rate is much higher among young women than men (89.1% and 70.5% respectively).

Employment vulnerability is also high especially for self-employed and family workers who are facing high levels of job insecurity with limited or no access to safety nets. The study classifies more than 54% of young workers as “vulnerable” with young women in rural areas most likely to engage in vulnerable employment (71.4%). Most highly educated youth with university degrees (62.7%) remained in transition (yet to attain an employment position). It took, on average, over 1.5 years (19.4 months) for a young person to complete the transition if they did not move directly to the stable and/or satisfactory post. The average length of an unemployment spell within the period of transition was 21 month, while the average length of self-employment spells was 37.7 months.

3.2.3.6 Specific key challenges

i) Child labor

Child labor is a global challenge with around 215mn children under 18 working full-time around the world. The most recent labor force survey in Tanzania 2006 shows that 21.1% of all children aged 5-17 years are in child labor¹⁷ (Table 7). That means 1 among every 5 children in Tanzania work compared to other regions like Latin America,

¹⁶ This section is entirely based on the work of Shamchiyeva, Kizu and Kahyarara (2014).

¹⁷ The government is currently finalizing the new labor force survey whose results re expected before June 2015.

where 1 among every 10 children are in child labor. The participation rate is higher in Uganda at 34.2%¹⁸ with Kenya having the lowest participation rate at 7.9%¹⁹ among the three east African countries. Boys (23.2%) and rural children (25.2%) are more likely than girls (18.9%) and urban children (7.9%) to be involved in child labor respectively.

Table 7: Children in child labor by sex and location (2006)

Location		Boys	Girls	All
Mainland	Rural	27.7	22.5	25.2
	Urban	7.9	7.5	7.7
	Total	23.2	18.9	21.1

Source: ILO (2014) which sourced data from the child labor report of the 2006 Integrated Labor Force Survey (ILFS).

The same survey shows that 16.0% of the working children are engaged in hazardous work or worst forms of child labour (being enslaved, separated from their families, exposed to serious hazards and illnesses and/or left to fend for themselves on the streets of large cities). Again boys are more likely than girls to be engaged in worst form of child labour.

According to ILO (2014), child labor is an outcome of several push factors including: poverty at household level and need for cash income, problem with basic education (drop outs, education costs etc.), socio-cultural values and family conflicts straining family relationships and peer influence. Pull factors range from the promise of good living conditions, employment opportunities, freedom and market demand for child labor due to factors such as increased urbanization and human economic activities.

ii) Weak enforcement of occupational safety and health regulations

The report by CAG (2013) raised a number of challenges associated with the management of OHS activities in Tanzania. As of 2013, OSHA has registered only 6,599 out of the estimated 27,500 workplaces in Tanzania (only 24% of the existing workplaces). Lack of strategies to identify unregistered workplaces and lack of plans for the same at zonal offices are among the reasons behind the observed limited coverage. Workplaces located in the rural and suburban areas far from OSHA zonal offices are more likely to be out of reach of OSHA.

It is common for workplaces to remain in operation for quite a period before being registered with no penalties imposed on them. OHS inspections lack key elements of good plans such as specific objectives of the inspections, targets to be achieved and proper allocation of resources in terms of who is responsible for what during the inspections. Furthermore, there is no risk assessment conducted by OSHA to identify workplaces with high risk of occupational accidents and diseases.

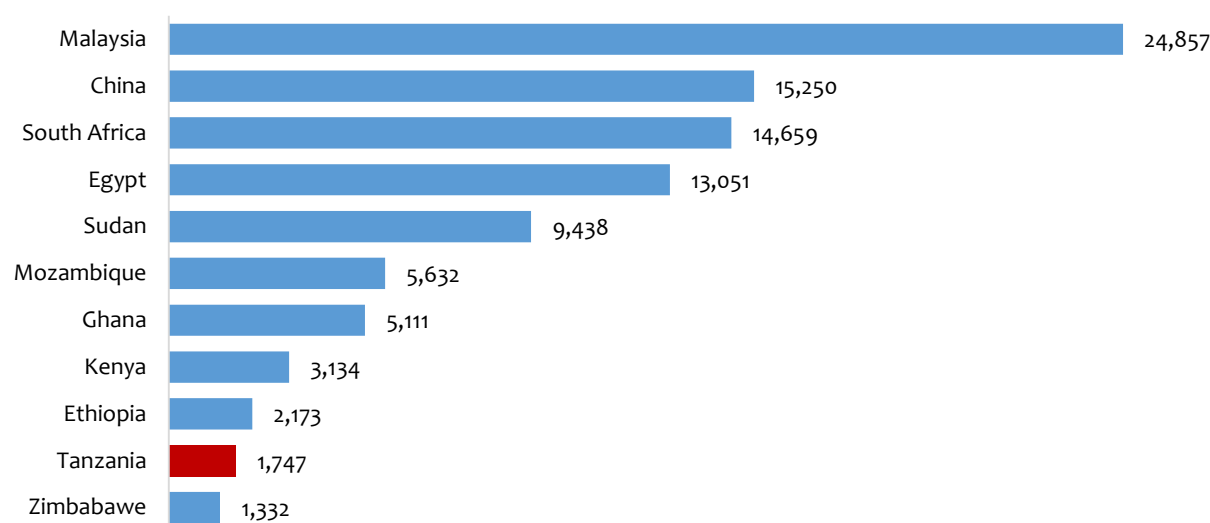
iii) Low wages

Tanzania has one the lowest earnings per worker in the world (Figure 32). Data from the ILO study disclose a number of challenges associated with the interface between the youth population and the education system. First, there is a high dropout rate among youth (16.1% rural and 7.3% urban youth). Second, only a small proportion of young people complete secondary vocational school (5.1%), post-secondary vocational school (3.6%) and university (1.1%). Third, nearly 1 out of 3 youth in urban areas are not interested in education/training (31.2% urban; 8.4% rural areas). Fourth, majority of young workers are undereducated for their jobs (58.5% of employed youth in Tanzania). All such factors including limited enforcement of labor laws place downward pressure on wage rates.

¹⁸ Uganda Bureau of Statistics (UBOS) and ILO (2001) Child labor In Uganda: A report based on the 2000/2001 Uganda demographic and health survey

¹⁹ Kenya National Bureau of Statistics and ILO (2008). Kenya integrated household budget survey, 2005/2006: Child labor analytical report.

Figure 32: GDP per person employed 2012 (constant 1990 PPP US\$)



Source: World Bank – WDI (2015)

NBS employment data and ILO (2010) disclose continued disparities in the earnings of males and females in Tanzania. First, as with many other countries, men in Tanzania are earning more cash and formal wages than women. ILO (2010) attributes such disparities to the persistence of cultural norms that discriminate against women's work and the compensation they receive from it. On the positive side, however, trends from NBS 2010-2013 data show that the average annual growth rate of nominal cash earnings is higher for women (8%) than men (2%). Over the same period of time the proportions of both men and women in the low wage categories (below TShs 65,000 and TShs 65,000-150,000 per month) have been declining with increasing proportions of people in the higher wage categories (above TShs 150,000 per month). ILO (2010) confirms similar trends, where the growth rates of nominal monthly income (from all income sources excluding self-employment in agriculture) are 130% (women) against 90% (men) between 2001 and 2006.

iv) High youth unemployment²⁰

More than 1 out of 5 (21.1%) youth in the labor force are unemployed in Tanzania (using strict unemployment rate) and it is more than 1 out of 3 youth (38.3%) when applying a relaxed definition. Such rates are higher than the average in eight sub-Saharan African countries with similar unemployment data available. For such countries, youth unemployment is 12.0% (strict definition) and 22.8% (relaxed definition)²¹. The female unemployment rate (strict definition) is nearly double that of male at 27.6% and 15.9% respectively. It is the lowest among youth with lower levels of education and increasing to as high as 30.8% among university graduates. Insufficient demand for higher skilled occupations and the tendency for higher educated youth²² to hold out for suitable jobs rather than to take any work available are cited as among potential reasons behind such high unemployment rate.

The share of professional occupations in total employment is very low (5.5%). That implies if those who aspire to become professionals do attain the necessary education, they will be competing for a very small pool of vacancies. A further challenge is that employers value experience as much as they value education qualifications and most youth lack the former. Posts such as plant and machine operators, handicraft and printing workers, science and engineering professionals and production managers were found to be of high demand but with limited availability of skilled and experienced youth to satisfy the market. A study by Restless Development

²⁰ Most of the text is extracted from Shamchiyeva, Kizu and Kahyarara (2014).

²¹ The ILO report cited these data from Elder and Koné (2014).

²² Only 1.1% of youth have completed tertiary education.

(2014) shows that the entry-level job positions are also subject to gender bias, with men having significant advantages over women in technical jobs due to socio-cultural norms, which associate men with such roles.

The efficiency of the labor market is constrained by unpopular and ineffective employment services and as a result most youth rely on informal networks when searching for jobs. The most popular method of job search is inquiring with friends, relatives and acquaintances i.e. 32.9% of the youth seeking jobs. One-quarter of youth (25.1%) answer job advertisements and one-fifth (19.3%) inquire about vacancies directly at workplaces. Only 11.0% of unemployed youth register at employment centers, and a mere 0.5% of currently employed youth found their present job through employment services.

All these suggest an absence of a robust system of public or private employment services in Tanzania. Restless development (2014) identified additional barriers to employment as corruption, harassment by police (for self-employed), sexual harassment of young women by employers and potential employers. Favoritism (the nepotism syndrome) and limited partnerships between education institutions and employers and unrealistic salary expectations of youth further constrain access to employment opportunities.

3.2.4 Causal analysis of the key challenges: Employment and income

Challenges	Immediate causes	Underlying causes	Root causes
1. Child labor	<ul style="list-style-type: none"> • Children being enslaved, separated from their families, exposed to serious hazards and illnesses. • Dropping out of schools. • Limited opportunities for training and education. • Early pregnancy and marriage 	<ul style="list-style-type: none"> • Increasing market demand (employment opportunities and freedom). • Unaffordable education costs (school fees, transport, food & uniforms). • Peer influence and socio-economic expectations. • Children leaving home at early age • Limited education and training opportunities. • Limited enforcement of laws including child protection and labor laws. • Lack of strong social protection system. • Children tasked with economic activities (herding, fishing, mining, domestic work, trading, etc.). • Limited empowerment and protection of girls in and out of school 	<ul style="list-style-type: none"> • Rapid urbanization in DSM and secondary cities. • High population growth. • High Incidence of rural and urban poverty. • Harmful cultural practices such as child labor contributing to economic revenue of the family • Child-parent relations (poor parenting and family conflicts). • Limited resources to expand education and training opportunities. • Limited government resources and motivation to enforce laws. • Lack of alternative technology. • Conflicting child laws.
2. Low wages (Average wages in Tanzania are among the lowest in the world)	<ul style="list-style-type: none"> • Many young women and men are not fully benefiting from the educational system. • Under-education and low levels of skills. • Low worker productivity. • Unfriendly and limited enforcement of workers protection/labor laws. • Poor quality of education and training. • Low demand for skilled labor. 	<ul style="list-style-type: none"> • Higher dropout rates among the youth. • Low education and training attainment. • Majority of young workers are undereducated for their jobs. • Weak labor administration and inspection systems. • Weak education and training system. • Economic growth with limited employment offerings (economic growth is mainly emerging from capital intensive sectors). • Uncoordinated workers union and platforms. 	<ul style="list-style-type: none"> • Inability to afford costs associated with schooling. • Not interested in education/training. • A small share of young people complete secondary vocational school, post-secondary, vocational school & university. • Limited government resources and motivation to enforce laws. • Inadequate investment in providing quality education. • Growth strategies are yet to promote employment creation sectors.

3. High youth unemployment (21.1% were strictly unemployed) which is higher than 12% in Africa (female unemployment rate is double that of male)

	<ul style="list-style-type: none"> • Poor quality of the education system • Limited availability of quality opportunities for skills development • Limited linkage between skills development for the tourism sectors • Limited linkage between non- formal education and agriculture sector. 	<ul style="list-style-type: none"> • Weak workers unions and platforms • Poor working conditions.
<ul style="list-style-type: none"> • Most youth rely on informal networks when searching for jobs where female youth have limited access and connections. • Small businesses are unlikely to become vectors of growth and employment. • Difficult to hire workers and tax burden discourages hiring. • Insufficient demand especially in higher skilled occupations (unemployment rates increase with the level of education). • Employment options drying-up and increasing mercantile /informal and not manufacturing based employment. • Absence of frequently updated labor force data. • Lack of research and understanding on the youth specific needs, sectors of their interest and potentials for self-employment and employment creation. • Few employment opportunities in the formal sector. 	<ul style="list-style-type: none"> • Cost of identifying and hiring is significant for small enterprises. • . • Sticky contracts (restrictions on fixed-term contracts). • Over taxation of labor (pension fund contributions set at 20% of the employee's wage), high skill development levy (5%). • Traditional industries remain a narrow band of private sector employment opportunities. • Overdependence on donor resources to finance labor surveys. • Limited replication of good practices and lessons learned. • Lack of standard entrepreneurial framework in schools and training institutions. • Lack of alternative skills development program for out of school youth. • Limited flexibility by the training institutions to expand access to out of formal training. • Lack of youth support services; for the organization of youth and youth enterprise development. 	<ul style="list-style-type: none"> • Absence of a robust gender and social inclusion system of employment services in Tanzania (weak labor market information system). • Business unfriendly regulatory environment e.g. labor laws, taxation, registration. • Fastest growing sectors (communication etc.) are capital intensive. • Limited policy support to new sectors development in URT. • Insufficient resources for evidence based planning and policy formulation. • Poor strategies to ensure sufficient job creation especially in the growth sectors • Lack of deliberate policies and strategies to promote employment for female and male youth • Limited strategies for empowering young women and men • Lack of/limited gender and youth responsive budgeting. • Limited collaboration between training institutions & private sector.

	<ul style="list-style-type: none"> • Skills gap and/or mismatch. Generic skills training no longer attractive to limited employment opportunities. • Limited access to productive resources including land, vocational training and financial services. • Lack of labor market information system to inform development of relevant training programs. • Lack of entrepreneurial awareness and skills among graduates. • Increased sexual abuse ‘sextortion’ deter female youth from seeking jobs. 	<ul style="list-style-type: none"> • Lack of well-coordinated and regulated on the job training/apprenticeship programs. • Limited business development services especially in the rural areas. • Education and training system not responding to the needs of the labor market. • A persistent gender gap (female and male youth ratio) in higher education. • External competition from high-end technology industries challenging the local industries in the agro-business arena, including imports. • Limited linkage between skills development for the tourism sectors • Limited linkage between non- formal education and agriculture sector 	<ul style="list-style-type: none"> • Lack of capacity and weak collaborations with other non- formal training enterprises. • Negative perception associated with female youth child-bearing roles. • Most investable employment sector of agriculture being approached in the traditional way and with piecemeal introduction of private sector. • Inadequate investment in research to inform policies and programs to be responsive to changing labor market demands.
4. Weak enforcement of occupational safety and health regulations	<ul style="list-style-type: none"> • Remote areas were not adequately inspected. • Low rate of registration of workplace. 	<ul style="list-style-type: none"> • Weak planning of OHS inspections • Weak strategies and technics to identified unregistered workplace • Insufficient tools to enforce inspections. • No risk assessment conducted by OSHA to identify workplaces with high risk on the occurrences of occupational accidents and diseases. • Data gaps 	<ul style="list-style-type: none"> • Inadequate financial resources
5. Low coverage of social security system	<ul style="list-style-type: none"> • Low proportion of employees or in the informal sector accessing social security. 	<ul style="list-style-type: none"> • Absence of comprehensive national system of social protection. • Weak enforcement of social security regulations 	<ul style="list-style-type: none"> • Limited number of social security schemes and their outreach.

Capacity gaps analysis: Employment and income

<i>Duty Bearers</i>	<i>Capacity constraints</i>
District Child Labor Sub Committees (DCLC)	Absence of key members (e.g. agricultural officers, fisheries officers and mining officers and religious leaders) in the DCLC • Unclear interface between DCLC and the district Councils' social welfare committees • Many districts are yet to establish DCLCs • Limited financial resources to convene DCLCs in those districts, which they exist.
National Inter-sectorial Coordination Committee (NISCC)	Limited motivations to meet regularly.
Labor inspections (OSHA and the department at MOLE)	Lack of centralized unit to coordinate the functions the department of labor and OSHA • Shortage of state budget allocations to increase the number of labor inspectors (only 77 exists for the whole country (ILO, 2014)) and optimize labor inspection (lack of transport facilities and working equipment) • Limited capacity of labor inspectors (no regular training programs for labor officers on labor inspection) • Absence of formal training policy in place nor sufficient budget for staff development on labor inspection • Limited utilization of labor studies department at the Institute of Social Work for MoLE human resources capacity building needs.
Education institutions	Weak quality of education in academic institutions and vocational training centers and ability to address skills mismatch • Limited means and frequencies of dialogue between employers and universities and training institutions on identification of core skills to be added to curriculum • Lack of mentoring programs linking students with professionals and therefore inhibit skills development in Tanzania • Limited capacities of institutions in Tanzania on policy and legislative reforms that would address issues listed above.
MoLE	Limited specific employment stimulus programs (pro-employment intensive investment policies and programs) at sectoral and local levels • Procurement laws regulations and procedures are not pro-employment creation • Limited activities to promote the use of locally manufactured products • Limited technical and financial capacity to develop non-traditional sectors, such as the creative industries and traditional knowledge systems • Limited capacity to promote youth talents and the entertainment industries (e.g. music and sports industries) that would enhance youth employment.

3.3 Tourism sector

3.3.1 Introduction

The tourism sector in Tanzania is based on exceptional natural endowments in wildlife, remarkable landscapes, coral-fringed beaches and world and national heritage sites. The country is ranked 4th among 140 countries with regards to the endowment of tourism related natural resources (WEF, 2013). The primary tourism attractions are in the wildlife based northern circuit (made up of world renowned Ngorongoro Crater and Serengeti) and Mount Kilimanjaro, which all together with Serengeti and Ngorongoro generate more than 80% of the total national park revenue in Tanzania. Zanzibar is a primary destination for beach and historical expedition.

The relatively underdeveloped southern circuit, which also offers diverse and unique destinations, receives far fewer visitors. For example, while the Ruaha national park in the southern circuit has annual visits of 20,000 tourists, the northern circuit parks record on average 300,000 annual visitors for Serengeti alone, Manyara (160,000), Tarangire (100,000) and Kilimanjaro (50,000) (World Bank, 2015).

3.3.2 Planning and programmatic framework of the sector

Tourism is a non-union matter with both sides retaining a distinct set of government agencies and sectorial policy frameworks. While the policy framework (tourism master plan (2003) and the Zanzibar tourism policy (2003)) emphasize inter-sectorial linkages, it is only recently that Zanzibar enacted a Multi-Sectorial Tourism Development Program (MTDP). The program is considered as a key sectorial reference point in the medium term focusing on four areas of product development, tourism investment framework, marketing framework and responsible tourism. The program proposes a High Value-Low Volume (HVLV) approach to replace the current focus on mass tourism. However, a carrying capacity assessment is yet to be carried out to justify a shift away from mass tourism. The HVLV is a demanding strategy, which will, for instance, require considerable investment in infrastructure and tourism support services to cater for sophisticated tourists. Despite, recent upgrades in accommodation and attractions, the islands still require substantial investment to create a sustainable platform for HVLV.

In the mainland, the tourism master plan 2002 persists as a reference policy document. Its focus is to diversify wildlife tourism from the crowded northern circuit to the relatively less visited southern circuit. The management of the tourism sector has recently been streamlined with the establishment of the Tanzania Wildlife Authority (TWA). The TWA will allow the ministry to concentrate on policy aspects while leaving wildlife operational matters to the authority. As a new institution, TWA will need both functional and technical capacity building support.

Loss of tourism assets through poaching and inadequate maintenance of heritage sites has been in the headlines in recent years. The highly publicized poaching incidences²³ triggered a number of government responses, ranging from investing in aerial surveillance, launching of special operations involving security forces, establishing specialized wildlife protection army and enhancing the existing community based mechanisms renowned as Wildlife Management Areas (WMAs). In collaboration with UNDP and other donors, a multilateral anti-poaching and wildlife basket fund is currently being established. Despite some success from the highly publicized special operation (“operation tokomeza ujangili”)²⁴, serious human right violations were unveiled by the parliamentary committee that led to the resignation of three ministers.

²³ EIA (2014) estimated that the population of elephants in Selous game reserve fell by 66% from 2009-2013. In 2013 alone, the park is reported to have lost 10,000 elephants, equivalent to the loss of 30 elephants a day.

²⁴ A total of 2,085 suspects were arrested of which 839 were taken to court (URT, 2014).

3.3.3 Achievements and challenges

3.3.3.1 Achievements

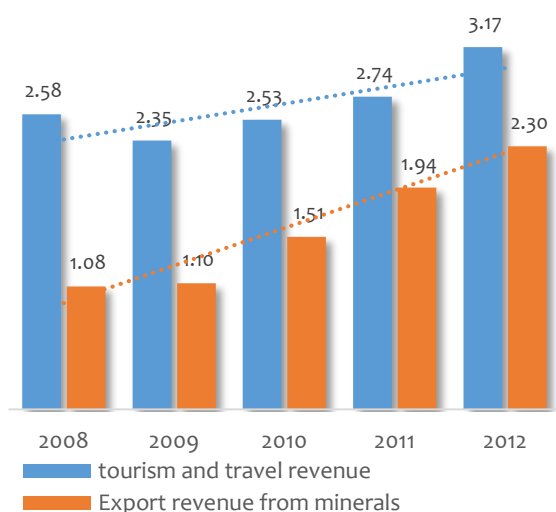
3.3.3.1.1 Arrivals and revenue generated

Tourist arrivals and foreign exchange earnings continue to register positive growth rates. Figure 33 shows that from 2008 the combined revenues from travel and tourism have exceeded revenues generated from much publicized exports of minerals. In fact, the annual growth rate of foreign earnings from the mining sector has been declining consistently from 37% in 2010 to 19% in 2012, unlike earnings from the tourism and travel which rose to 16% in 2012 from only 9% in 2009. The tourism and travel sector has therefore the potential to compensate for the slowdown in the mining sector.

Tourist arrivals had similar growth experience, rising at an average annual rate of 7%. Within a decade the number of foreign visitors doubled from 450,000 in 2000 to just over 1,000,000 in 2012 (Figure 34). It is a 127% increase, significantly higher than the 53% global average growth over the same period. Tanzania's share of global tourist visitors has also increased from 0.05% in 1995 to 2% in 2012 with the country in receipt of approximately 5% of the global tourist revenue (WTTC 2013). Similar growth rates have been observed in Zanzibar with 181,301 tourist arrivals in 2013 from 134,954 in 2009 (Figure 34)²⁵. However, tourist receipts and arrivals in Zanzibar are inferior to competing destinations offering similar beach excursion. An example is Seychelles, which records around 230,000 annual arrivals.

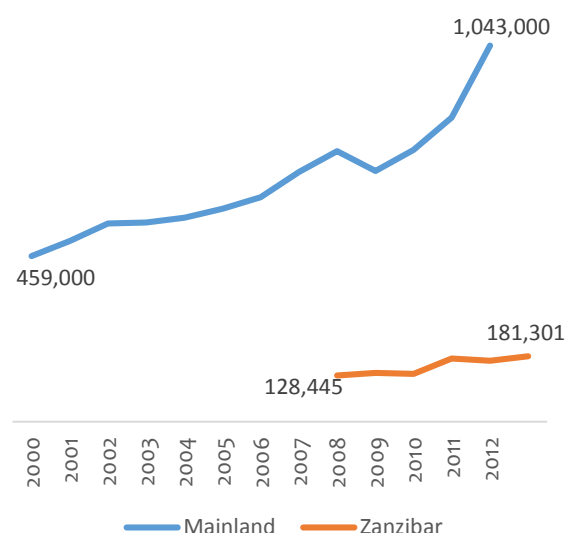
The growth in tourist arrivals in Tanzania has been robust and largely unaffected by global turbulences. During the global financial crisis in 2008/2009 the country lost only 7% of tourist arrivals from the previous year compared to 32% in Kenya. Outturns in arrivals and revenue in the past 5 years and the expected global economic improvement²⁶ in the medium term set the scene for continuous positive growth in tourist arrivals in Tanzania (global growth rate of tourist arrivals in the next five years are projected at 4% (UNWTO, 2014)).

Figure 33: Export revenue from tourism and travel versus revenue from minerals (US\$bn)



Source: URT (2013) and World Bank – WDI (2015)

Figure 34: Tourists arrivals - mainland and Zanzibar



Source: World Bank – WDI (2015) and OCGS (2013)

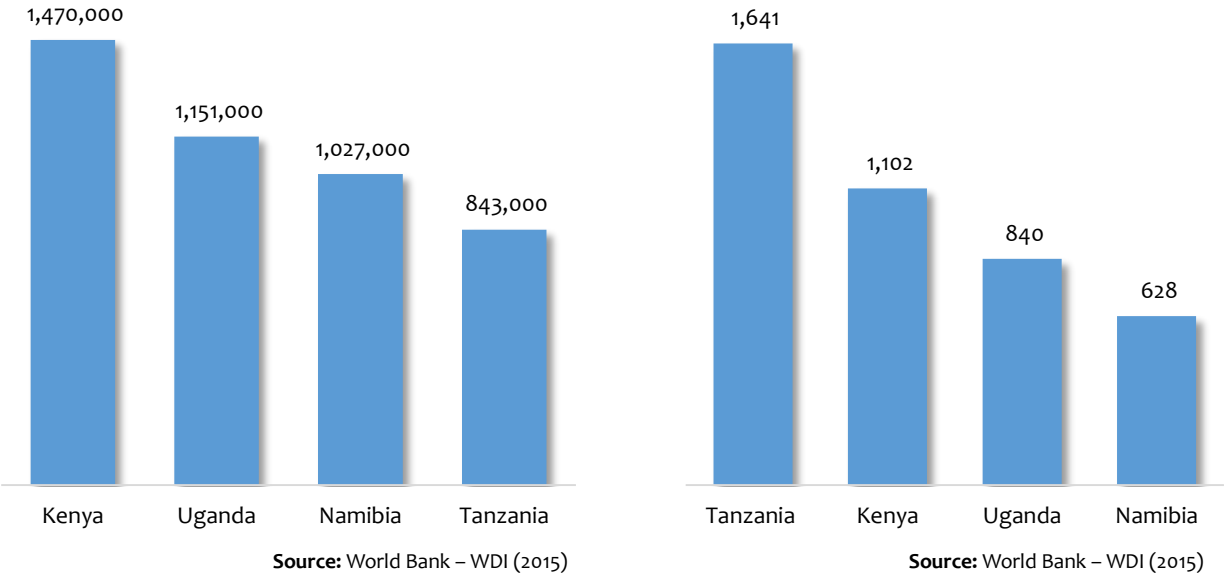
²⁵ Unpublished 2014 figure is 300,000 visitors, a significant spike attributed to tourists' security concerns in competing market of Mombasa.

²⁶ Advanced economies (Tanzania's major source market) are forecasted to grow at an average of 2.4% in the next 5 years (IMF-WEO 2014).

With renowned international tour operators marketing Tanzania, the country strategy of targeting the high-end segment of the market (i.e. LVHV) based on exclusive attractions in the northern circuit (Serengeti, Kilimanjaro and Ngorongoro) is paying off. Figure 35 and 36 show that in 2011, for example, Tanzania received fewer visitors compared to other countries offering similar nature based attractions but managed to generate higher revenue per visit. Specifically, the country received nearly 50% less tourists than Kenya but generates 50% more revenue.

World Bank (2015) considers LVHV as a sound strategy for maximizing revenues without exceeding the carrying capacity of natural attractions especially in the overcrowded northern circuit. The report considers the strategy as an important way to sustain the distinctive natural environments, less vulnerable to economic shocks and normally generates more predictable and resilient flows of tourism revenue, as visitors are willing to pay more for exclusive experience offered by the attractions in the northern circuit. A dual strategy is therefore an ideal approach for the mainland i.e. maintaining LVHV strategy in the northern circuit for the reasons explained earlier and mass tourism for the relatively unexploited southern circuit.

Figure 35: Tourist arrivals (2011): Regional comparison Figure 36: Receipts per tourist 2011 (US\$): : Regional comparison



3.3.3.1.2 Economic contribution of the tourism sector

Tourism is now accounting for one in eleven jobs on the planet (WEF, 2014). As a labor-intensive industry characterized by resilience in demand, the sector remains an ideal avenue to propel growth and poverty reduction especially in the lagging southern and western regions of Tanzania. Statistics show that tourism is the 3rd largest recipient of FDI after mining and manufacturing. A total of TShs 9,200bn has been invested in the sector over the past 6 years (Figure 37). The direct and indirect contribution of the sector to the economy i.e. its share of the national GDP share stands at around 13%. Its contribution to the employment creation is estimated at about 400,000 (Figure 40).

Despite concerns on its limited linkages to other sectors, the contribution of the tourism sector to the domestic value chain is on the rise (Figure 39). World Bank (2015) shows that of the 1 US\$ spent by tourists, 14% of it has impact on the agriculture sector and 11% on the domestic financial services industry. However, 28% leaks to the rest of the world through overdependence of the sector on imported items. This is evidence of scope for further linking tourism with other sectors in Tanzania.

Figure 37: Capital investment in the tourism sector (TShs bn)

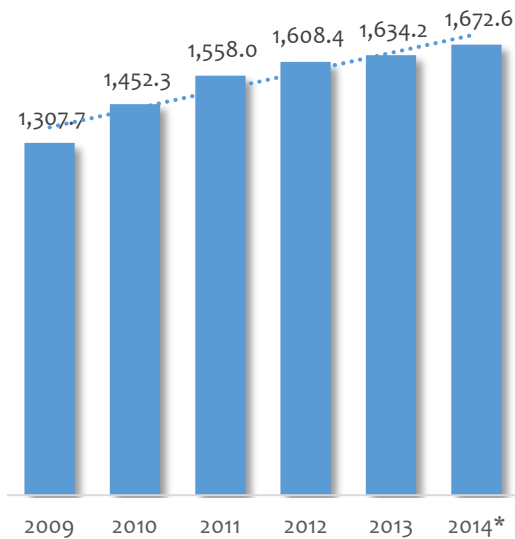


Figure 38: Direct contribution to GDP of the tourism sector (%)

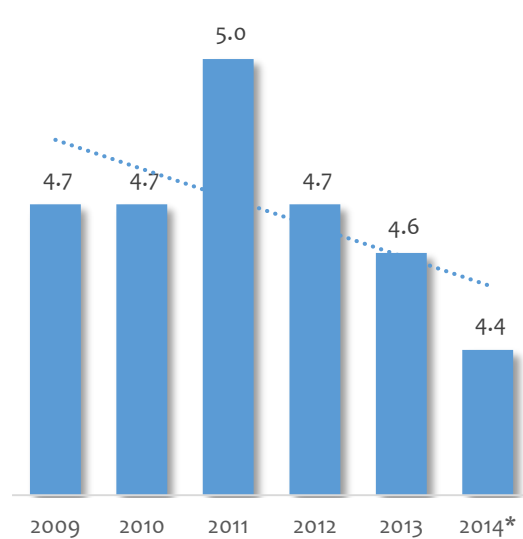


Figure 39: Domestic supply chain in the tourism sector (TShs bn)

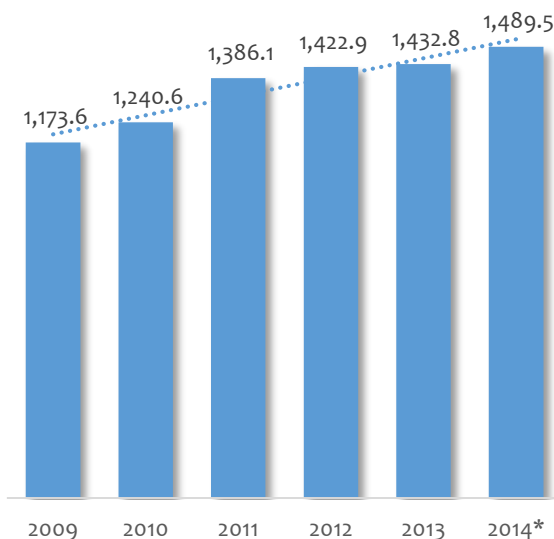
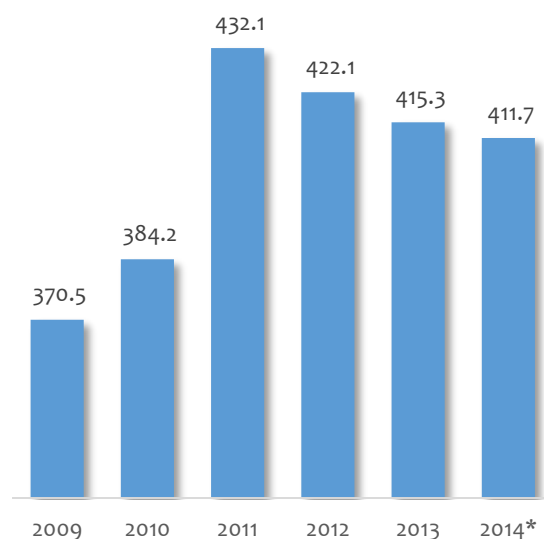


Figure 40: Tourism's direct contribution to employment (in '000)



Source: WTTC (2014)

3.3.3.2 Challenges

3.3.3.2.1 Contribution to the economy, infrastructure and marketing

Given its exclusive and exceptional natural assets and world heritage sites, Tanzania could benefit more than what it is at present. Despite its potential, the direct sectorial contribution to GDP has been declining from a peak of 5% in 2011 to 4.4% in 2014 (Figure 38). The country is lagging behind its regional neighbors on several indicators in the global tourism competitive index. It is 12th in the region (among 31 African economies) and 109th overall (among 140 economies), deteriorating from the 98th position in 2009. Regional neighbors such as Kenya, Rwanda and Zambia are ranked above Tanzania despite having just a small fraction of the Tanzania's tourism assets (Table 8).

Table 8: Global position of Tanzania among 140 economies: Regional comparison

	<i>Kenya</i>	<i>Zambia</i>	<i>Rwanda</i>	<i>Tanzania</i>
<i>Human resources, culture & natural resources</i>	14 th	98 th	104 th	59 th
<i>Natural resources</i>	14 th	28 th	61 st	4 th
<i>Business environment and infrastructure</i>	105 th	122 nd	117 th	125 th
<i>Regulatory framework</i>	108 th	102 nd	78 th	118 th

Source: WEF (2013)

Concerns vary from property rights (103rd position), safety and security (120th) to human resource base (116th). The latter requires an upgrading of the educational system, including the need to address unfriendly visitor facilitation (customs and immigrations). Another concern is on the declining length of stay for tourists visiting Tanzania. While the average daily expenditure per tourist has jumped from US\$ 111 in 2011 to US\$ 201 in 2013, the average length of stay has stagnated at 6-7 days for Zanzibar and declining in the mainland from 12 days in 2007 to 10 days in 2013. This is despite the country offering diverse tourism products well beyond most of its competitors.

Diversification of the source markets is another challenging area. The top six source markets continue to be dominated by European countries, with India as the only new entrant from 2010, which is partly explained by the promotional agreement between the Tanzania Tourist Board (TTB) and Krishna Agency of Mumbai in 2009. Tanzania is yet to capture the benefits from the increasing changing global patterns in outbound markets – specifically the rapid growth in tourists from emerging markets. A particular example is China, which has become the largest outbound source market in 2012 with an expenditure of about US\$ 102bn. Other emerging markets with substantial increases in the outbound flows include Russia, Turkey and Indonesia (UNWTO, 2014).

Poor quality of infrastructure (road, energy, sea and airports) has routinely been identified as a constraint to the growth of the sector especially in the southern circuit, which is characterized by long travelling times and higher costs than for similar attractions in comparable markets. World Bank (2014) shows that travelling by road from the Dar es Salaam Airport to Ruaha national park involves 11hrs on the 625km road, while a tourist destination such as Chobe national park in Botswana offering similar attractions is just located next to an airport.

Soft components of tourism development such as marketing and promotional facilities are fragmented and lack clear focus and objectives (Zanzibar) and less strategic (mainland). Moreover, the biased branding of Tanzania as the land of Kilimanjaro, Zanzibar and the Serengeti does not match well with the policy objective of diverting traffic to the southern circuit.

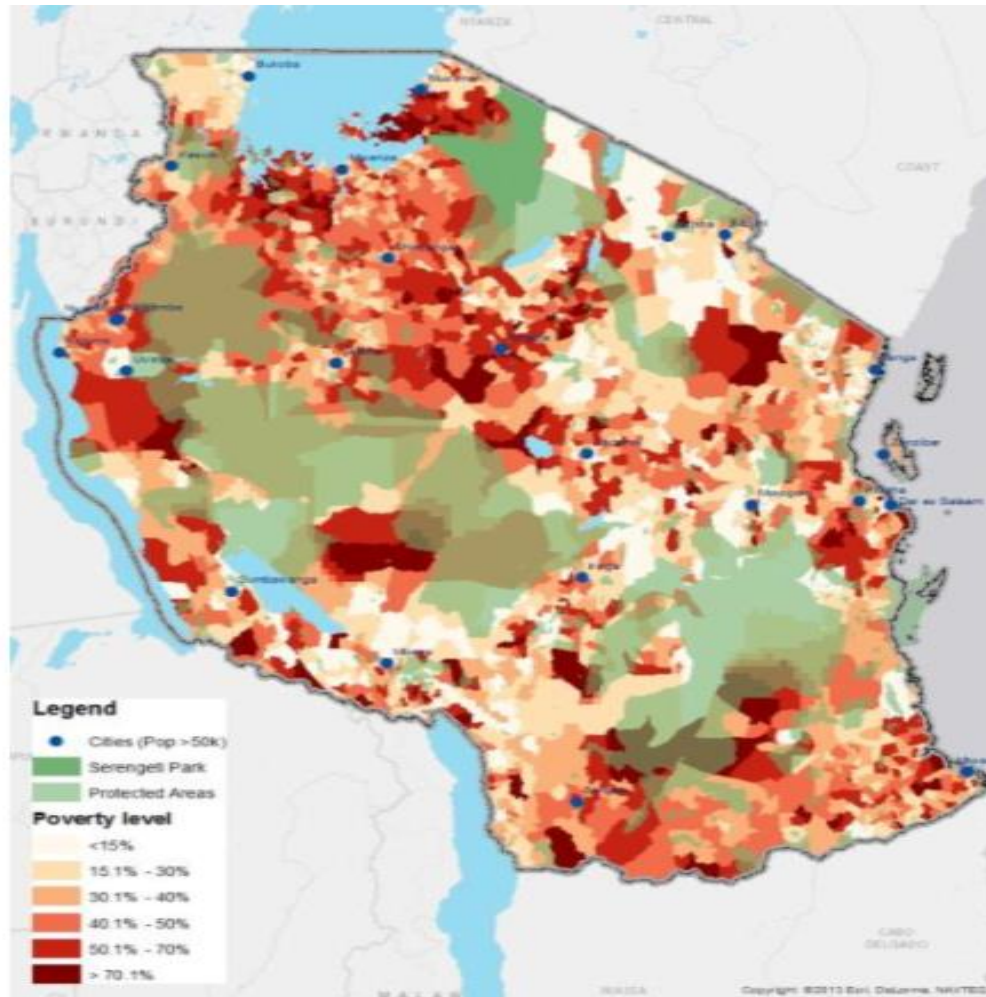
3.3.3.2 Poverty reduction

What does the growth of the tourism industry mean for the poor or for the overall national wide poverty reduction efforts is an imperative question in the policy discourse in Tanzania. The declining employment figures (figure 40) and high poverty incidences around protected areas (figure 41) are just two aspects of the limited effect the sector has on poverty reduction. The existing literature offers a number of possible explanations behind the limited effects of tourism on poverty reduction. They include: -

- Extensive use of package tourism.
- Isolation of the tourism sector from domestic value chains.
- Insufficient labor opportunities created relative to the growth of the sector.
- Non-transparent redistribution mechanisms (e.g. multiplicity of central and local agencies; generation of revenue both for parks and communities around).
- Overconcentration of tourism activities in the northern circuit that leaves the southern circuit marginalized (see data on visitors in the introduction section).

- Limited involvement of women and People with Disabilities in the tourism value chain.
- Complicated regulatory and tax system discouraging investment and create room for tax leakages (as analyzed in the section on causal analysis).²⁷

Figure 41: Poverty around protected areas



Source: World Bank (2015)

The World Bank (2014) indicates that 80% of tourists visiting Tanzania come from either Europe or USA where 64% subscribe to package tours organized through travel agencies located abroad. It means that only a portion of the spending remains in the country. Cross-sectorial linkages whether between tourism and other sectors or even between sectors unrelated to tourism is a critical bottleneck for Tanzania to achieve the growth rates experienced by Asian economies during their economic transformation stage. For example, a study by the World Bank (2014) shows that 15–25% of local food production (fruits and vegetables, meats, fish, etc.) are not consumed by hotels in Tanzania because of poor local quality controls. The study further shows that an

²⁷ For example excessive upfront payments to register a tour operator in Tanzania. An investor must make upfront payments of up to US\$ 5,000 for the tourism license (TALA) and own a minimum of five vehicles. In comparison, the equivalent license fee in Kenya costs only US\$ 200, with a requirement that the operator own only a single vehicle (World Bank, 2015). Another related area is the weak implementation of the quality control for accommodation facilities - more so in Zanzibar than in mainland Tanzania. Only 74 out of the estimated 400 hotels in Zanzibar have been graded, with the system yet to ensure that graded hotels provide the quality required for their category.

international hotel in mainland Tanzania, with a hotel room selling for an average of US\$ 210, is estimated to be spending only 22% of the sales directly in the local economy.

Moreover, poor infrastructure such as animal clinics, quarantine stations and absence of modern abattoir in Zanzibar compels hotel owners to import meat from mainland. Linkages within the sector are limited as well. The same beach expedition in Zanzibar could be offered in mainland, but such resources remain relatively underdeveloped or poorly developed (World Bank, 2015). Limited ties between beach experiences, culture and historical tourism is also a constraint to the extent to which tourism accelerates poverty reduction in Zanzibar.

Shortages of skilled human resources in the tourism industry are reflected by Tanzania's 116th ranking out of the 140 economies on human resources base in the tourism and travel competitive index 2013 where Tanzania's 116th²⁸. Furthermore, labor opportunities created so far by the tourism sector are perceived as sub-optimal given the growth rates of the sector. World Bank (2015) shows that over the past decade, the sector has grown by a factor of almost 300%, while in contrast, the number of jobs provided directly and indirectly by the sector has only slightly doubled, from 546,000 to 1,200,000 workers over the same time period. That implies the ratio of labor to GDP in the tourism industry declined from 55% to 33% during the said period in a sector that is known to be labor intensive²⁹.

²⁸ It is worth acknowledging that Zanzibar established a school of tourism at the State University of Zanzibar (SUZA) offering vocational tourism related courses. However, the school is constrained by limited technical expertise to cater for extensive professional training in the industry.

²⁹ Figures from the World Bank (2015) do not match estimates from WTTC (2014). However, they both point towards the same challenge of sub-optimal employment opportunities created by the sector.

3.3.4 Causal analysis of key challenges: Tourism sector

Challenges	Immediate causes	Underlying causes	Root causes
1. <i>Tourism sector benefits for Tanzanians are not optimized.</i>	<ul style="list-style-type: none"> • Inadequate quality of skilled labor to supply required inputs and insufficient supply of well-trained Tanzanians to work into the sector. • Concentration of Tanzanians on low paying unskilled positions and foreigners on higher positions. • Lack of diversification of tourism products and geographical focus. • Weak business linkages (e.g. SMEs/processors/farmers to hotels/tour operators). • Weak productivity of safe high quality local goods (food and others) capable of accessing the tourism market. • Limited engagement of women and people with disability in tourism value chain. • Lack of inclusive market access to the tourism industry for Tanzanians. • Long travelling time/costs mismatching prices in comparable markets. • Sub-optimal collection of revenue. 	<ul style="list-style-type: none"> • Weak capacity of the tourism training colleges e.g. in Zanzibar to provide professional tourism related training. • Limited private sector investment in tourism relative to existing opportunities. • Weak mainstreaming of responsible tourism awareness into the government decision making process. • Weak and out of date protection and tourism Acts i.e. Tourism Act (2008), Tourist Agents (Licensing) Act (2002) etc. • Lack of systematic articulation and strategy to address of gender specific barriers in the tourism. • Lack of social inclusion and gender mainstreaming in the tourism sector. • Limited capacity in public and private sector representative organizations to implement and enforce policy. • Lack of efficient public private sector dialogue mechanism. 	<ul style="list-style-type: none"> • Insufficient public resources to invest in tourism related education system. • Absence of incentives to the private sector to develop internationally accredited tourism training colleges • Poor access to finance and capital for entrepreneurs. • Lack of updated overarching strategy for the sector. • Insufficient resources to invest in complementary infrastructure. • Complex and inefficient tourism sector regulatory regime (e.g. business licensing and incentive scheme, excessive taxation). • Weak/fragmented marketing strategies (incl. insufficient promotion of tourism attractions).

2. Unsecured tourism assets.

<ul style="list-style-type: none">• Weak WMA systems with benefits not reaching communities.• Extensive use of package tourism.• Ineffective market information sharing specific to seasonal demands of tourism.• Sub-optimal number of tourists' arrivals compared to the potential.	<ul style="list-style-type: none">• Poor infrastructure (transport, storage, energy, travel, quality assurance infrastructure etc.)• Weak public sector tax collection and redistribution mechanism.• Weak enforcement of labor rights.• Weak online marketing capacity & absence of the training on the same.	
<ul style="list-style-type: none">• Stakeholder complicity in poaching.• Deteriorating tourism asset• Weak public, private and community level transparent and inclusive dialogue mechanisms (focus on responsible tourism criteria).	<ul style="list-style-type: none">• Ineffective natural resource protection and conservation management and enforcement.• Ineffective WMAs and community engagement/ownership.• Limited means to enforce law (poaching, dynamite fishing etc.)• Lack of corporate social and gender responsibility incentive structures for the private sector.	<ul style="list-style-type: none">• Outdated protection and conservation related tourism acts i.e. Tourism Act (2008) and Tourism Regulations, Wildlife Conservation Act (2002), Marine Parks and Reserves Act (1994), Ngorongoro Conservation Area Act (2002) etc.• Inadequate political push policing.• Lack of general public, community level and decision making level awareness and understanding of benefits of conservation and protection of tourism natural resources.• Weak budgetary allotment (linked to tourism development fund derived from tourism development levy and other disbursement systems required in a functioning tax system.)

3. Sub-optimal links between different tourism products.	<ul style="list-style-type: none"> Limited diversified source market. Heavy concentration of tourism activities along the northern circuit. Imbalance flow of tourists between the northern and southern circuits. Limited developed tourism sector. <ul style="list-style-type: none"> Biased branding of Tanzania as the land of Kilimanjaro, Zanzibar and the Serengeti. Absence of modern marketing tools such as interactive tourism website. Limited capacity to position, rebrand and actively promote Tanzania into a combination of wildlife +beach +culture product. Limited developed non-wildlife tourist attractions (mainland) and non-beach attractions (Zanzibar). Inadequate infrastructure (e.g. saturated sea and airports in both mainland and Zanzibar. Weak expertise of locally owned tourism facilities and services. Limited empowerment of locally owned smallholder and women tourism facilities and services. <ul style="list-style-type: none"> Weak and fragmented marketing strategies especially in Zanzibar. Limited financial resources. Lack of updated overarching strategy for the sector. Investment policies lack the right mix of incentives e.g. absence of a dual zoning exercise and a differential incentive structure based on the differential developmental needs of the northern and southern circuits
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3.3.5 Capacity gaps analysis

Institutions Capacity constraints

Ministry of Natural Resources and Tourism (Tanzania mainland).	Technical and financial gaps in establishing benefit-sharing mechanisms • absence of a dual zoning exercise coupled with differential incentive structure based on the differential developmental needs of the northern and southern circuits • limited motivation persists to address the overlapping functions and inadequate coordination within the public sector (reference is made to the role of duty holders such as TANAPA, TTB, NCA which they all undertake parallel limited
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	coordinated promotional programmes) • technical support to revise the regulatory environment is necessary to address the currently unfriendly business environment.
Ministry of Information, Communication, Tourism and Sports (Zanzibar).	Technical and financial capacity is lacking in regulatory environment including harmonization of different instruments, translation of regulatory instruments into workable forms (regulations for the Tourism Act 2012 are yet in place nor a monitoring and evaluation plan to guide and track implementation of the tourism policy in Zanzibar) • weak capacity to implement the R4P in tourism and expedite the roll out the hotel standardization system • insufficient resources is the main reason for lack of quality assurance infrastructure e.g. modern abattoirs in Zanzibar.
Education institutions such as SUZA.	Weak capacity of the tourism training institutes to provide extensive professional training in a diversified tourism related areas. This capacity gap is much more severe in Zanzibar.
Tanzania Investment Centre (TIC) and Tanzania Tourist Board (TTB)	Resource and technical capacity is limited to effectively identify, communicate and facilitate specific tourism investment opportunities • limited capacity to position, rebrand and actively promote Tanzania into a combination of wildlife, beach and culture product • skills and knowledge gaps prevail in sourcing and adopting modern marketing and promotional technologies such as online marketing tools.
Stone Town Conservation and Development Authority, Department of Antiquities, TANAPA, SENAPA and NCA	Insufficient management capacities and resources (inadequate maintenance of tourism assets such as the world and national heritage sites) • inadequate means to reinvest/earmarking part of revenues in the maintenance of the attractions as well as funding key public goods objectives.
Tanzania Wildlife Authority	TWA is a very new institution with significant responsibilities and will therefore be in need of functional and technical capacity building support.

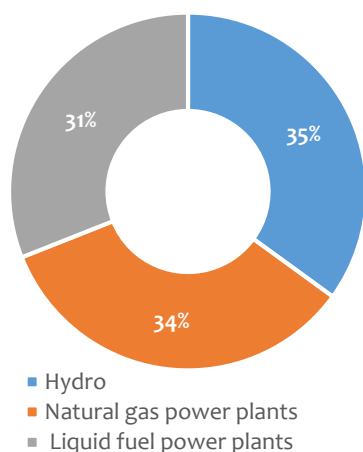
3.4 Access to energy

3.4.1 Introduction

Tanzania is endowed with diverse forms of energy resources ranging from natural gas, coal, uranium to renewable energies (hydro, solar, wind, geothermal, bio-energies and tidal waves). Most of these resources are yet to be optimally exploited³⁰. The existing supply of energy comprises of biomass (90%) where 80% is utilized in rural areas; petroleum products (8%); electricity (1.2%), and the remaining (0.5%) is contributed by coal and other renewable energy sources (MEM, 2015). Because of lack of fossil fuel reserves, Tanzania is spending between 25% and 35% of its foreign currency earnings to oil importation. Seventy five percent of all petroleum products are serving the transport sector (road, airline and railways), which consumes mostly diesel (about 70% of the energy needs). The remaining 30% of the fossil fuel is spent on large diesel run generators.

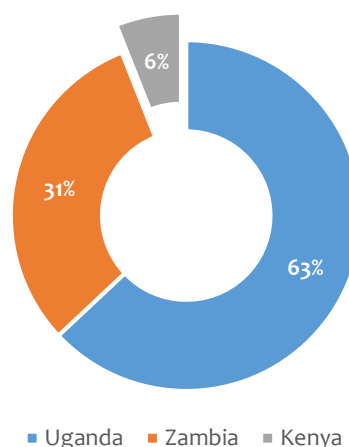
Major sources of energy for electricity production in Tanzania are petroleum, hydropower and gas (Figure 42) with 16MW being imported from neighboring countries (Figure 43). To attain the middle-income status by 2025 (a jump in income per capita from the current US\$ 633 to at least US\$ 3,000), the country will need to produce 10,000MW by 2025 from the current production level of 1,583MW. It is therefore estimated that the current annual growth in electricity demand estimated at 10-15% will require enormous investment in the power production to the tune of 764.5MW of new capacities annually (URT, 2014).

Figure 42: Domestic production of electricity amounting to 1,583MW



Source: URT (2014)

Figure 43: Electricity importation amounting to 16MW



Source: URT (2014)

3.4.2 Planning framework for the electricity sub-sector

The national energy policy 2003 is the main policy framework aiming at promoting affordable energy supplies in support to the national developmental objectives. The introduction of the Electricity Act 2008 opened the electricity sub-sector to private investors ending a 40 year monopoly of the national energy utility TANESCO.

³⁰ The vast arable land in Tanzania is also considered viable for high-energy crop yields for biofuels production (bioethanol and biodiesel). However, Tanzania has taken a cautious approach in that front given the risk of large scale biofuels production on food security.

The medium and long term reform of the sector is guided by the “Electricity supply industry reform strategy and roadmap 2014 -2025” which focuses on (i) improving the environment for private investment in generation and distribution (ii) ensuring access and availability of adequate, reliable and affordable electricity supply (iii) increasing efficiencies of TANESCO’s operations and the overall governance of the sector. The highlight of the strategy is to gradually unbundle TANESCO into independent generation, transmission and distribution companies with much emphasis on private sector participation in all but the transmission segment. The medium term focus of the restructuring process will involve: -

- Capacity building for MEM/TANESCO/REA/EWURA to support the new market.
- Establishing a Transformation Management Team (TCMT) at TANESCO to manage the reforms.
- Unbundling of generation segment from transmission and distribution by December 2017.
- Ring fencing TANESCO’s strategic business units.
- Reducing system losses (technical and non-technical) from 19% to 16% by June 2018.
- Improve TANESCO’s financial performance by retiring Emergence Power Producers (EPPs) immediately upon expiry of contracts.
- Decentralizing decision-making to zonal offices.
- Ring fencing distribution segment into seven (7) semi-autonomous Zonal offices.
- Developing technology based Standard Power Purchase Agreement (PPA) model.
- Designating an Independent Market Operator (IMO) to manage wholesale and retail electricity trading.

In the medium term, the strategy allows TANESCO to remain vertically integrated with ring fenced decentralized business units. The medium term cost estimate is US\$ 11.4bn averaging US\$ 1.9bn per annum of which 74% is for the generation segment. The latter will be spent on diversifying energy sources to include natural gas, coal, hydro, uranium and renewable energies to meet the 2025 target of producing 10,000MW (Table 9). Efforts will be directed towards attracting private capital investment into the sector to reduce the current over dependence on government, DPs and financial institutions. The outcome target is to raise electricity connection levels to at least 50% by June 2025. Grid extension will remain financially feasible for urban and peri-urban areas, while renewable energy sources including solar, wind and geothermal will target off grid and remote areas.

Any interest to support the implementation of the strategy needs to be well aligned with the upcoming USA’s Compact II that will concentrate on institutional and infrastructure development. Tanzania is also on schedule to engage in regional initiatives such as the Eastern Africa Power Pool (EAPP), East Africa Community Power Pool (EACPP) and the Southern Africa Power Pool (SAPP).

Table 9: Present and projected capacity by year 2025

	Current Capacity	Additional Capacity (2015 - 25)	Capacity by 2025
Hydro (MW)	561	1,529	2,091
Natural Gas (MW)	527	3,968	4,469
HFO/GO/Diesel (MW)	495	-	438.40
Coal (MW)	-	2,900	2,900
Wind (MW)	-	200	200
Solar (MW)	-	100	100
Geothermal (MW)	-	200	200
Interconnector (MW)	-	400	400
TOTAL (MW)	1,583	9,297	10,799

Source: URT (2014)

If implemented as planned, Tanzania will exploit its hydropower potentials located in Ruhudji (360MW), Rumakali (220MW), and Stieglers Gorge (2100MW). With temperatures of up to 255°C (dry steam), areas such as Songwe, Mbeya and around Lake Natron will be the main source of geothermal power generation. Moreover, wind speeds of 5-7m/s along the coast offer significant potential to exploit wind energy resources. It is however,

worth noting that in addition to the challenges of securing financial resources, the demand for renewable energy will also depend on the supply and price of non-renewables and the changing patterns in the alternative use of energy sources (electric power, cooking energy and transport fuel).

In the medium term, Zanzibar will institute and capacitate a specialised regulatory authority, the Zanzibar Utility Regulatory Authority (ZURA), enforce the petroleum supply act, revise the energy policy, establish a biomass energy strategy as well as guidelines for sustainable liquid bio fuels development. Biofuel policy and the development of the rural energy master plan are also in the pipeline. Zanzibar also intends to reduce reliance on electricity supply from mainland by exploiting renewable sources of energy and improve energy efficiency. Scientific studies and capacity building initiatives in the two areas are already underway.

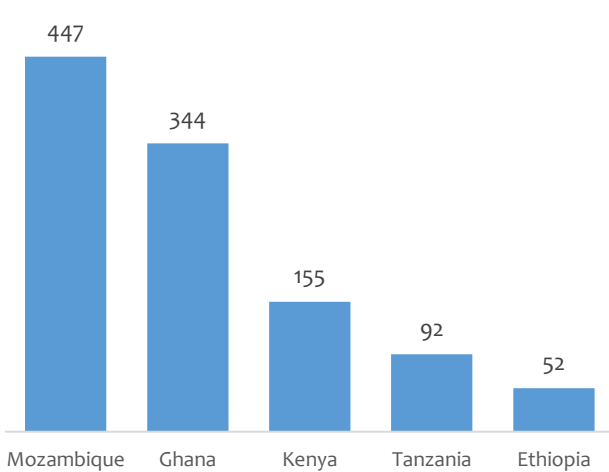
As per the draft union constitution, Zanzibar will secure autonomy in oil and gas resources contrary to current arrangement where such resources are union matters. In such anticipation, global oil companies have already open liaison offices in Zanzibar ready to seek exploration licenses once procedures are in place. China, which has close development ties with Zanzibar, is also expected to be a major player in oil and gas exploration in the islands. All such developments including policy and institutional reforms identified above will require significant capacity building (both functional and technical).

3.4.3 Access to electricity and consumption

3.4.3.1 Overall performance and implications

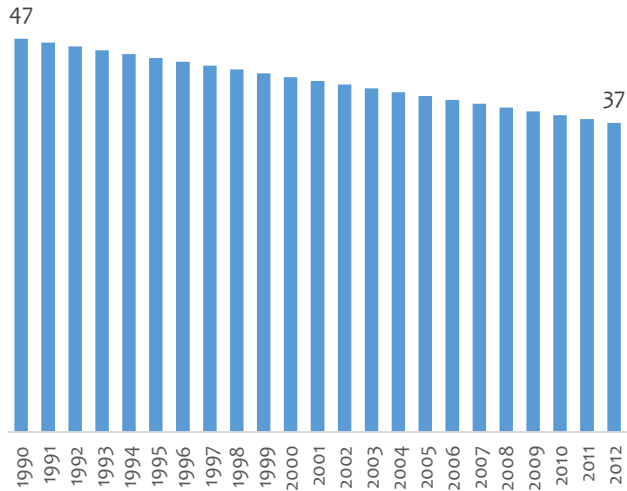
Major progress has been made in improving households’ access to electricity. By 2013/14 thirty six percent of households have been connected, which is 6 percentage points above the MKUKUTA II target. Electricity coverage in Zanzibar increased to 87% in 2013 from 82% in 2010 coupled with significant improvement in revenue collection from 80% in 2010 to 93% in 2012/13. The strategic decision to reduce connection fees added 400,000 new households in the mainland and 33,000 in Zanzibar to the national grid since 2010. The pace of new connections over the past three years (i.e. the average growth rates) is higher in Zanzibar averaging 53% against 32% in mainland. Tanzania has low electric power consumption per capita (kWh) compared to its peers with similar levels of poverty. For example, the electric power consumption per capita in Mozambique and Kenya is nearly five times and twice that of Tanzania respectively (Figure 44).

Figure 44: Electricity consumption per capita (KwH): Regional comparison



Source: World Bank – WDI (2015)

Figure 45: The effects of extensive use of charcoal: Declining forest area (% of land area)



Source: World Bank – WDI (2015)

The increasing proportion of households connected to the grid has in turn led into an increasing use of electricity for lighting from 12.5% of households in 2007 to 18.2% in 2011/12 and consequently decreasing the use of paraffin/kerosene from 83.9% to 61.0% in 2011/12. As households tend to use different sources of energy for different purposes (electricity for lighting and charcoal for cooking), the expanded access to electricity has yet to lessen the use of firewood and charcoal³¹.

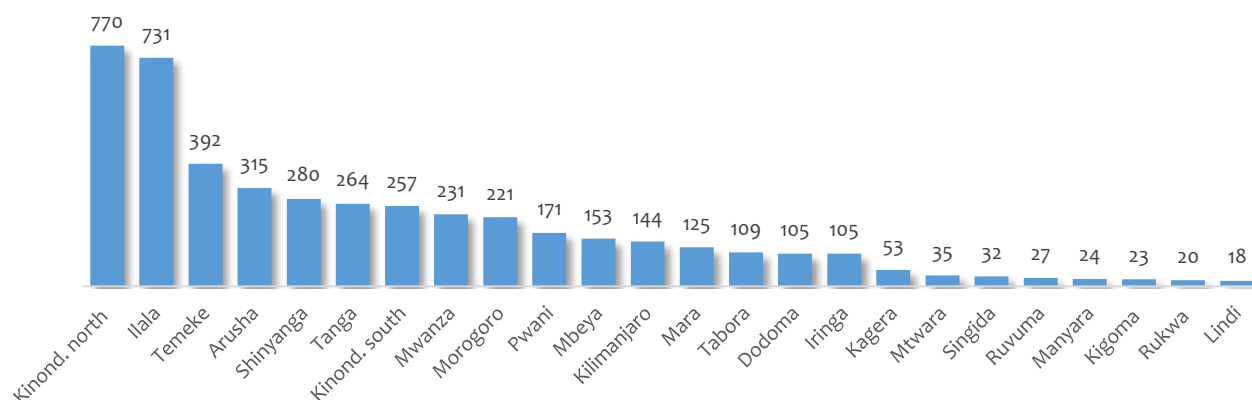
About half of Tanzania's annual charcoal production is consumed in Dar es Salaam (World 2009)³² and it is projected to continue as a major urban source of cooking energy for the next 30 to 40 years (World Bank, 2009). Because of extensive dependence on biomass, the forest to land area ratio has declined to 37% in 2012 from 47% in 1990 (Figure 45 - World Bank, WDI 2014). Recent developments in the energy sector are yet to reduce household dependence on charcoal. For instance, gas discoveries in early 2000s did not lead to a reduction in electricity cost as expected. Furthermore, the rise in prices of alternative modern sources of energy such as LPG has not helped either. The price of a 15 kg cylinder of LPG has gone up from around TShs 20,000 in 2006 to about TShs 60,000 in 2012 (Bauner et al, 2012).

3.4.3.1 Regional disparities in access to energy

Despite surpassing the MKUKUTA target, the electricity access rate remains skewed towards urban areas. While the urban access rate is 68% (Dar es Salaam) and 35% (other urban areas) in 2012, it stands at 3.8% in rural areas (HBS, 2011/12). Most of the rural areas and large parts of northern and southern areas of the mainland remain far away from the grid.

Staggering regional disparities persist in electricity consumption (Figure 46). Dar es Salaam accounts for 47% of the national total electricity consumption while regions such as Mtwara, Singida, Ruvuma, Manyara, Kigoma, Rukwa and Lindi each consuming less than 1%. Rukwa and Lindi account for only 0.4% each of the national electricity consumption. The sum of the annual electricity consumption in the 8 regions is only a third of the total consumption of just one district in Dar es Salaam. A high positive correlation coefficient of 0.65 exists between poverty and electricity consumption. Without claiming direct causality, regions with low energy consumption are also the ones with high incidences of poverty³³.

Figure 46: Electricity consumptions (GwH): Regional disparities



Source: URT (2013)

³¹ The Household Budget Survey of 2011/12 shows the proportion of households using firewood/charcoal for cooking did not change much over the last 3 rounds of the budget surveys.

³² Estimated at 500,000 tons (WB, 2009)

³³ Poverty data used for computing the correlation coefficient is the regionally disaggregated Multidimensional Poverty Index (MPI) from Oxford Poverty and Human Development Initiative (OPHI).

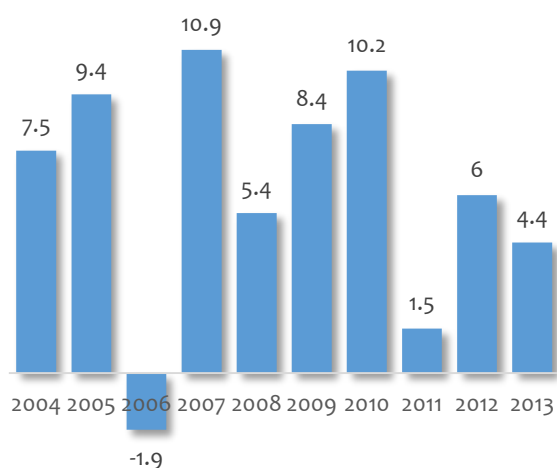
3.4.4 Electricity production

Significant decline in power supply from hydro sources, limited investment in diversifying energy mix and inefficiencies in TANESCO operations, have all manifested into widespread power shortages in the past decade and a half. In 2011, for instance, rolling blackouts of up to 12 hours was instituted and consequently affected productive activities some of which were forced to install their own diesel-run generators (including well off households). The sector therefore grew by only 1.5% in 2011 compared to 10% a year before (Figure 47) and remains far behind other sectors in terms of growth rates (Figure 50). To stabilize electricity supply, the national power utility TANESCO procured expensive EPPs which created opportunities for unscrupulous business people to benefit financially³⁴. Significant national budgetary resources had to be spent to heavily subsidize TANESCO and guarantee a loan from commercial banks to finance TANESCO operations. In addition, electricity tariffs were raised mostly as a result of increasing burden of paying for the energy supplied by EPPs.

The liberalization of the sector in 2008 attracted EPPs resulting into a rise in power generation from 2,748mn kWh in 2001 to 5,997mn kWh in 2013, an increase of more than 118%. Declining production from hydro sources averaging 13% in the last three years has been compensated by increasing supply from thermal and gas power generation (Figure 48). The latter had an average growth of 15% over the same period. Zanzibar also benefited from improved power distribution from the Mainland from 185 kWh in 2009 to 223mn kWh in 2012 (21% increase). The recent installation of the multimillion submarine cable supplying 100MW from mainland to Zanzibar was a major boost to the islands as the existing old cable was about to reach the end of its lifespan.

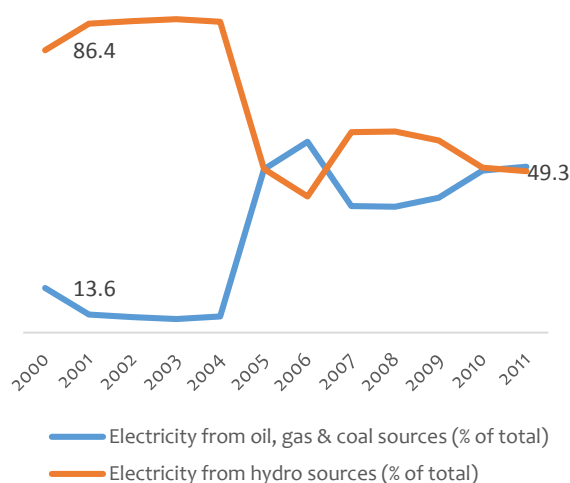
Despite such progress, transmission loss has been on the rise and is currently twice the loss in 2000 (Figure 49). It is even more severe in Zanzibar (33%) compared to mainland (20%), with both rates well below the international average of 5-8%. To reach the production targets outlined in Table 9, (particularly the target of 2,090 MW from hydro sources), a number of environmental issues need to be tackled as well. For instance, risks of destructing habitats of endangered species need to be addressed before the HEP project at Malagarasi takes off. Furthermore, the highly regarded Stiegler's Gorge site is in a conservation area where changes in legislation will be required prior to any hydro energy exploitation.

Figure 47: Electricity and gas GDP growth (%)



Source: World Bank – WDI (2015)

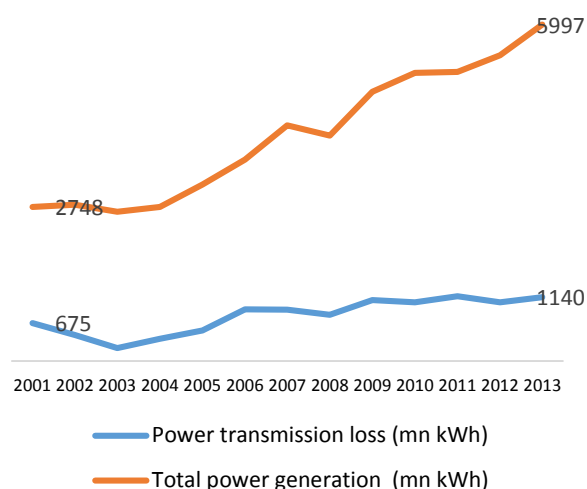
Figure 48: Declining electricity supply from HEP being compensated by supply from oil and gas sources



Source: URT (2013)

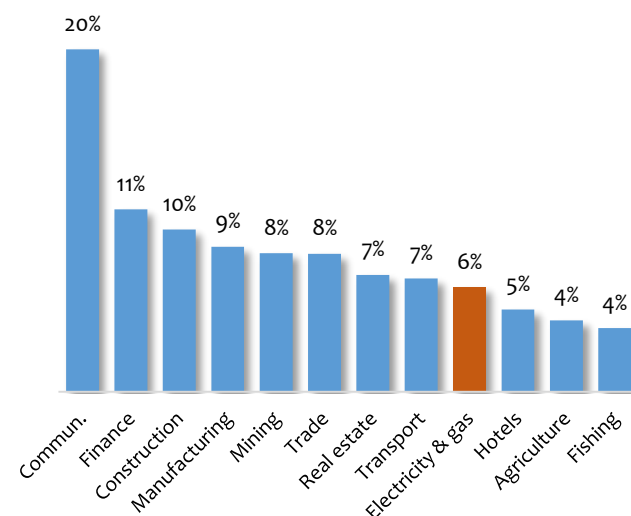
³⁴ See the parliamentary investigation reports on the Richmond and ESCROW scandals.

Figure 49: Power generation and transmission loss (mn kWh)



Source: URT (2012 and 2013)

Figure 50: Comparing the growth rates of electricity and gas GDP from other sectors



Source: URT (2013)

3.4.5 Discovery of gas deposits³⁵

Earlier success from shallow water fields in Songo Songo and Mnazi Bay which are already providing an important source of electricity in Tanzania, has been followed up by the discovery of deep offshore gas resources amounting to an estimated 24–26 trillion cubic feet. However, the current high expectations with regards to the latter discoveries need to be well managed in the medium term (e.g. transformation of the economy, borrowing against future revenue, expected impact on poverty reduction and transformation of the Mtwara and Lindi economies etc.). A number of unknowns prevail which could potentially affect the financial viability of investing in LNG plant. For instance, none of the companies in exploration have declared the discoveries as commercial viable. Furthermore, recent technological developments in the US oil and gas production could have spillover effects on the profitability of investment in gas drilling and processes in other parts of the world including Tanzania. It is also worthwhile to bear in mind that days of high commodity prices are over as evidenced by the recent collapse of the oil prices in the global markets³⁶.

Even if the discoveries are confirmed as commercially viable, the main expected benefits i.e. a joint gas processing and liquefaction natural gas (LNG) plant and exports will not materialize in the medium term due to significant time required to construct the plant. Fiscal benefits will only materialize roughly a decade after the decision to develop the project, a decision that will be made in 2015/16. Employment creation will be limited during operation given the capital intensive nature of the industry. Employment opportunities are unlikely to be way out of poverty for Mtwara and Lindi regions which are among the poorest regions in Tanzania³⁷.

The new natural gas pipeline to be completed in 2015 is expected to reduce power generation costs and therefore strengthen the financial position of TANESCO in the medium term at the time the government proceeds with institutional restructuring of TANESCO. Cautious reading to such promises of reduced electricity costs is necessary given similar experience with gas discovery in Songo Songo, which raise rather than reduce electricity cost. On the positive note, it is undeniable that the country will experience investment impact during

³⁵ Mostly sourced from IMF (2014).

³⁶ For example, oil prices have tumbled from a peak of more than US\$115 per barrel in June 2014 to less than US\$50 a barrel in January 2015.

³⁷ Lindi and Mtwara have 84% and 70% poverty incidence respectively as per the multi-dimensional poverty index.

the development phase. IMF (2014) estimates the LNG project to bring in US\$ 20bn during development phase with the bulk of this spending incurred in 2018-21. At the peak of the development phase, the annual investment is estimated to amount to 19% of GDP with pipelines and LNG facility absorbing most of the development costs. As such Lindi region where the offshore blocks are located will potentially experience growth in the employment opportunities particularly for casual labor. More opportunities will also emerge from local businesses supplying goods and services during the construction.

3.4.5 Causal analysis of key challenges: The energy sector

Challenges	Immediate causes	Underlying causes	Root causes
1. <i>Insufficient supply of modern energy services to both urban and rural population</i>	<ul style="list-style-type: none"> • Limited grid extension. • High frequency of power outages. • Limited efforts to expand customer base and optimally serve the clients. • Significant technical and non-technical losses. 	<ul style="list-style-type: none"> • Limited private capital in the electricity sub-sector. • Inefficiencies in production, distribution and transmission. • Limited competition in the supply of electricity. • Production collapse during drought periods. • Overloaded transmission & distribution systems above industry standards. • Limited diversification of the energy resources for power generation. • Economic and technical distortions in long term planning and funding of TANESCO. 	<ul style="list-style-type: none"> • Sector policy: Over 40 years of government monopolizing the electricity subsector. • Absence of extensive tax incentives including (partial) risk guarantees for renewable energy sources. • Overreliance on hydro power generation. • Underinvestment in production, transmission and distribution systems. • Frequent political interference in the operations of TANESCO.
2. <i>Low access to electricity and electricity penetration, particularly in rural areas.</i>	<ul style="list-style-type: none"> • Insufficient supply of energy services from the national grid. • Insufficient supply of energy services from off-grid in particular from renewable sources. • Heavy dependence on wood fuel in rural areas as the main energy source. 	<ul style="list-style-type: none"> • Limitedly expanded national grid. • Inadequate financial, infrastructural and institutional frameworks to support the development of renewable energy. 	<ul style="list-style-type: none"> • Inadequate finances to invest in grid expansion. • Disperse population in rural areas • Insufficient knowledge about the potential of alternative sources e.g. renewable energy.

	<ul style="list-style-type: none"> • Lack of recognition of unequal gender relations in the energy system. 	<ul style="list-style-type: none"> • Unclear conditions and incentives for new and long-term renewable energy production. • Inability to meet cost of connection and using electricity. • Gender inequitable decision-making at all levels in the energy sector and exclusion of women from decisions affecting their own lives. 	<ul style="list-style-type: none"> • Poverty and poor housing conditions to allow electricity connection. • Insufficient provision of the legal and regulatory frameworks to promote gender equitable access to energy through the market.
3. High costs of power production, distribution and transmission.	<ul style="list-style-type: none"> • Poor service delivery to the final consumer. • Regional disparities in the supply and consumption of electricity. 	<ul style="list-style-type: none"> • High cost of TANESCO operations. • Inefficiencies in cost management, revenue collection and asset utilization to generate revenue. • High costs of ZECO operations. High cost of electricity relative to the income of consumers. 	<ul style="list-style-type: none"> • Expensive EPP's contracts beyond the costs of hydro power. • Inadequate and untimely investment in energy sector. • Absence of price and quality competition in the provision of electricity services. • Use of expensive fuel-run generators to supply electricity in Pemba Island.

3.4.6 Capacity gaps analysis: The energy sector

<i>Institutions</i>	<i>Capacity constraints</i>
1. Ministry of Energy and Minerals (MEM)	Capacity gaps persist in • marketing of available renewable energy solutions and quality enforcements • tools to comprehensive forecast energy demand • limited understood roles responsibilities and accountability between MEM and its implementing agencies. Other capacity gaps relate to the ability to develop, implement and monitor gender responsive policy, programs; and undertaking gender mainstreaming in institutional mechanisms of the ministry of energy and minerals and in leadership and decision making.

- | | |
|-------------------|---|
| 2. TANESCO | Weak financial capacity for huge investment infrastructure • TANESCO's human capital is aging risking the technical and commercial operations in the very near future • gaps in areas of good governance including clarity of responsibilities between TANESCO and its parent ministry • limited adoption of appropriate revenue assurance technologies • inadequate and ineffective capacity in procurement including weak negotiations skills in PPAs • weak capacity to management the environment around catchment areas. |
| 3. ZECO | ZECO's major capacity gaps • technical inadequacies in setting and the overall management of tariffs • absence of a robust performance management system • gaps in the development and implementation of business plans (e.g. setting rates) • weak capacity to bill and manage customer base • Inadequate financial resources in developmental activities particularly in renewable energy. |
| 4. ZURA | It is a very new regulatory body structured similar to EWURA from the mainland. ZURA would require technical assistance in both functional and technical matters. |

3.5 Access to housing and housing conditions

3.5.1 Introduction

Article 11 (1) of the International Covenant on Economic, Social and Cultural Rights (ICESCR)³⁸ guarantees the right to housing and adequate standard of living. In Tanzania, individuals aged over 18 years can legally own a house, while those under age 18 may inherit/own a house under a custodian in cases where parents have passed away. The law does not discriminate against women in home ownership and goes further by demanding the consent of spouses before a matrimonial home is subjected to mortgage or sale. Though such requirements are not fully enforced, they are the necessary foundations upon which gender equality can be enhanced.

Two features define the housing sector in Tanzania. First, the sector is characterized by informal settlements in largely unplanned areas. For instance, 75% of land in Dar es Salaam is estimated to be un-surveyed (CAHF, 2013). In addition to poor and unhealthy surroundings in some of the settlement areas, it is common to see both the poor and the rich live side by side and in some areas in parallel to commercial and industrial units. Second, all houses in rural areas and nearly 99% of the houses in urban areas are built out of pockets on incremental basis taking 5 to 10 years to complete instead of standard 9 to 12 months (NHC, 2010).

3.5.2 Planning framework for the sector

The Human Settlement Development Policy 2000 emphasizes partnerships between the public and private sectors in ensuring sustainable development of quality housing facilities. Despite limited reference in the existing constitution, the right to housing has strongly featured in the National Human Rights Action Plan 2013-2017. The plan intends to (i) enhance public awareness on rights to land, including preparations of integrated human settlement plans (ii) establish national land compensation fund; and, (iii) dissemination of the housing policy. Inheritance laws are under review to guarantee women's rights to inherit and own land, housing and other properties regardless of marital status. Land ownership remains a sensitive issue in Tanzania. As such Tanzania is not expected to succumb to the pressure from fellow EAC members to allow EAC nationals to own land anywhere within the EAC block.

Specific interventions have been introduced to address the fast expanding informal settlements in urban centers. They include (i) regularization of settlements in Dar es Salaam³⁹ (ii) investing in serving land for housing construction. It involves either partnership between municipalities and private sector or with municipalities securing commercial loans to service land. Such loans are repaid by selling the serviced plots to the public (iii) National Housing Corporation (NHC) embarking on apartment development which are later on sold to the public (iv) a housing scheme for civil servants which is expected to deliver 50,000 houses in the next 5 years. A similar initiative by the Tanzania Building Agency (TBA) is scheduled to deliver 10,000 houses in the next decade (v) pension funds advancing mortgage loans to their members (vi) a Housing Microfinance Fund (HMF) established in 2011 and has already issued 1,090 housing microfinance loans by October 2012.

The enactment of the Mortgage Finance Act in 2008 was a breakthrough in expanding access to housing finance in Tanzania. It was followed by the launching of Tanzania Mortgage Refinance Company (TMRC) in 2010 whose main role is to refinance banks' mortgage portfolios. The two initiatives revitalized specialized housing finance in the absence of the Tanzania Housing Bank (THB) which collapsed in 1995.

³⁸ Tanzania ratified the convention in 1976.

³⁹ The scheme provides legal ownership of property to owners in unplanned settlements.

3.5.3 Achievements and challenges

3.5.3.1 Access to serviced land and housing finance

Major progress in the past decade includes (i) an increasing role of municipalities in land servicing (ii) increasing private sector investments in the housing sector in Dar es Salaam and in secondary cities such as Arusha. After successful piloting the land servicing project (famously known as 20,000 plots project), the Ministry of Land delegated that role to municipalities, with regions such as Dar es Salaam, Morogoro, Mwanza and Mtwara successfully spearheading the initiative. However, one of the challenges is the inadequate provision of sanitation, water and electricity infrastructure in the newly planned areas, mostly an outcome of inadequate coordination between municipalities and national utility companies. In the wake of increasing pressure to raise own resources and become less depended on subventions from the central government, municipalities use the land servicing schemes as income generation opportunities, further raising the costs of serviced plots. The schemes are also few and far apart struggling to meet the demand. It is estimated that Tanzania would need to produce more than 143,000 plots per annum to satisfy demand compared to only 6,000 being supplied per annually (Kironde 2006).

Access to housing finance has improved significantly. From just one bank in the 2000s, a total of 19 commercial banks are currently providing mortgage financing. However, both initiatives (serviced plots and mortgage finance) are urban biased and out of reach of the poor. According to CAHF (2013), the average mortgage size is between US\$ 31,000 and US\$ 215,000 and to qualify for a typical mortgage product, a minimum salary of US\$ 525 a month is a prerequisite. Yet with 73% poverty headcount ratio at \$2 a day (World Bank, WDI 2014) and interest rate of around 16% compared to 9% in South Africa (CAHF, 2013), it is hard to see the pro-poor nature of these recent developments in the housing market. The NHC housing projects, for instance, cost its low income two-bedroom units at US\$ 30,000 which could only be affordable to the middle income earners (CAHF, 2013). Such houses are not VAT exempted implying that the actual sale price is amplified by the 18% VAT. It is worthwhile to mention that the financial environment in Tanzania (low financial inclusion at 14%⁴⁰ (FSDT 2013), high T-Bills rate which affect the affordability of all forms of long term debt, including mortgages) further isolate the poor from the financial instruments such as mortgages⁴¹.

Despite lagging behind neighboring countries (Figure 56), the mortgage financing is growing fast in Tanzania. Available data shows that the total number of mortgage loans has risen from 1,889 at the beginning of 2013 to 2,784 by end 2013 (a 47% increases). By the end of 2013, the total lending by banking sector for the purposes of residential housing reached TShs 156bn (US\$ 96.8mn). In addition to the growing number of commercial banks offering mortgage loans, a number of commercial MFIs are increasingly introducing new products such as home improvement loans.

Housing backlog (demand for new houses, to reduce overcrowding and replace poor quality houses) is unprecedented. NHC (2010) estimates the current housing deficit in Tanzania at 3mn units and growing at a rate of 200,000 units per annum⁴². Migration tends to increase the demand for houses. Data from the two census of 2002 and 2012 show that the city of Dar es Salaam had more than 2mn migrants equivalent to 31% of the total migrants in Tanzania, while Mjini Magharibi in Zanzibar attracted 75% of the total migrants in Zanzibar. In addition to migration, other drivers of demand for housing include urban housing backlog, new urban household formation, household income and household preferences including housing type, tenure, and location (CPCS, 2012).

⁴⁰ See section 2.2.2.2.1 for regional disaggregated data on access to finance where nearly 50% of the adult population in regions such as Lindi, Mtwara, Singida and Zanzibar are excluded from the formal financial services.

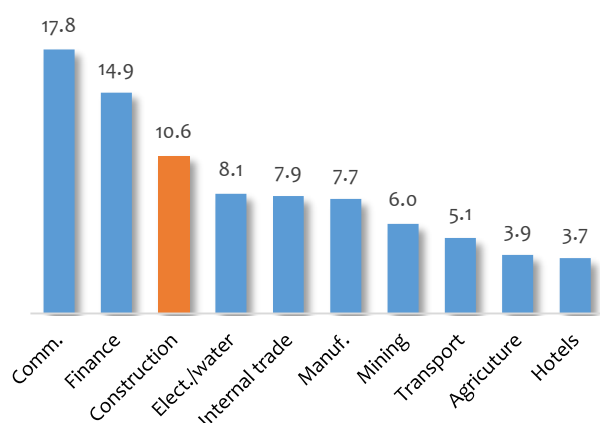
⁴¹ In 2013 the T-Bills rate was 12% (Tanzania); 9% (Kenya and Uganda) (IMF-IFS 2014)

⁴² Overcrowding refers to several persons per sleeping room which increase the risk of transmission of respiratory diseases. Between 201 and 2007 HBSs overcrowding shows a declining trend. However, the latest HBS (2012) shows a reversing trend to an increasing number of persons per room from 2.29 in 2007 to 2.80 in 2012 in rural areas and from 2.22 in 2007 to 2.30 in 2012 in urban areas.

3.5.3.2 Economic aspects of the housing sector

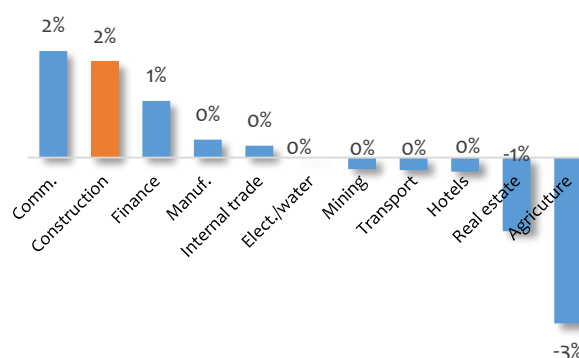
In the absence of housing GDP data, this analysis uses the construction GDP share as a proxy⁴³. Figure 51 and 52 compare the construction sector with the rest of the economic sectors using the 2007 rebased national accounts data. First, construction is the 3rd fastest growing sector after communication and finance (Figure 51). As a result of consistent high growth rates, the sector raised its GDP share by 2 percentage points from 8% in 2007 to 10% in 2013, a larger increase than most of the other fastest growing sectors⁴⁴. The sector is therefore gaining importance in the economy. The sector has also raised its employment share from 0.8% in 2000 to 2.3% in 2010 more than the increase in the manufacturing sector.

Figure 51: Average growth rates 2007-2013 (%) - 2007 rebased GDP figures



Source: URT (2013)

Figure 52: Decrease/increase in GDP shares between 2007 and 2013: Rebased 2007 GDP figures



Source: URT (2013)

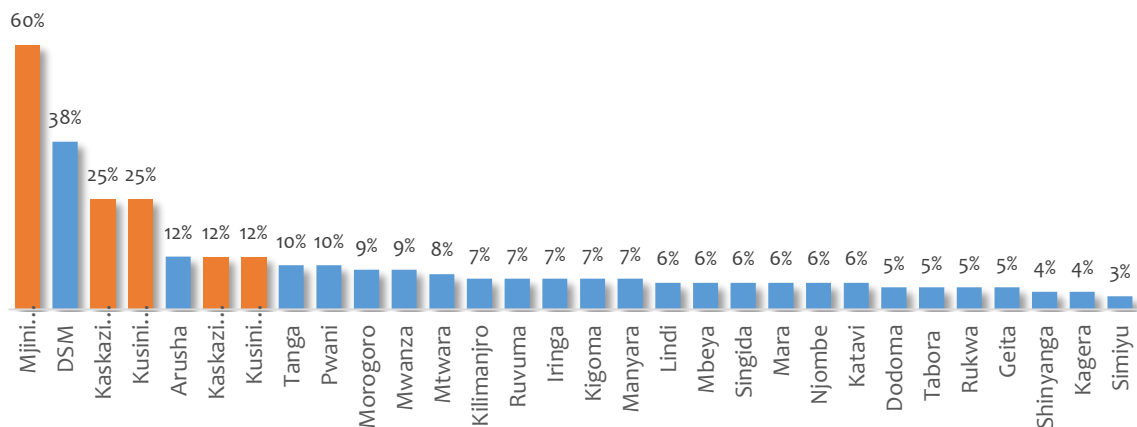
A different economic aspect of the housing sector refers to the characteristics of the financial services and qualitative factors such as security of housing tenure. In Tanzania a land title deed is the principal collateral security that banks require when considering requests for credit. NBS statistics (census 2012) show that only 3.9% of households in rural areas and 30% in urban areas have secured title deeds over the ownership of land where their houses are constructed. Zanzibar is relatively a better performer with an average rate of 29% compared to only 7% in the mainland.

Lack of security of housing tenure is a challenge across all regions in mainland Tanzania. With an exception of Dar es Salaam where 38% of house owners have title deeds, the remaining regions have title deeds possession rate of 12% or less (Figure 53). In Tanzania mainland, 21 out of 24 regions (88%) have less than 10% of house owners with secured tenure, while in Zanzibar, 4 out of 6 regions have title deeds possession rate of more than 25%. Bureaucracy and some incidences of unethical behavior across duty bearers responsible for formalizing land ownership have been repeatedly highlighted by several reports as explanatory factors for such low rates. Overall, Tanzania is ranked 123rd out of 189 economies on the ease of registering property (World Bank and IFC, 2014).

⁴³We acknowledge that this is an imperfect proxy for housing share of GDP, as construction also is also boosted by other activities such as the ongoing airport and road construction and rehabilitation and the large rapid bus project in Dar es Salaam.

⁴⁴Despite expanding at similar high rates, finance, electricity/water and manufacturing sectors have marginally raised their GDP shares (Figure 5). The relative sizes of the sectorial GDPs explain the differences in the extent in which the growth rates affect GDP shares. The GDP of a sector such as finance is only one third of construction GDP. Therefore, for the finance sector to raise its GDP share at the same level as construction it has to grow three fold. Moreover, none of the economic sectors are contracting. Though sectors such as agriculture are growing relatively slower, its dominant GDP size reduced the extent to which the fastest growing sectors are raising their GDP shares.

Figure 53: Proportion of house owners with title deeds



■ The 5 regions in Zanzibar which together with Dar es Salaam have the highest proportions of house owners with title deeds.

Source: URT (2013)

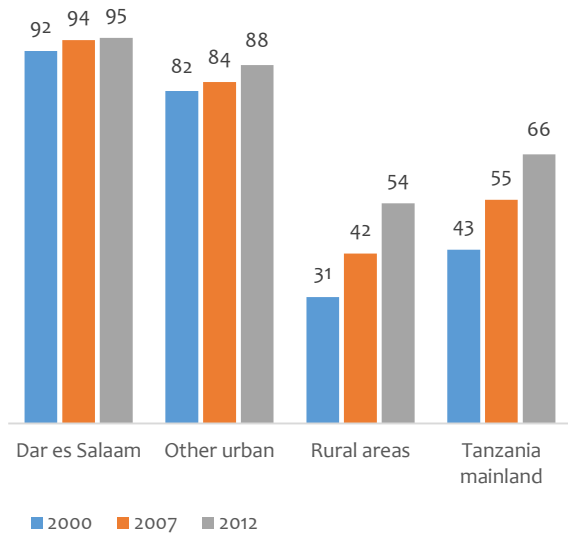
3.5.3.3 Housing conditions

Housing conditions remain a critical challenge in Tanzania. NBS statistics show that despite an increasing proportion of houses roofed with modern materials (from 43% in 2007 to 66% in 2012⁴⁵ – Figure 54), houses with mud walls have increased in rural areas from 22% in 2000 to 31% in 2012 (Figure 55). In addition, the proportion of households without toilet facilities rose from 7.4% in 2007 to 11.7% in 2012. Income poverty, pressure from the population growth which is standing at 2.7% and 2.8% per annum in mainland and Zanzibar (compared to 1.1% global average) and the relative high cost of building materials such as cement (Figure 57) can potentially explain such outcomes. However, the observed rise in the number of cement producers from 3 in the 2000s to about 6 could potentially exert downward pressure on the price. Tax incentives, if introduced could be an additional impetus to reduce the cost of building materials. Despite maintaining a high proportion of houses in urban areas that are roofed and walled with modern materials, the condition of most of such houses is unsatisfactory. About 32% of houses in urban areas could be classified as being in bad condition, 51% in fair condition and only 17% to be in good condition (Seleki, 2001)⁴⁶.

⁴⁵ The proportion is 81.4% in Zanzibar.

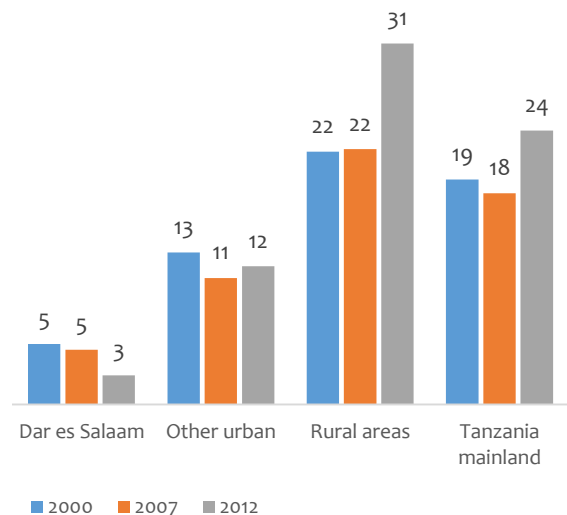
⁴⁶ More recent data could not be obtained.

Figure 54: Proportion of houses with galvanized metal/iron sheet (%)



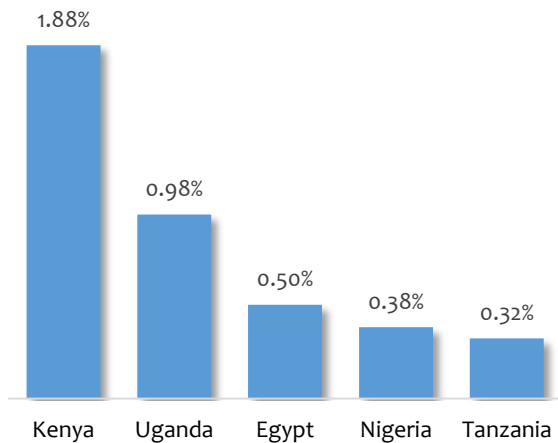
Source: URT (2012)

Figure 55: Proportion of houses with mud/poles walls (%)



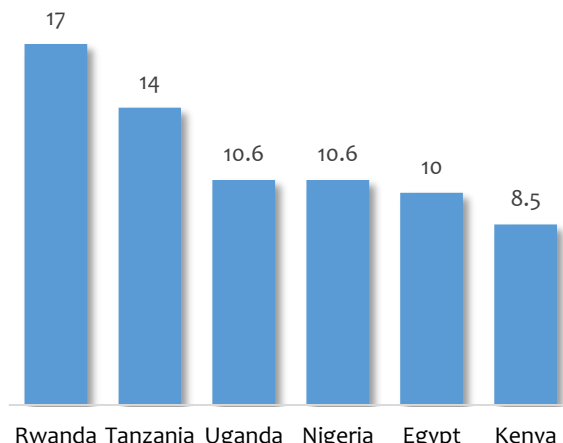
Source: URT (2012)

Figure 56: Mortgage as % of GDP: Regional comparison



Source: CAHF (2013)

Figure 57: Cost of cement (US\$ per bag): Regional comparison



Source: CAHF (2013)

Regional disparities in housing conditions are significant. The proportion of poor houses (i.e. houses roofed with grass/leaves) is highest in Lindi (62%), Mtwara (59%), Singida (56%), Katavi (55%) and Rukwa (52%) regions. Housing condition is a commonly used proxy for incidence of poverty⁴⁷. Hence, with such high levels of poverty, it is not surprising that regions such as Lindi and Mtwara in the southern corridor and semi-arid region of Singida have persistently experienced negative net migration (between the 2002 and 2012 census). On the other side, Rukwa had reversed from positive net migration in 2002 to negative net migration in 2012. The end result is urban poverty and mushrooming of informal settlements in primary city (Dar es Salaam) and secondary cities (Arusha and Mwanza).

⁴⁷ Poverty mapping and regional disaggregation exercise is currently being undertaken using HBS 2012 and census data.

3.5.4 Causal analysis of key challenges: The housing sector

Challenges	Immediate causes	Underlying causes	Root causes
1.0 Insufficient supply of housing.	<ul style="list-style-type: none"> • Unmet demand for housing. • Use of manual systems in land management. • High costs of building materials • Limited no. of households with security of housing tenure 	<ul style="list-style-type: none"> • Inadequate policies and programs. • Ineffective institutions for rural and urban planning and delivery of housing services. • Limited no. of producers and suppliers of building materials. • Insufficient provision of title deeds. 	<ul style="list-style-type: none"> • Rural/urban planning and housing delivery marginalized in the poverty policy discourse. • Low financial and technical capacity. • Limited tax incentives & weak business environment. • Bureaucracy & limited creativity on ways to scale up issuance of title deed
2.0 Increased gender and asset inequalities.	<ul style="list-style-type: none"> • Unequal benefits in the existing programs. 	<ul style="list-style-type: none"> • Absence of pro-poor and gender focus in the existing schemes. • Inadequate social protection schemes for the poor on access to basic housing. • Low pace in instituting gender responsive legal frameworks and laws. 	<ul style="list-style-type: none"> • Limited public participation in the formulation of the existing land schemes. • Unclear policy on how the poor will have rights to adequate housing. • Limited gender responsive land and housing policies. • Customary land laws & practices that discriminate against women and girls.
3.0 Non-sanitary conditions in settlement areas.	<ul style="list-style-type: none"> • Inadequate electricity, water and sanitation facilities in settlement areas. • Aggravated urban poverty. 	<ul style="list-style-type: none"> • Sub-optimal investment in infrastructure and services, environmental conservation and protection. • Weak planning and accountability for sanitary conditions in settlement areas. 	<ul style="list-style-type: none"> • Weak coordination mechanisms between different state actors, e.g. municipalities and utility bodies.
4.0 Mushrooming of informal settlements.	<ul style="list-style-type: none"> • Unsatisfied demand for quality housing and plots. • Reactive nature of the public sector. 	<ul style="list-style-type: none"> • Heavy burden on spatial planning. • Low rate of plot allocation. • Unbearable compensation costs to re-plan or provide social services to unplanned areas. • Limited adherence to town plans. • Delays & double allocations of plots. 	<ul style="list-style-type: none"> • Rapid urbanization. • Lengthy procedures and overlapping authorities. • Urban planning is centrally controlled. • Insufficient resources. • Weak accountability.

5.0. Skewedness of the mortgage market towards the better off

	<ul style="list-style-type: none"> • Increased economic growth/income inequalities - urban/rural; specific geographical /marginalized areas. 	<ul style="list-style-type: none"> • Loss of livelihood of indigenous communities due to various factors.
<ul style="list-style-type: none"> • Limited outreach of the mortgage facility. • Bulk of housing finance is supplied informally. • Absence of vibrant property market. 	<ul style="list-style-type: none"> • High mortgage interest rates. • Limited innovation – most products are on home purchase. • Inadequate supply of mortgageable units. • Limited knowledge and awareness of financial products including mortgage. 	<ul style="list-style-type: none"> • High T-Bills rates and access to finance is severely limited. • Limited competition in the banking sector/mortgage market. • Poor financial literacy and fear of not being able to repay.

3.5.5 Capacity gap analysis: The housing sector

Institutions Capacity constraints

1.0 LGAs	<p>Skills/knowledge: Limited exposure to modern approaches in town and rural planning • Inadequate knowledge to integrate housing microfinance into land servicing that will address the needs of the low income individuals • Limited knowledge on the management of land banks to facilitate planned development.</p> <p>Resources: Decentralization of authority to local levels is yet to be matched by decentralization of resources • . LGAs are constrained by low financial (e.g. compensation to allow re-planning, modern technology in storing and processing records and inadequate simple tools like drawing materials) and technical capacity in advancing modern land management practices</p> <ul style="list-style-type: none"> • Inadequate resources to invest in water, sanitation and solid waste facilities • Human resource gaps (a study by Massoi and Norman (2010) shows that the number of town planners in most of the municipalities are less than half the required size). <p>Authority: Lines of responsibilities between central and LGAs continue remains a contentious area (for instance, land officers have two lines of reporting i.e. Ministry of Land (policy matters) and PMO-RALG (administration) creating conflicting authorities in land management).</p> <p>Motivation: Limited motivation and incentives to address unethical behaviors and some of the long standing issues including bureaucratic procedures in areas such as application and processing of building permits • There are incentives for the status quo, for example, the use of manual systems which open room for corruption acts.</p>
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**2.0 Ministry of
Lands, Housing and
Human Settlements
development.**

Skills/knowledge: Inadequate technical capacity to plan, allocate and monitor land usage • The introduction of new technologies, plans and procedures are yet to cope with rapid population growth and increasing demand for housing. . Limited knowledge, skills and accountability on gender equality criteria in the Ministry of Lands, Housing and Human Settlement.

Resources: Limited resources to invest land acquisition, compensation and servicing.

Authority: Presence of several institutions with overlapping roles and responsibilities in the field of planning and land administration (Massoi and Norman (2010) show that there are 15 steps in order to complete the entire task for planning, survey and allocation of plots).

Motivation: Motivation and political pressure to decentralize resources to local authorities is fragile and coupled with the absence of mechanisms to introduce fiscal incentives to attract the private sector into low-income housing projects.

Chapter 4: Social Sector Thematic Areas

4.1 Demographic contribution to economic growth and poverty reduction

4.1.1 Introduction

Demographic trends help define the environment in which development takes place. Much has been written about the relationship between population growth, economic development and poverty reduction. Although there is a wide range of views there appears to be an emerging consensus that declining fertility is an essential ingredient for increasing economic development and reducing household poverty. A rapidly growing population places significant strain on the capacity of the Government and private sector to provide essential services including education, water, health and transport. For example, in order to keep pace with the expected number of primary school aged children (estimated at 11.7mn by 2025) 11,589 additional teachers per annum will be required between 2015 and 2020 and a further 8,924 teachers per annum during 2020 and 2025 (ESRF 53). In 2013, the Directorate of Presidential Communications indicated that the country already had a shortage of 57,177 teachers in government schools (Sumra and Katabaro, 2014).

A low-income country with a young and fast growing population will face greater challenges in meeting these demands, especially for the investments in human capital and creation of sufficient employment opportunities needed to make the leap towards middle-income status.

Rapid population growth may also be associated with higher dependency ratios, lower participation of women in the work force and increased pressure on the natural resource base. For example the Population Reference Bureau estimates that, at current rates of population growth, between 2010 and 2050 cropland per capita will reduce by two-thirds, forest area per capita by 40% and renewable water sources by two-thirds (ESRF 52). Both water and cropland would then be below the sustainability threshold. Conversely, faster and more equitable economic growth leading to increased employment and income is associated with smaller families and slower population growth. Aside from creating potential for a more rapid rate of economic growth for the country, a lower fertility rate can also help families escape poverty in the following ways:

1. Fewer and better-spaced pregnancies result in lower maternal and child death and sickness rates. Loss or disability of the mother blocks opportunities for some households to escape poverty and drives others into poverty. Conversely, women with smaller families often have more economic opportunities, and their earnings can help families escape poverty.
2. High fertility can limit educational opportunities for children in poor families, especially girls. Low levels of educational attainment perpetuate family poverty.
3. Smaller families are in a better position to care for the health and nutrition of their children. Malnutrition is widespread in Tanzania. The most recent data suggest that 42% of under-five children were stunted in 2010. Malnutrition results in mental and physical under-development, making it harder to break the cycle of poverty.
4. Smaller family size can mean that family income is shared among fewer people, making more resources available for each member.

4.1.2 Planning framework for demography in Tanzania

Tanzania's work in this area is governed by the National Population Policy of 2006 which has the goal of coordinating and influencing other policies, strategies and programmes that ensure sustainable development of citizenry and promote gender equality and the empowerment of women. The Policy is currently under review to take into account the results of the recent census and fast moving demographic trends in the country.

The current institutional structure mandated to oversee and coordinate population issues is the Social

Services and Demographic Cluster of the President's Office Planning Commission. In the absence of a formal, well-staffed and high placed Population Planning Unit that has significant clout with other sector ministries and departments, the National Population Policy it will be difficult to implement any significant population initiatives. Furthermore, until the structures proposed in the National Population Policy — specifically the Tanzanian Council on Population and Development (TCPD); the National Population Technical Committee (NPTC) and Population Desks in all relevant Ministries at regional and district levels — are established or reactivated, the structure will remain weak.

4.1.3 Key achievements

- **Systematic data collection** through census and other means allows for policy development and planning of population interventions.
- **Development of the Dar es Salaam City Master Plan to 2036** is a good practice. Implementation of the plan should be supported and lessons learned fed into planning in other urban areas.

4.1.4 Key challenges

i) Rapid and slowly declining population growth rates

According to the last official census in 2012 there were 44,928,923 people living in the country. Tanzania's population growth rate is one of the fastest in the world with the population coming close to tripling between 1967 and 2012 (Agwanda and Amani p.3). Between 1988 and 2002, annual population growth was 2.9% compared to 2.7% between 2002 and 2012. Given the high growth rate, adding 1.2mn people per annum at present, the population is estimated to reach more than 51mn in 2015. If these trends continue, it's projected that Tanzania's population will double in 26 years (Census 2012).

Zanzibar has a population growth rate of 2.8% with an estimated doubling time of 24 years. Given the already high population density of 530 per square kilometer, population pressure is likely to be a major challenge for the island. These growth rates should be compared to global rates of 1.1% and Africa wide rates of 2.5%. Tanzania is leading the way.

Evidence from the Tanzania Demographic Health Survey (TDHS) suggests that rapid population growth will continue for the next couple of decades. Fertility, which is the main determinant of population growth in Tanzania, remains high at significantly above replacement level and is buoyed by early onset of fertility (44% of women are either mothers or are pregnant with their first child by age 19), high unmet need for contraception (25%) and built-in momentum occasioned by youthful population age structure. At this rate the population of Tanzania may well hit 100mn by 2050.

In Tanzania's 2012 census, the fertility rate was estimated at 5.4 children live births per woman of childbearing age. As one can deduce from the Table 10, the fertility rate is highest among those women with no education and in the poorest households (7 children per woman) while contraceptive use is lowest among the poorest women (12% of married women of reproductive age use a modern method). At the same time, unmet need for family planning services among women in the poorest households (23%) is just as high as it is among women in other households (21%). Increased access to family planning services by poor women could be one effective poverty-alleviation strategy. It is clear that low literacy and high household poverty are among the root causes for this situation.

Table 10: Trends in total fertility rate by background characteristics

<i>Background characteristic</i>	<i>1996</i>	<i>2004/5</i>	<i>2010</i>	<i>% change 1996-2010</i>
Residence				
Urban	4.1	3.6	3.7	-9.8
Rural	6.1	6.5	6.1	0
Education				
No education	6.4	6.9	7.0	9.4
Primary incomplete	5.9	5.6	6.0	1.7
Primary complete	5.4	5.6	5.5	1.9
Secondary +	3.2	3.3	3.0	-6.3
Wealth				
Lowest	7.8	7.3	7.0	-10.3
Second	6.0	6.7	6.8	13.3
Middle	6.4	6.6	6.1	-4.7
Fourth	5.4	5.3	4.7	-13.0
Highest	3.9	3.3	3.2	-17.9

Source: URT (2012)

ii) Rapid and unplanned urbanization

Urbanization is inevitable and managing its trends and patterns constitute both a major challenge and an opportunity. The urban population is growing very fast while the economic growth and development transformations necessary to support it and enhance quality of life are not occurring at the same rate. According to census data, approximately 71% of the population lives in rural areas. However, urban population centers are growing at 5.2% per annum and it is projected that an urban majority will exist within a generation. Zanzibar's urban areas are growing at 4.2% (Table 11). This can be compared with global urban growth rates of 2% and Africa wide rates of 3.5% per annum. As with population growth, urbanization can have both positive and negative implications for human development.

On the one hand, uncontrolled urban growth can cause the rise of unplanned squatter settlements and overwhelm a city's capability to provide social services. This is worsened when urban areas fail to absorb the growing labor force. About 70% of urban residents in most cities in Tanzania live in unplanned settlements, slums or squatter areas with poor access to services. Access to water and sanitation services are a particular challenge in low income urban areas. There is an estimated backlog of 1.4mn housing units in Dar es Salaam alone. Financial services are geared towards middle and higher income households with steady sources of income, leaving the poor and the vulnerable to struggle to find suitable accommodation.

On the other hand, cities have always been and can continue to be engines of innovation and offer important opportunities for economic and social development. Due to s higher population density in urban areas, governments can more easily deliver essential infrastructure and services at a relatively low cost per capita. Therefore, although associated with many obstacles, urbanization remains a cornerstone of economic transformation. There is a push factor in rural areas due to lack of opportunities for advancement and the pull factor of the perception that urban areas are an oasis for jobs and social services.

Urbanization is part of demographic transition and the transformation of a society from high to low birth and death rates. Therefore planning and managing urban growth as part of national development planning can enable the country to address the challenges and harness opportunities linked to efficiency in provision of needs and lowering of resource scarcity threats associated with a high population growth rate.

Table 11: Comparative growth rates of national and urban populations in Tanzania

Location	Population growth rate	Urban growth rate
TZ Mainland	2.7%	5.2%
Zanzibar	2.8%	4.2%
Africa	2.5%	3.5%
World	1.1%	2.0%
DSM		5.6%

Source: URT (2012)

Dar es Salaam is growing at 5.6% per annum and will be a mega city of over 10mn within a generation. That said, it will require major changes in the way business is conducted. A good start has been made with the establishment of a Metropolitan Development Authority and the articulation of a Master Plan for the Development of Dar es Salaam to 2036. This includes the development of Rapid Transit using busses and rail in order to alleviate traffic congestion. Other critical areas that will need to be addressed include: upgrading the scale and quality of urban planning beyond Dar es Salaam and accelerating the provision of affordable housing and urban services.

Among the root causes for this situation are the lack of strategic approaches that would make rural areas more attractive so as to retain people there.

iii) Youth unemployment

Approximately 50% of the population is aged 17 or below, with the median age estimated at 17.5. Adolescents aged 10-19 years make up almost one quarter of Tanzania's population. Youth aged 15-24 constitute 19% of the population while those aged 15-34 represent 33% of the population. The Adolescent Experience In-Depth Report⁴⁸ commissioned by TACAIDS in 2014 showed that 80% of Tanzanian adolescents ages 10-14 live in rural areas, compared to ~70% of young people ages 20-24. Although mortality and other factors may contribute to this difference, youth migration to cities is likely to play an important role. Fully one-quarter of girls and one-fifth of boys ages 10-14 have neither parent in the household, with girls in urban areas particularly affected. About half of girls ages 15-17 in urban areas live with neither parent. These findings may reflect a variety of circumstances and living arrangements, including those related to accessing education, seeking employment (such as domestic labor), and child marriage, each of which generally affects girls and boys differently. Overall, around 15% of adolescents ages 10-17 have only one or neither parent alive, with the highest rates of orphan-hood in Dar es Salaam, Iringa and Njombe (for girls) and Iringa and Mara (for boys). Adolescents who do not live with either parent may be in need of additional support and protection.

Tanzania's youthful profile has potential benefits but also poses a challenge regarding education and absorption into the labor market. Every year there are between 800,000 and 1mn new entrants to the labor market. As of 2010, youth unemployment in Tanzania was estimated at 42% compared to 28.3% in the Middle East and 23.7% in North Africa (ILO, 2013). This represents a tremendous pool of wasted human potential and a potential source of unrest if not addressed.

The youthful population can be either a challenge or an opportunity for Tanzania. If the country manages to significantly improve its education and create employment through strategic investments in human capital, it can reap the demographic dividend of having an eager and qualified young labor force coupled with low dependency rates. However, if the quality of education and the available employment opportunities remain insufficient, Tanzania could witness a groundswell of unqualified, underemployed, and dissatisfied youth.

A study by Restless Development found that of the approximately 900,000 youths (15-24 years) who entered the job market in 2011, 14% did not complete primary school, 44% finished their primary but did not access secondary education. Thirty eight percent reached secondary but did not finish form four and only 4% went beyond form four level. Overall, this study and the Household Budget Survey data show that the stock of

⁴⁸ Population Council, Tanzania Commission for AIDS (TACAIDS), Zanzibar AIDS Commission (ZAC), and UNICEF Tanzania (2015). The Adolescent Experience In-Depth: Using Data to Identify and Reach the Most Vulnerable Young People, Tanzania 2009-2012. Dar es Salaam: Population Council, TACAIDS, ZAC and UNICEF Tanzania.

well-qualified people in Tanzania is low, despite large investments made in the sector since independence. During 2012 alone, about 69,015 pupils dropped out of primary school and 76,000 students left secondary school early.

The causes of youth unemployment are many and complex. The first is the slow pace of formal sector job creation due to the capital intensity of the fastest growing sectors of the economy. On average between 50,000 and 60,000 formal sector jobs are created each year. The Government, which previously hired many recent graduates, has been withdrawing from the economy through the privatization of key state owned enterprises. As noted above, the qualifications of youth entering the labor market are not necessarily what employers are looking for. Private sector employers are demanding the following skills, which are not prioritized in the school system: leadership, communication, inter-personal skills, computer skills, problem solving and report writing. Roughly 78% of youth including recent graduates end up in the low productivity, low income informal sector where they face challenges in access to working capital and training opportunities. There is also a significant mismatch between the supply and demand for skills in the economy. Insufficient emphasis is placed on investing in youth employment programs (Restless Development). The school curriculum does not equip students adequately with employable skills.

At the level of root causes, the business environment is not always conducive to investment, implying that capital may be on the sidelines awaiting improvements. There is a narrow focus of growth strategies on formal sector and insufficient and inadequate pro-poor strategies to absorb youth in employment. The private sector, which employs roughly 63% of workers in employment is growing but is still small and not growing fast enough to absorb job seekers. There is also insufficient investment in research to inform policies and programs on how to be more responsive to changing labor market conditions and demands.

iv) Poor reliability, access and utilization of routine data

In general there is an over reliance on survey data which distracts attention from further strengthening routine systems. One indication of this is the serious data gaps in MKUKUTA and MKUZA implementation reports. This reduces demand for administrative data and reduces the urge to invest in strengthening systems. There has traditionally been insufficient investment in capacity development for data collection and use at LGA level leading to limited use of data and evidence to develop plans and programs. It also reduces the capacity to monitor, evaluate and report on programs at the sub-national level. In general there is limited quality control over the data produced and many reports lament the reliability and quality of routine data. At the root of much of this is the absence of a culture of results. Notably, in the health sector, there is weak age-disaggregation of routine service statistics, and routine monitoring of coverage of health and HIV services, as well as treatment outcomes, by different age groups (such as adolescents), at national and subnational levels, is not currently possible. This is particularly worrying given that adolescent pregnancy rates are high and present risks for maternal and infant mortality, as well as global evidence that HIV-related mortality among adolescents is increasing (rather than decreasing, as is the case among children 0-14 years and adults).

v) Inadequate vital registration

The right to a name and a nationality reflected in a birth certificate is a basic human right. It is also considered essential for accessing many basic social services. In mainland Tanzania 19% of under-fives have been registered with civic authorities of which 10% have received a birth certificate. This compares to 95% in Zanzibar. This comprises 53% in urban areas and 13% in rural areas. The proportion of births registered varies from 75% in Dar es Salaam to as low as 5% or less in Iringa, Tabora, Rukwa, Shinyanga, Katavi and Simiyu. The likelihood of registration is also linked to wealth. Children of families in the lowest income quintile have a registration rate of 5% compared to 62% for those in the highest quintile.

Some of the causes of this limited registration are insufficient registration centers with limited outreach. Given this, the financial and opportunity cost of going to a registration center are too high for many poor rural families. There is also a general lack of awareness among communities regarding the importance of birth registration. There is also a lack of clarity on roles and responsibilities of key actors and insufficient resources for supporting and strengthening systems for vital registration. Finally the legal and policy framework governing registration of births is inadequate.

4.1.5 What can we learn from the East Asian experience?

Much of the recent analysis of the relationship between population and development has focused on the stunning economic achievements Thailand, Malaysia, South Korea, Taiwan, Indonesia and others achieved in a few decades. Forty-five years ago, many East Asian countries were poor with limited resources and rapidly growing populations. Living standards were no higher than in Tanzania and most other African countries today, and many experts felt that these countries had few opportunities for social and economic development. In ensuing decades, however, the Tigers achieved an economic miracle and emerged to be among the strongest economies of the world.

Each of the Tigers experienced a fertility transition from high to low birth rates in a single generation, and this rapid drop in fertility created a “demographic dividend” that helped to drive rapid economic expansion. This happened for several reasons. With declining fertility, more resources were available for education, and expenditures per student rose dramatically. This led to more educational opportunities and a better educated labour force. Economic dependency ratios changed with declining fertility. The working age population became a larger proportion of the overall population while the percentage of child and elderly dependants needing to be supported by the working age population went down.

Because a larger proportion of the population was engaged in economically productive activities, Gross Domestic Product (GDP) per capita was able to rise much more rapidly than would have been the case with continued high fertility. Also, as East Asian families had fewer children, they could afford to save a greater proportion of family income. These savings are the source of investment capital to drive the growth of the economy. High savings rates were partially a result of declining birth rates and characterized the economic miracle of the Asian Tigers.

4.1.6 Conclusions

- The key to reducing future growth lies in reducing unwanted fertility and lowering the desire for large families. In this respect two key factors are urbanization and years of schooling, particularly of girls.
- The capacity of an economy to cope with changes in population size and age structures is most directly influenced by the growth of the economy and the rate of employment creation. Economic growth and employment creation, as well as economic diversification and upgrading, crucially depend on capital accumulation, technological progress and structural change.

4.1.7 Causal analysis of key challenges: Demography

Challenges	Immediate causes	Underlying causes	Root causes
1. Rapid Population Growth	<ul style="list-style-type: none"> • High fertility rates • Reduced mortality among infants and adults leading to higher life expectancy • High rates of teenage pregnancy 	<ul style="list-style-type: none"> • Low contraceptive use • High unmet need for contraceptives • Positive attitudes towards fertility • Resistance by religious groups towards family planning • Improved access to medical facilities • Early onset of sexual activity • Early marriages 	<ul style="list-style-type: none"> • Household Poverty • Insufficient investment in family planning • Social norms and standards • Low literacy levels
2. Rapid and unplanned Urbanization	<ul style="list-style-type: none"> • Rural-Urban Migration • Natural increase of urban population • Growth in unplanned urban settlements 	<ul style="list-style-type: none"> • Perception of better availability of economic opportunities in urban areas • Better availability of basic services in urban areas • Inadequate urban services 	<ul style="list-style-type: none"> • Chronic poverty in rural areas • Limited opportunities for income generation in rural areas • Insufficient budgetary allocation for social services and social protection in rural areas • Insufficient urban planning capacity • Poor data reliability, accessibility and utilization • Lack of strategies to retain people in the rural areas. • Poor business environment that hinders investments that would otherwise create jobs.
3. Youth unemployment	<ul style="list-style-type: none"> • Capital intensity of fast growing sectors • Limited availability of credit for emerging micro entrepreneurs • Tendency towards dropping out of school at an early age • Slow growth in new enterprises • School curriculum that does not prepare students adequately with employable skills. 	<ul style="list-style-type: none"> • Poor quality and relevance of education • Business environment not conducive to investment 	<ul style="list-style-type: none"> • Narrow focus of growth strategies on the formal sector • Insufficient resources to address issues of youth unemployment • Inadequate pro-poor strategies to absorb youth in employment Insufficient investment in research to inform policies and programs on how to be more responsive to changing labor market demands.

<p>4. Poor Data Reliability, Accessibility and utilization</p>	<ul style="list-style-type: none"> • Slow pace of updating and sharing available data to potential users • Routine data quality problematic 	<ul style="list-style-type: none"> • No systematic quality control for data produced • Limited usage of data or evidence to develop programs • Poor practices in data collection and use at LGA level 	<ul style="list-style-type: none"> • Absence of a culture of results • Insufficient investment in upgrading routine data systems • Insufficient investment in capacity development for data collection and use at LGA level • Over reliance on survey data
	<p>5. Inadequate Civil Registration and Vital Statistics</p> <ul style="list-style-type: none"> • Limited registration of vital events 	<ul style="list-style-type: none"> • Insufficient registration centers • Lack of community awareness of importance of birth registration • Financial and opportunity cost of birth registration • Weak systems for outreach 	<ul style="list-style-type: none"> • Insufficient resources for supporting and strengthening systems for vital statistics • Lack of clarity on roles and responsibilities of key actors • Inadequacy of legal and policy framework

4.2.8 Demographic capacity gaps

Levels	Capacity constraints
Household	<ul style="list-style-type: none"> ▪ Lack of motivation to reduce fertility among poor families due to viewing children as a form of social security. ▪ Lack of easy access to quality basic social services ▪ Unmet need for contraception
Institutional	<ul style="list-style-type: none"> ▪ Investment in strengthening capacities at national and LGA level for collection and use of data for planning, monitoring and evaluation. ▪ Learning from the experience of other countries in expanding its system for vital registration. ▪ Updating the Population Policy to increase its relevance to the challenges ahead. ▪ Investment in meeting unmet contraceptive needs. ▪ Development of adequate job creation strategies

4.2 Education and learning

4.2.1 Introduction

An educated and learning population is a central goal of the Tanzania Development Vision (2000-2025). Learning is a lifelong process. Education is a formal system designed to empower participants through a process of learning to adapt to an increasingly complex world. High quality education is central to and catalytic for the development process. Quality education in a conducive learning environment is essential for becoming more competitive in East Africa and the world.

Education also has a significant impact on social and human development. In particular, it impacts directly on incomes, literacy, poverty, fertility and maternal and child health. It is expected to ensure the availability of the right mix of knowledge and skills to populate the labor market and develop the leaders of the future who can drive sustainable development.

Education is essential for achieving economic growth and development. The development of skills in literacy, numeracy, and critical thinking not only offer a pathway out of poverty but also contribute to the growth of the economy at the macro level. For example, UNESCO has estimated that an additional year of schooling increases an individual's earnings by 10% and the average annual growth of gross domestic product (GDP) by 0.37% (UNESCO 2011).

Tremendous progress has taken place in the Tanzania education sector with major growth in enrolment in primary and secondary schools. Abolition of primary school fees in 2001 combined with the compulsory requirement that parents or guardians send all children to school set the stage for a massive increase in enrolment. This in turn had the knock-on effect of increasing demand and supply for secondary education. However, demand for secondary education, which was constrained by cost for many households is expected to receive another boost from the new policy which makes secondary school compulsory and free for all students who pass primary school. However, while there has been significant progress in primary school enrolment and Tanzania is on track to achieve the Millennium Development Goal for boys and girls, significant challenges remain in the ability of the education system to deliver quality education, which is critical for the success of the nation.

4.2.2 Policy framework

The National Education and Training Policy of 1995 was until recently the foundation for education. It focused on basic, secondary, vocational education, tertiary education and non-formal education and training. It did not cover higher education. Under this policy the Ministry of Education and Training was designated to manage the education system.

A new Education and Training Policy was launched in 2015. The new policy covers all education levels including higher education. In the new policy, the Ministry of Education and Training is designated to play an oversight role with a focus on formulation of policy guidelines with regard to basic education. Management of the basic education sector (pre, primary and secondary education) will be transferred to the Ministry responsible for local government. The Ministry of Education and Training will manage the higher education sector.

Children will now begin pre-primary school between ages 3 and 5 and begin primary education at age 6 instead of 7. Basic education will now be for ten years and cover secondary education. This differentiates it from Zanzibar where basic education is 6 years and does not cover secondary school. Another shift in this regard is that secondary education as part of basic education will now be free. The policy is expected to result in significant curriculum reforms. In particular, it is expected to reduce the breadth of the curriculum and place more emphasis on communication, reading, writing and arithmetic skills as the critical competencies expected at basic education level. The policy also calls for the teaching of peace and conflict resolution in the curriculum.

The new policy requires that there should be one core textbook for each subject for each student, whose preparation and production will be controlled by the Government. In the current practice schools are free to use any book provided that such a book has been approved by Government. The policy calls for the recognition, promotion and facilitation of the use of sign language in teaching and learning. It also calls for the inclusion of the teaching of HIV and AIDS in the curriculum and recognizes both Kiswahili and English as media of instruction in the education system.

In recognition of challenges in achieving quality education, the Government has included education in its Big Results Now initiative. The initiative is expected to fast track quality achievements in primary and secondary education to ensure that students are not just going to school but actually learning. The initiative aims to achieve ambitious pass rates in primary and secondary schools reaching 80% by end 2015. It also seeks to ensure a more equitable distribution of teachers across the country and that student achievement in reading, writing and basic mathematics are strengthened by end of Grade 2.

The four key strategies are: creating performance transparency; motivation through incentives, providing support where the need is the greatest and improving conditions for teachers. Traditional project planning will be replaced by a more rigorous process of identifying challenges, setting goals, prioritizing key activities based on evidence, developing specific interventions with detailed implementation plans and operationalizing a strong monitoring process from central to local level.

In addition, the Tanzania Social Action Fund (TASAF III) aims to reach the poorest 10% of households with conditional cash transfers, under which 1mn households will receive cash on condition that their children go to school and receive regular health checkups.

4.2.3 Key achievements

i) Major increases in primary and secondary school enrolment

After a slow increase in primary school net enrollment rate from 54.2% in 1990 to 57.1% in 2000 there was a sharp increase to 97% in 2007. This sharp increase was driven by the abolition of primary school fees in 2001 and implementation of the Primary Education Development Program (2002-2007). Since then there has been a steady downward trend to 89.7% in 2013. Despite this reversal, Mainland Tanzania is still within reach of achieving MDG 2 on Universal Primary Education a few years after the 2015 deadline, provided that steps are taken to reverse the most recent downward trend.

For Zanzibar net primary school enrolment increased from 67% in 2000 to 83.7% in 2012. The primary school completion rate progressed from 75% in 2011 to 80% in 2012 while the transition rate to “O” level improved from 54% in 2010 to 56% in 2011. The two are, however, far away from their 2015 MKUZA target of 100% and 70% respectively.

Net enrolment in Secondary School has improved from 6.7% in 2003, though it has declined from 34.3% in 2012 to reach 28.8% of children in 2013. This was the result of the Secondary School Development Program (SEDEP). More recently, fees were abolished for secondary education, effective in 2016. This can be expected to further strengthen the demand for secondary school places.

ii) Gender parity

Tanzania has continued to perform well towards achieving gender parity at all levels of education, despite missing the target year 2005 for primary and secondary enrollment. Overall the proportion of girls to boys in both public and private schools in the mainland increased from 98% in 2010 to 100% in 2012, further to a NER GPI of 1.022 (more girls than boys) in 2013.

In Zanzibar the ratio of girls to boys has continued to improve at all levels of education delivery. By 2012, NER GPI in primary education was 1.02; in secondary school education at 1.15 and at University level at 1.2 reaching the MDG target (Zanzibar Education Statistical Abstract; May 2014).

4.2.4 Key challenges

i) Low enrolment in and quality of pre-primary education

Pre-primary education is an essential step in the process of ensuring school readiness for young children. Analysis of data from high performing countries show a positive link between effective pre-primary education and student academic performance even after accounting for socio-economic status.

Enrolment in pre-primary has been increasing at a slow but steady pace. Gross 2013 enrollment in pre-primary schools in mainland Tanzania stood at 37.3%, down from a high of 44.5% in 2011. In Zanzibar, there is also a downward trend in enrolment from 37.1% in 2011/12 to 33.0% in 2013/14. The best performing regions in mainland were Njombe (59.3%), Mara (57.3%), Tanga (49.5%) and Kilimanjaro (48.3%). On the other end of the scale are Dar-es-Salaam (13.5%), Kigoma (22.1%), Tabora (24.8%) and Shinyanga (26.2%). (URT, 2013)

The most immediate causes for low enrolment are limited number of pre-primary facilities, limited awareness of the benefits of pre-primary education and the shortage of teachers. Quality of pre-primary education is severely compromised by the shortage of qualified teachers. According to data from the Ministry of Education and Vocational Training, in 2012 the ratio of pre-primary students to qualified teachers stood at 124 to 1. This compares to the standard set by the Ministry of 25 to 1. No region reached the standard and only four regions (Coast, Rukwa, Shinyanga and Rukwa) had less than 100 students to a qualified teacher (URT, 2013). This is caused by the limited number of training facilities. The financial and opportunity costs of sending children to school in a context of poverty may deter some households from taking advantage of available opportunities.

At the root cause level there is insufficient budget allocation largely due to the relative novelty of pre-primary education with no Early Childhood Education Plan in place. Low wages and incentives for teachers make it less attractive particularly in remote areas. Household Poverty is another root cause contributing to the unaffordability of pre-primary school.

ii) Low quality and relevance of primary and secondary education manifested in poor performance and poor alignment with the labor market

Results of Primary School Education Leaving Examinations (PSLE) show that a large number of children do not achieve the required knowledge and skills to pass the examination and achieve the intended learning outcomes. In 2012, only 30.7% of the 865,534 pupils who sat for the PSLE passed the examination (Table 12). This increased to 50.1% in 2013. Similar situation exists at the secondary school level. In 2012, less than half, or 43.1%, of all the students who sat for the Certificate of Secondary Education Examinations (CSEE) passed the examinations (URT 2013). Both the national examinations and independent assessments show poor learning outcomes (Sumra and Katabaro, 2014).

Table 12: Pass rates (2013) mainland

	Candidates			% Passed		
	Male	Female	Total	Male	Female	Total
PSLE	409,575	455,959	865,534	16.8	13.9	30.7
Form 4			352,614			57.1
Form 6			42,952			93.9

Source: URT (2013)

The poor learning outcomes are a result of several factors that affect quality. In many schools, the environment is not conducive to learning. Lack of classrooms, toilets, water, and electricity and inadequate supply of (motivated) teachers contribute to poor learning outcomes.

The language of instruction also has an impact on the quality of education. Using Kiswahili as a language of instruction in primary school and English at secondary level creates problems for children from public schools while benefitting children from English medium primary schools. The issue needs to be resolved in an

impassionate way and should be in the best interest of the children. Uwezo assessments have shown that majority of children finishing primary schools do not have the knowledge to benefit from the English medium secondary schools. If English will continue to be the language of instruction at secondary school level, then teaching of English as a subject at primary school level will need to be vastly improved.

The pupil-teacher ratio in primary school has improved over the years since 2008 and is currently at 49 pupils per teacher, down from 64 in 2008. This is in relation to the norm of 40. Singida, Tabora and Tanga are well above the norm at 71, 59 and 53 respectively. Having a qualified teacher is a necessary but not sufficient condition for a quality education. Motivation, dedication and work ethic are perhaps more important to ensure that children receive quality education. Available analysis seems to show that students who do well in their A or O levels are reluctant to join the teaching profession most likely due to the poor working conditions that most of them have to endure. In addition, many teachers are constantly on the lookout for other jobs. Teachers who are not committed to the profession may not make an effort to make a career of the profession (sumra and katabaro, 2014)

Even when teachers are competent, which many are not, learning can only take place if teachers are in class and teaching. The World Bank study (2011) found that on any given day 23% of teachers, 20% in rural areas and 36% in urban areas, were not in school (p.16). Even when teachers were in school, 53% of them were not in classrooms at any given time. Teacher's absenteeism was much higher in urban areas, where 68% of the teachers were not in class compared to 50% in rural areas. On average pupils were taught for only two hours and 04 minutes out of required five hours of teaching. In rural areas pupils were taught for two hours 11 minutes compared to one hour 24 minutes of teaching in urban areas (Sumra and Katabaro, 2014)

Another key ingredient is the learning environment. Shortages of basic educational inputs such as textbooks, desks, classrooms, electricity, water and sanitation facilities erode the potential for a quality education. The average shortage of desks in primary school, for example, was estimated at 48.3% in 2012 and was most pronounced in Mtwara (85%), Mwanza (62.6%) and Mara (60.4%) (URT, 2008-2012). Analysis of data from the Second National Panel Survey indicated some particularly severe challenges facing students in rural areas. Approximately 62% of students in rural areas indicated that textbooks were not used in school compared to 13.7% in Dar es Salaam. Approximately 58% of rural students were late starters compared to 5.8% in Dar es Salaam, which immediately put them at a disadvantage. As we can see from Table 13 there were also significant gaps in availability of classrooms, toilet facilities, chairs and teacher houses.

Table 13: Availability of school facilities

<i>Item</i>	<i>Availability</i>	<i>Norm</i>
<i>Classrooms (primary)</i>	72 students/room	40
<i>Pit Latrines (primary)</i>	52 students/latrine	22.5
<i>Pupil Desk Ratio (primary)</i>	3.9 students/desk	3.0
<i>Chairs (secondary)</i>	1.3 students/chair	1.0
<i>Teachers Houses (primary)</i>	4.4 teachers/house	1.0
<i>Teachers Houses (secondary)</i>	5.1 teachers/house	1.0
<i>Electricity</i>	21% of schools	100%

Source: URT (2013)

Another factor that comes into play is the ownership of schools. The proportion of community secondary schools, which was nearly 50% in 2002 increased to nearly 75% in 2013. Out of every 10 secondary schools in the country, around 8 are community schools. The overall CSEE poor performance is partially attributable to the increase in the number of community secondary schools. These schools, which were built through community efforts, most often do not have the required number of qualified teachers, especially teachers for science subjects. The schools lack laboratory facilities as well. Due to lack of teachers and facilities, students in community schools do not do well, especially in science subjects. Community schools have historically performed poorly because of the nature of their modalities of establishment. Most of the community schools were constructed hurriedly to cater for the expanded intake at secondary due to PEDP I & II. Consequently, no teachers or other related inputs were put in place in advance. Coincidentally, most of the children selected to join these schools had lower pass rates and could not be helped quick enough to

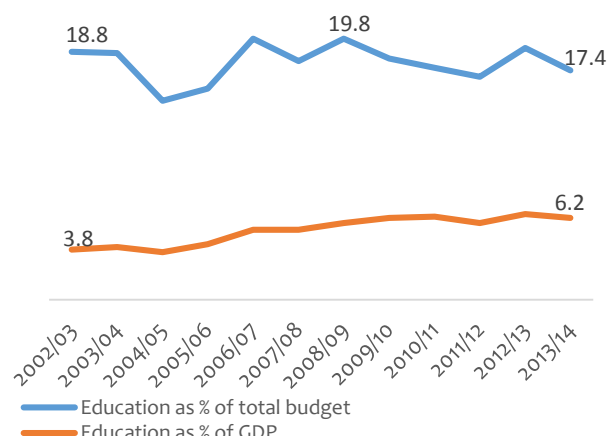
catch up with advanced studies, let alone language problems. As such, a child selected to join a community school has a much lower chance of passing the CSEE (Sumra and Katabaro, 2014).

The shortages of essential elements of the learning environment suggests that insufficient funding is reaching the school level despite education being a high national priority.

iii) Education financing

Education continues to be a Government spending priority. Education is largely implemented through Local Government Authorities. However, according to the 2010 Public Expenditure Review, Local Government Authorities had limited capacity to plan, implement and spend the resources allocated to them. Between 2007/2008 and 2010/2011 expenditure rates in the LGAs for education fluctuated between 40% and 48%. Little or no attention has been paid to infrastructure maintenance in the budget for education.

Figure 58: Allocations of financial resources to the education sector



Source: URT (2013)

Current mechanisms for fiscal transfers are unnecessarily complex and lack transparency and certainty in disbursement. Taking education as an example, a capitation grant for quality improvements to schools of US\$10 per enrolled pupil per annum was instituted under the Primary Education Development Program. At a surface level, the grant was a simple, equitable formula- based mechanism for allocating funds to schools. However, this single grant was disbursed by multiple ministries, using multiple criteria, timeframes and mechanisms. Funds actually disbursed varied widely among districts and schools and no consistent reason, such as enrolment figures, could be found to explain the variations (Carlitz, R., 2007). The BRN initiative seeks to ensure 100% delivery of textbooks and materials to all schools.

iv) High number of dropouts at primary and secondary levels

A study by Restless Development found that of the approximately 900,000 youths (15-24 years) who entered the job market in 2011, 14% did not complete primary school and 44% finished their primary but did not access secondary education. Thirty eight percent reached secondary but did not finish form four and only 4% went beyond form four level. Overall, this study and the Household Budget Survey data show that the stock of well-qualified people in Tanzania is low, despite large investments made since independence in the sector. During 2012 alone, about 69,015 pupils dropped out of primary schools and 76,000 students left secondary school early.

The cost of education, in a context of poverty, is a clear immediate factor influencing the number of dropouts. In 2012, 14,326 students in primary and secondary schools indicated that they dropped out for socio-economic reasons. Poverty is an overwhelming phenomenon in rural Tanzania that is also reflected in poorer access to and lower quality of education; educational outcomes in urban areas are consistently higher than rural areas.

In the same year, close to 6,000 girls dropped out of primary and secondary schools due to pregnancy. Nevertheless, girls with secondary or higher education are ten times less likely to become pregnant as adolescents than girls with no education. The new education policy is expected to allow girls to return to school once they have delivered. New regulations in Zanzibar already allow girls to return to school post-partum (URT, 2013).

Child marriage contributes to primary school dropout, particularly in the regions where it is most common (Dodoma, Lindi, Rukwa and Tabora). Between 5-6% of girls are married by age 15, and 31-37% by age 18, with rates differing dramatically by region. Married girls are disproportionately illiterate, with 58% of females ages 15-24 who had been married by 15 years not being able to read a sentence, compared to 12% of their

unmarried peers⁴⁹. Child marriage is strongly correlated with poverty, with girls ages 15-17 from the poorest households more than twice as likely as those from the wealthiest households to have ever been married.

As a parent living in poverty or in vulnerable situations it should be extremely difficult to understand the value added to the family of a child going to school, especially given the school environment and the opportunity cost especially for girls who may be expected to work around the house, fetch water or care for siblings. The lack of youth friendly protective and preventive reproductive health facilities adds to the challenge. Furthermore, it may well be time to revisit the curricula in light of the skills that will be needed as Tanzania forges ahead to Middle Income status.

Another aspect of the issue is the transition rate. The transition rate from primary to lower secondary school was 52% in 2012 while that from lower to upper secondary school was only 10%.

v) Disparities in access, completion and performance between regions and from a socio-economic perspective

All available data points to massive disparities in access, completion and performance between regions. It seems that among qualified teachers the preference is to teach in urban areas especially when there are no specific incentives to work in remote areas. In more remote areas where economic development may not have taken hold, there must be serious doubts about the relevance and affordability of education. With fewer schools the distances to school are longer and facilities fewer.

This situation is aggravated by the differential budget allocation between Local Government Authorities and the fact that curricula are not adapted to relate to the economic and social needs of local communities. In areas with higher poverty and lower education of mothers the demand for relevant education is lower.

Although slightly favored at the primary level, girls are disadvantaged at post primary levels. The Gender Parity Index at lower secondary school was recorded at 0.75 while that for upper secondary school fell to 0.50. Strong cultural constraints affecting girls' education during puberty, the expectation that young girls will assist in household chores and the frequency of marriage and early pregnancy are key causes of this situation.

In addition, there is a significant discriminatory effect based on socio-economic background. Enrollment gaps between children from the poorest quintile and those from the wealthiest quintile are significant. Although dated, data from 2007 show that the gaps between socioeconomic groups start manifesting during primary education. Thus, whereas only 55% of children from the poorest backgrounds complete primary, 86% of those from the wealthiest backgrounds do so. Progress within cycles and the transition from one to another are also more limited for children from the most disadvantaged backgrounds. Ultimately, just 1% of the poorest children reach the end of secondary compared to 9% of their peers from the wealthiest backgrounds. (UNESCO, 2014).

vi) Exclusion of vulnerable groups from tertiary education

There are two types of higher education institutions: academic institutions such as universities and intermediate professional education, and training institutions. There are a large number of tertiary institutions including 45 universities in Tanzania (Table 15). However, even these are not likely to be enough to support the demand for highly skilled and professional manpower in the country over the next several years. Private institutions have been allowed to operate in Tanzania since 1995. They emerged in response to the growing demand for employment-oriented courses and the fiscal incapacity of the state to expand higher education. Since that time they have been expanding at a rapid rate. However, in terms of enrolment, the private institutions still continue to be a relatively small segment of higher education. Vulnerable groups are underrepresented in tertiary education.

⁴⁹ Population Council, Tanzania Commission for AIDS (TACAIDS), Zanzibar AIDS Commission (ZAC), and UNICEF Tanzania. 2015. The Adolescent Experience In-Depth: Using Data to Identify and Reach the Most Vulnerable Young People, Tanzania 2009-2012. Dar es Salaam: Population Council, TACAIDS, ZAC and UNICEF Tanzania

With regard to university education there is a very clear perception that it is elitist, for the rich and males. Other factors also contribute to unequal access. These include language, gender and disability. In Tanzania, where the vast majority of the population speak only Kiswahili and the tertiary education is in English, it automatically eliminates the non-English speakers from consideration. Gender parity is a long way from being achieved in tertiary education. Likewise, people living with disability are few and far between in institutions of higher learning.

Female students are over-represented in subjects like nursing, teaching and administration and under-represented in areas like science, engineering, computer sciences and technology. For the Mainland, female students in science and related programs increased from 10,619 in 2008/2009 to 16,241 in 2012/2013. However, this still represents only 31.3% of students in science related students. The challenge of access to tertiary education by disadvantaged groups starts in secondary school where disadvantaged groups are already underrepresented.

One immediate cause for this is that only a small minority of children with disabilities were enrolled in primary and secondary school in mainland Tanzania. In 2011, only 0.35% of all children enrolled in primary school were children with disabilities. In secondary schools, 0.3% of boys and 0.25% of girls have disabilities. This compares to an estimated 7.8% of the population with disabilities in Tanzania. There is no functioning national system for the identification and assessment of children with physical or mental impairments and no coherent data to track or respond to their needs. For those children with disabilities who do enrol, regular attendance is often extremely difficult. Girls with disability are more vulnerable to abuse, including sexual abuse, than boys.

Table 14: Enrolment data

<i>Institution</i>	<i>No. of facilities</i>	<i>Public</i>	<i>Private</i>	<i>Enrolment</i>	<i>Female</i>	<i>Male</i>
Universities	45	14	31	166,484	36.4%	63.6%
Teacher Training Colleges	105	34	71	43,258	43.8%	56.2%
Technical School	287			112,348	47.9%	52.1%
Vocational Training Centres	750			121,348	46.8%	53.2%
Adult Education				907,771	52.1%	47.9%

Source: URT (2013)

The cost of secondary education is a challenge particularly in an environment where poverty is an obstacle, formal sector jobs are relatively few and students need to pay back the loans they take to attend. This is compounded by the lack of targeted scholarships or bursaries which could facilitate participation. There is insufficient policy attention to facilitating participation of vulnerable groups.

In Zanzibar, the tertiary and higher education sub-sector has recorded significant progress. However, the demand for education continues to grow. More Zanzibar students are attending tertiary and higher education than ever before. Loans were provided to 206 students in 2011/2012, 881 students in 2012/2013 and were to be provided to 1,600 students in 2013/2014. In addition, a large number of Zanzibar students are pursuing their education on the Mainland and a few overseas.

4.2.4 Causal analysis of key challenges: The education sector

Challenge	Immediate causes	Underlying causes	Root causes
1. Low enrolment in and quality of pre-primary education	<ul style="list-style-type: none"> • High pupil teacher ratios • Poor learning environment • School unaffordable • Lack of understanding of the benefits of pre-primary education 	<ul style="list-style-type: none"> • Insufficient number and quality of teachers • Lack of school readiness • Cost of attending school • Lack of information on benefits of pre-primary • Insufficient training facilities for pre-primary teachers • Shortages of pre-primary schools 	<ul style="list-style-type: none"> • Insufficient budget allocation • Relatively new priority with no national Early Childhood Education Plan • Household Poverty • Low wages and benefits for pre-primary teachers
2. Low Quality and relevance of primary and secondary education manifested in poor performance and poor alignment with the labor market	<ul style="list-style-type: none"> • Insufficient number of teachers • Poor learning environment • Curriculum not in tune with labor market requirements • Inability to concentrate in school 	<ul style="list-style-type: none"> • Teacher absenteeism • Poor quality of teacher training • Shortages of desks, teaching aids and equipment • Absence/shortage of textbooks • Limited offer of vocational/technical education opportunities • Chronic hunger 	<ul style="list-style-type: none"> • Inadequate budget allocation • Social cultural norms • Household poverty • Leakages in the flow of resources between the central ministry and the school
3. High number of dropouts at primary and secondary levels	<ul style="list-style-type: none"> • High Cost of education • Teenage pregnancy leading to dismissal • Perceived high opportunity cost of education • Doubts about the relevance of education 	<ul style="list-style-type: none"> • Poor quality of educational facilities • Inadequate access to protective and preventive reproductive health services for adolescents • Insufficient number of teachers • Shortages of desks, teaching aids and equipment • Unaffordability of school costs • Lack of understanding of the value of education • Lack of government review of the curriculum for greater relevance 	<ul style="list-style-type: none"> • Inadequate budget allocation • Social cultural norms and practices • Household poverty/low income status • Leakages in the flow of resources between the central ministry and the school
4. Disparities in access, completion and performance between regions and from a gender and socio-economic perspective	<ul style="list-style-type: none"> • Too few teachers available in remote areas • Doubts about the relevance of education • Poor learning environments for people living with disabilities and girls • Corporal punishment in schools 	<ul style="list-style-type: none"> • Lack of incentives for teaching in remote areas • Cost and opportunity cost of attending school • Distance to schools • Lack of integration of gender and disability issues in teacher and management training • Unsafe school environments 	<ul style="list-style-type: none"> • Differential budget allocations between LGAs • Household Poverty varies between regions • Differential economic opportunities between regions

<p>5. Exclusion of vulnerable groups from Tertiary Education</p>	<ul style="list-style-type: none"> • Limited access to primary and secondary education for vulnerable groups • Unaffordability of tertiary education 	<ul style="list-style-type: none"> • Limited availability of scholarships or bursaries to facilitate participation • Lack of trained teachers to deal with the specific needs of vulnerable groups • Child labor prevents attendance at primary and secondary schools 	<ul style="list-style-type: none"> • Education system ill-adapted to the needs of children with disability • Nation legalizes corporal punishment and leaders believe in it. • Absence of specific interventions targeting participation of vulnerable groups in tertiary education • Insufficient budget allocation • Household poverty/low income status particularly for women and people living with disability.
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4.2.5 Capacity gap analysis: The education sector

Levels	Capacity constraints
Household	Lack of income and limited understanding of the benefits of participating in education are key challenge to be addressed. The perceived opportunity cost of sending girls to school
Institutional	More teachers with higher competencies are needed • More direct means of getting capitation grants to schools is needed • Review of curricula to ensure greater relevance to the needs of a modern society is needed • Improved capacity for monitoring and evaluation is required. Perhaps the planning, monitoring and evaluation approach of Big Results Now should eventually be made the Standard Operating Procedure for the sector • Plans and policies should be revisited to ensure greater access of disadvantaged and vulnerable groups • Filling the gap in school facilities – Strengthen capacity to implement policies, plans, budgeting and monitoring to respond to the specific needs of girls and children living with disability.

4.3 Health for all

4.3.1 Introduction

Good health is not only a human right but contributes to both poverty reduction and economic growth. Focused attention by health systems delivering powerful but often inexpensive interventions can lead to dramatic improvements in health at modest cost. The pace of diffusion of such knowledge into a country, much more than its level of income, determines the pace of health improvement. There is, however, a strong investment case for increasing health expenditures. A recent study estimated a 20 to 1 rate of return for every dollar invested in reproductive, maternal, neonatal and child health (PMNCH, 2013).

The key pathways from improved health to economic growth are: educational attainment – from improved cognitive development and learning to increased school attendance and performance; productivity – fewer work days lost to illness, increased output when at work; savings and investment – as healthcare costs are reduced, households tend to invest more and as people live longer, they have more incentive to save for education and retirement; the labour force – lower mortality and subsequent lower fertility increases the size of the labour force and decreases the dependency ratio. In 2011 Tanzania's health expenditure per capita was estimated at US\$37 or 7.3% of Government expenditure against a target of 15% of expenditure in the Health Sector Strategic Plan (2009-2015). Closing the expenditure gap while focusing on a few key bottlenecks can be expected to yield significant benefits for the country going forward.

Tanzania went through a severe economic crisis in the 1980s, which adversely affected the management and financing of basic social services including health care services (Wangwe et al. 1998). The health care sector faced severe underfunding that affected the quality and provision of health care services, leading to, among others: shortage of drugs, equipment and medical supplies; overall deterioration of the physical health infrastructure including electricity supply, water and sanitation at the health care facilities; poor management and regulatory framework; and very low wages and other incentives for health care workers, which resulted in low staff morale. During this period, the Government was the key provider of free health care services whereas private health care provisions were nearly nonexistent except for a few faith-based health care facilities (COWI et al. 2007).

4.3.2 The policy framework

Health sector reforms aimed at improving the quantity, quality and equity of health services were introduced in the early 1990s. The first National Health Policy was introduced in 1990. These reforms paved the way for the operation of private sector health providers in 1991 and ultimately the imposition of user fees in public health services in 1994. A second National Health Policy was introduced in 2007. A series of health sector Strategic Plans were launched and the most recent one, HSSP 2011-2015, was recently reviewed providing a wealth of useful information. These plans were complemented by other condition specific plans, such as the Medium Term Malaria Strategic Plan (2008-2013) and the National Roadmap Strategic Plan to Accelerate Reduction of Maternal, Newborn and Child Deaths in Tanzania (2008-2015).

4.3.3 Key achievements

- There have been **significant reductions in infant and child mortality** possibly linked to the reductions in morbidity and mortality associated with malaria. This in turn has been linked to the implementation of packages of relatively low cost, high impact interventions such as Integrated Management of Childhood Illnesses (IMCI). For example, the proportion of children vaccinated against measles increased from 81% in 1990 to 95% in 2011. Under-five mortality rate (U5 MR) declined from 191 per 1000 live births in 1990 to 81 per 1000 live births in 2012 against an MDG target of 64. Infant mortality rate has declined from 115/1,000 live birth in 1990 to 45 per 1,000 live births in 2012 against a target of 38. Despite the impressive reduction in child mortality most of the decline has come after the first month of life and neonatal mortality has not been substantially reduced.

- For Zanzibar, the under-five mortality rate declined from 202/1000 live births in 1990 to 79 in 2012 while IMR declined from 120/1,000 live births to 54 over the same period. Children vaccinated against measles reached 96% in 2009.
- There has been a **significant reduction in malaria prevalence, incidence and mortality**. In 2002, Tanzania developed the National Malaria Medium-Term Strategic Plan aimed at reducing malaria morbidity and mortality by 25% by 2007 and by 50% by 2010. The most recent data for malaria indicators for Tanzania are shown in the 2009-10 DHS, which shows marked improvement in nearly all malaria indicators when compared the 1996 and 2004 figures. The 2009/10 DHS revealed that the percentage of households that own at least one Insecticide Treated Net (ITN) has increased from 23% (2004) and 39.2% (2007/08) from the Tanzania HIV and Malaria Indicator Survey to 63.4% in 2009/10 (DHS, 2010). The percentage of children sleeping under an ITN increased from 25.7% in 2007/08 (Tanzania HIV and Malaria Indicator Survey) to 64.1% in 2009/10. The percentage of pregnant women sleeping under an ITN also increased from 26.7% in 2007/08 (Tanzania HIV and Malaria Indicator Survey) to 57.1% in 2009/10. This compares with just 15-16% usage in the 2004-05 DHS. On the ground the proportion of mothers who received two doses of intermittent preventative therapy for malaria during their last pregnancy has been limited in progress with 31% (THMIS 2011-12) from 30% in 2007/08. However, malaria still remains one of the major challenges. In mainland Tanzania, malaria is the leading cause of outpatient and inpatient visits and the primary cause of deaths among children. Over 40% of all outpatient cases are attributable to malaria. It is estimated that malaria prevalence among children 6-59 months is 3% in urban areas and 10% in rural areas (THMIS 2011/12). Zanzibar has a malaria prevalence of less than 1% (THMIS 2011/12) indicating good progress in controlling malaria. This is attributed to the successful implementation of three highly effective interventions of prevention, case management and malaria in pregnancy.
- Tanzania continues to make progress in combating HIV/AIDS and containing malaria, TB and other diseases. Records show that HIV prevalence rates have begun to decline (with an exception for females 45+ years) after a persistent rise in the past 15 years. According to the Tanzanian HIV and AIDS and Malaria Indicator Survey 2011/12, HIV prevalence has decreased significantly among adults (age 15-49) from 8.2% in 2003/4 to 5.7% in 2007/08 and 5.1% in 2011/12, but the decrease was only statistically significant among men. HIV infection among women being significantly higher (6.2%) than among men (3.8%). Women are particularly at risk of HIV infection in their transition to adulthood: HIV prevalence increases by 240% between late teens and early 20's. HIV prevalence amongst the 15-24 age group has not declined significantly in the last five years (2.5% in 2007/2008; 2.4% in 2011/2012)..
- There has also been a sharp reduction in acute malnutrition from 28.8% in 1990 to 16% in 2012 against an MDG target of 14.4%.

The net result of these achievements is that Tanzania has made significant progress in the last decade. **Life expectancy** rose from 51 years in 2002 to 61 years in 2012.

4.3.4 Key challenges

i) High rates of maternal mortality

The latest estimate of Maternal Mortality Rate (MMR) as reported in TDHS 2010 shows that in mainland Tanzania MMR declined from 578 per 100,000 live births in 2004 to 454 per 100,000 live births in 2010 and declined further to 432 per 100,000 live births in 2012. MMR for Zanzibar was reported at 279 deaths per 100,000 live births in 2010. The rate of maternal mortality is inversely related to the mother's level of education.

The most immediate causes of maternal mortality are hemorrhage, sepsis, eclampsia and infections. These are closely linked to poor maternal nutrition, which in itself is related to women's workload and food taboos stemming from customary beliefs and practices. Limited Emergency Obstetric Care facilities often mean long travel to the nearest health center and reliance on transport which is difficult to find. Complications due to HIV/AIDS infection and/or Female Genital Mutilation (FGM) may also play a role in weakening the mother.

High rates of adolescent pregnancy increase the risk profile of the mother. In Tanzania adolescent pregnancy is high as evidenced by the findings of TDHS 2010, which indicates that 44% of women aged are pregnant or already have children by the age of 19. Adolescent pregnancy and motherhood are more common among young women living in rural areas and those from poor families. The likelihood of early pregnancy is higher among females who reside in Mainland than those in Zanzibar. In some regions, high rates of child marriage also places girls at risk of early pregnancy and childbirth, with physical and emotional health risks for the mother, and poorer outcomes for her children. The trend in the proportion of births attended by skilled health personnel has not improved significantly over the last recent years. In the mainland the proportion was 50.5 (2010) and Zanzibar 44.7 (2008). Poor quality and availability of health services are additional factors contributing to poor health outcomes for pregnant women (see below). One should also recall the gender dimensions of MMR. Often the lives of women and mothers are accorded less value than those of men.

ii) High rates of chronic malnutrition among under-five children

There has been minimal reduction in stunting which reduced from 46.6% in 1990 to 42% in 2012 against an MDG target of 23.3%. Stunting is intimately linked to poor maternal nutrition status, which is in turn linked to inadequate food intake linked to poor household food security and food taboos. Caloric availability at the household level has hardly improved since 1997, and chronic malnutrition is estimated to be an underlying cause of over one third of under-five year old deaths. For Zanzibar, while stunting at 30% is about the same as the average for Africa and at the cut-off point for severe category, underweight at about 20% is slightly higher than for mainland and wasting at 12% is categorized as severe.

Stunting has severe short- and long-term health consequences with evidence demonstrating that stunting in early life (first 1,000 days from conception to two years) is associated with adverse functional consequences. These include poor cognition and later educational performance, low adult wages, lost productivity and when accompanied by excessive weight gain later in childhood, increased risk of nutrition-related chronic non-communicable diseases (NCDs) like overweight, obesity and diabetes. Although the highest rates of stunting are found during the second year of life (18-23 months), much stunting (about 20%) occurs during the first 1,000-day window.

Four regions (Dodoma, Iringa, Lindi and Rukwa) have stunting prevalence rates above 50%. Three regions (Arusha, Dodoma and Mbeya) deteriorated between 2004 and 2010 and during the same period three regions (Pwani, Mara and Mtwara) performed the best, reducing stunting prevalence rates by more than 10 percentage points. Moreover, acute malnutrition appears more prominent in the Northern Zone due to episodic shocks of food insecurity caused by drought and other factors, while the Southern Zone is more affected by chronic malnutrition (stunting) indicating persistent underlying and basic determinants.

Insufficient nutrient intake linked to poor household food security and poor infant feeding practices is an immediate cause of this situation. This may interact with high levels of preventable disease caused by unsanitary conditions and limited quality and utilization of health services due to the cost and the non-functioning of the waiver and exemption system. The mother's nutritional status during conception and pregnancy also has a direct bearing on child malnutrition and may also lead to low birth weight. The prevalence of low birth weight is estimated at 7% in Tanzania. Also at the underlying level there is a lack of coordination among key actors delivering health services.

With an HIV prevalence of 5.1%, and several regions having an HIV prevalence among adult women of over 10% (e.g. Njombe 15.4%, Mbeya 11.0%, Iringa 10.9%), HIV is known to have an impact on growth. Poor growth was among the first manifestations of HIV infection to be reported in children, including the effect of under nutrition on HIV disease progression and negative impact on morbidity and child survival in children with HIV⁵⁰.

⁵⁰ Berhane R, et al. Growth failure as a prognostic indicator or mortality in pediatric HIV infection. *Pediatrics* 1997; Arpadi SM, Growth failure in HIV Infected children (2005) Technical review commissioned by WHO; Ramalho et al. Abnormalities in body composition and nutritional status in HIV-infected children and adolescents on antiretroviral therapy. *Int J STD AIDS*. 2011 Aug; 22(8):453-6 ; Padmapriyadarsini C, et al. Prevalence of Underweight, Stunting, and Wasting among Children Infected with Human Immunodeficiency Virus in South India. *Int J Pediatr*. 2009;2009: 837627. Epub 2009 Jul 2; Sunguya et al. Under nutrition among HIV-positive children in Dar es Salaam, Tanzania: antiretroviral therapy alone is not enough. *BMC Public Health* 2011, 11:869;

Access to food may be a challenge in drought prone regions due to the high cost of transported food and the prevalence of chronic poverty. Mother's level of education and the lack of extension workers providing advice are also linked to poor feeding practices.

iii) Limited access to and quality of preventative and curative health services including for sexual and reproductive health

Access to health services implies the availability and affordability of services. Serious **underfunding** of the health sector has impeded access to and quality of health services particularly in rural areas and less well-off regions. According to USAID (2013) in the Strategic Review of the National Supply Chain for Health Commodities there is a substantial funding gap between estimated requirements and actual funds committed by the Government and development partners to finance health care services. For example, the funding committed for essential drugs was only 38% of what was required, that of contraceptives only 20% and for HIV/AIDS medicine and supplies 80%.

As reported in the health background paper for The Tanzania Human Development Report 2014, most primary health care facilities are still characterized by inadequately trained staff, experiencing frequent shortages of drugs and supplies and are poorly equipped.

Shortage of competent personnel remains one of the implementation bottlenecks in the health sector, more so in rural areas, compromising the quality of care delivered. Inadequacy of incentives to retain skilled personnel at rural areas also remains one of the challenges facing the health sector. It was further noted that there is still a problem of inadequacy or underutilization of skilled human resources in the health sector. In 2010, there were 0.9 doctors or Associate Medical Officers per 10,000 people and 4.9 nurses or midwives per 10,000 people. A threefold differences in health worker densities exist between regions.

Other related major challenges that confront the health sector are expansion of infrastructure to keep pace with population growth, improvement of women's access to quality health and reproductive services and the establishment of youth friendly services. Over one-third of all health facilities and nearly 30% of hospitals were found to have no latrine facilities for patients. This is a serious problem considering the long waiting times endured by women and their children. In addition to the discomfort and indignity inflicted on clients, the inadequacy of WASH at health facilities presents a clear and present danger for disease transmission and nosocomial infection due to inadequate health worker hygiene. The situation of WASH at health facilities should be an urgent priority within the infrastructure investment under the Primary Health Services Development Strategy (MMAM).

The water supply situation at health facilities is alarming. Almost two-thirds of all health facilities lack a regular water supply – a shocking statistic given the critical role of clean water and hygiene in infection control. In hospitals, the main challenge is the reliability of water sources: 96% of hospitals have safe on-site water sources, but only 42% have year-round supply. Reliability of supply also affects lower-level health facilities with on-site water sources. But the greater problem is that a third of health centers and almost half of all dispensaries have no safe on-site water supply at all.

In order to safeguard the poor and vulnerable against the potential negative effects of user fees and the provision of private services, a number of mechanisms were put in place. They were aimed at avoiding exclusion and enhancing equity in accessing health care services. These initiatives include the establishment of a public exemption and waiver system, introduction of Community Health Fund (CHF) and establishment of a National Health Insurance Fund (NHIF). However, the literature documents that these measures are not functioning adequately to achieve the intended objectives (URT-MoH 2005, MoHSW 2012). Apart from the ineffectiveness of the exemption and waiver system, the cost sharing system has been shown to have had limited success in achieving its stated goals of raising additional revenue for health care, improving the quality of services and improving the operation of the referral system (COWI, 2007; Hussein and Mujinja, 1997). Furthermore, there are also problems associated with the functioning of the CHF and NHIF including weak management and very limited coverage of these initiatives.

At the immediate level, health care workers are not available on demand and the cost of services is prohibitive to some, leading to low utilization of the services. Health services in Tanzania are delivered via Local Government Authorities while the Ministry of Health plays the role of policy formulation and setting of strategic direction. Inequitable distribution of resources to LGAs is also a cause for concern.

According to a survey of youth in Tanzania by Restless Development entitled Youth in Tanzania today (2012/2013) interviewees reported the following challenges in accessing sexual and reproductive health: Privacy and confidentiality not prioritized (25%); Environment and services not youth friendly (30%); Health staff rude and uncooperative (34%); Equipment not available (37%); Medications in short supply (41%); doctors not available (38%); Services are expensive (42%). This survey and its accompanying focus group discussion provide an informative glance at how health services are perceived by the youth of Tanzania.

iv) The double burden of communicable and non-communicable diseases

With economic transformation come social transformation and a change in the burden of disease to include non-communicable diseases such as cardiovascular disease, hypertension diabetes, cancer and respiratory diseases. The underlying causes of these diseases are unhealthy lifestyles as manifested in poor diets, sedentary lifestyles, alcohol abuse and smoking.

There is also insufficient information available to the public regarding these risks. Available reports indicate high prevalence of both excess weight and obesity. The prevalence of excess weight and obesity is estimated to be around 22% in males and 26% in females (WHO, 2010). There is little documented information on the level of physical inactivity in the population except to report that the urban population had higher levels of BMI and cholesterol levels compared to rural counterparts (Aspray et al 2000; Mbalilaki et al., 2007; Unwin et al., 2010). According to available statistics the prevalence of current smokers in Tanzania is estimated at 17.7% in males and 2.5% in females (WHO, 2010)

At the root cause level, the socio-economic transition includes a growing middle class with disposable income. Growing rural-urban migration exposes increasing numbers to the risks, as in urban areas increased exposure to air and water pollution is an additional risk factor. Advertising in the media tends to glamorize unhealthy habits such as smoking, consumption of alcohol and fast food.

v) High child mortality due to preventable causes

Despite the tremendous progress that has been made in reducing infant and child mortality approximately 155,000 children die from preventable causes each year. The main causes of death are pneumonia, diarrhea, malaria and malnutrition. Trends in morbidity can be gleaned from successive demographic and health surveys. The data indicate a systematic decline in the proportion of under-fives who suffered fever and acute respiratory infection during the two weeks prior to the survey, while no discernable change has occurred in the incidence of diarrhea. Essentially, while families have widely adopted new behaviors in the use of insecticide-treated nets, thus reducing malaria, they have been slower to adopt behaviors that would improve hygiene and sanitation and lead to a reduction in diarrhea. Investment in malaria prevention has been vastly higher than investment in the prevention of diarrhea (UNICEF, 2013).

Inadequate care practices related to the poor education status of caregivers and limited access to information at the household level are a key underlying cause of child mortality. This is made worse by poorly functioning health systems characterized by shortages of staff, essential drugs, supplies and equipment particularly in remote areas. The cost of health services makes them unaffordable to households experiencing poverty. Likewise, insufficient recognition and adoption of good practices from within the country and beyond limits the potential for progress. At the root cause level, policy issues such as budgetary allocations combined with user fees contribute to the underlying causes.

4.3.5 Causal analysis of key challenges: The health sector

Challenges	Immediate causes	Underlying causes	Root Causes
1. High Maternal and Neo-Natal mortality	<ul style="list-style-type: none"> • Hemorrhage • Sepsis • Eclampsia • Infections • Obstructed labor and ruptured uterus • Complications of unsafe abortion 	<ul style="list-style-type: none"> • Limited access to, availability to and quality of Emergency Obstetric and Neonatal Care particularly in rural areas • Poor nutritional status of the mother • Limited access to antenatal care and skilled attendants on delivery • Female genital mutilation • Insufficient human resources for health • Limited knowledge on neo-natal care • Poorly functioning referral systems especially in rural and semi-rural areas • Unequal power relations between women and men. Women lack decision-making power in the families on when to go to hospital • Corruption in the health sector 	<ul style="list-style-type: none"> • Insufficient allocation of budgetary resources • Customs and traditions leading to food taboos and perpetuating FGM • Gender issues placing less importance on the lives of women and mothers • The financial position of women in families and communities • Low educational status of mothers •
2. Limited access to and quality of preventive and curative health services including SRH	<ul style="list-style-type: none"> • Unavailability of health workers on demand • Unaffordability of health services • Low utilization of health facilities 	<ul style="list-style-type: none"> • Limited availability and motivation of health workers especially in poorer regions • Insufficient numbers of well trained workers • User fees and limited application of exemptions or waivers • Distance to facilities • Gender barriers in health seeking behavior and decision making on SRH 	<ul style="list-style-type: none"> • Insufficient allocation of budgetary resources – low per capita expenditures • Inequitable distribution of resources to LGAs • Chronic poverty • Gap between poverty analysis and resourcing of root causes • Lack of institutionalized gender responsive policy and budgeting for preventive and curative health strategies
3. Double Burden of Communicable and Non-Communicable Diseases	<ul style="list-style-type: none"> • Increasing prevalence of Non Communicable Diseases notably diabetes, cardiovascular disease, cancer and respiratory diseases 	<ul style="list-style-type: none"> • Unhealthy lifestyles – diet, sedentary lifestyle, substance abuse, smoking • Increased exposure to air and water pollution • Insufficient information regarding risks of unhealthy lifestyles 	<ul style="list-style-type: none"> • Socio-economic transition – growing middle class • Rural-urban migration • Media advertising promoting unhealthy lifestyles

4. High Child Mortality due to Preventable causes

- Pneumonia
- Diarrhea
- Malaria
- Malnutrition
- Poorly functioning health systems particularly in remote areas
- Inadequate care practices
- Limited access to health care in remote areas
- Unaffordability of health services
- Limited access to information at the household level
- Poor education status of care givers
- Insufficient number of well-trained health-workers
- Limited recognition and replication of good practices
- Inadequate budget allocation
- Training policy needs review in light of rapidly growing population
- Household Poverty
- User fees
- The financial position of women in families and communities

4.3.6 Health capacity gaps: The health sector

<i>Levels</i>	<i>Capacity constraints</i>
Household	There are capacity gaps in child care.
Institutional	At the LGA level, support is needed for developing capacities for planning, implementation, monitoring and reporting • training policy needs review in light of rapidly growing population and changing burden of disease.

4.4 Nutrition

4.4.1 Introduction

The deleterious effects of malnutrition affects the most vulnerable in society, and it hurts most in the earliest stages of life. The consequences of malnutrition include failure to grow, frequent illness, brain damage, cognitive impairment, lower productivity and a greater likelihood of diet-related chronic diseases later in life. The human and economic costs are enormous, falling hardest on the very poor, women and children. Under-nutrition is a serious underlying factor in child and maternal mortality, a major cause of poor educational performance, a driver for intergenerational transfer of poverty and inequality and lowers economic productivity of adults and overall national social and economic development. Moreover, the 2010 TDHS showed that under-nutrition contributes to the deaths of about 130 children in Tanzania every day, with 47,450 nutrition-related deaths per year.

Stunting has severe short- and long-term health consequences with evidence demonstrating that stunting in early life (first 1,000 days from conception to two years) is associated with adverse functional consequences. These include poor cognition and later educational performance, low adult wages, lost productivity and when accompanied by excessive weight gain later in childhood, increased risk of nutrition-related chronic non-communicable diseases (NCDs) like excess weight, obesity and diabetes. Although the highest rates of stunting are found during the second year of life (18-23 months), much stunting (about 20%) occurs during the first 1,000-day window. Critical to MDG5 on maternal mortality is the fact that stunted mothers are more likely than others to produce stunted children with low birth weight, thus transmitting malnutrition to the next generation (Nutrition Vision).

Malnutrition remains a significant public health problem in Tanzania affecting mostly women of reproductive age and children below 5 years of age. Improving nutrition therefore has considerable economic and social benefits. It reduces morbidity and mortality and improves the learning and earning capacity of communities.

Despite significant progress made, millions of children and women in Tanzania still suffer from different forms of under nutrition, including low birth weight, stunting, underweight, wasting, vitamin A deficiency, iodine deficiency disorders and anemia. In addition, there is an emerging problem of obesity (NNS 2011). Obesity exposes people to a greater risk of non-communicable diseases – like heart disease, stroke, diabetes and cancer. Poor diet and physical inactivity account for 10% of the global burden of disease.

4.4.2 Planning framework

The National Nutrition Strategy and its implementation framework, Nutrition Vision 2025 for Nutrition in Tanzania, which aims to eliminate malnutrition as a public health problem by 2030, provide the planning framework. Key stakeholders in nutrition include the Ministry of Health and Social Welfare, the Ministry of Agriculture and the Tanzania Food and Nutrition Corporation. A National Nutrition Survey undertaken in 2014 (summarized below) provided updated information on nutrition status including key achievements and challenges.

4.4.3 Key achievements

- Chronic and acute malnutrition among children under five years in Tanzania has shown significant improvements between 2010 and 2014. Prevalence of stunting decreased from 42.0% in 2010 to 34.7% in 2014. In Zanzibar, stunting decreased from 30.2% to 20.4%. This represents a reduction of 18% since 2010 and 30% since 1992.
- At the national level, the rate of acute malnutrition or wasting declined from 4.8% to 3.8%. For Zanzibar, the rate declined from 12% to 7.2% while the rate of severe acute malnutrition in Zanzibar reduced by two-thirds.
- Prevalence of Underweight was at 13.4% in 2014, which is very close to 2015 target (12.5%) for indicator 1.8 of MDG1. This represents a 46% reduction since 1992. Tanzania is “on track to reach the target indicator 1.8 of MDG1 (50% in 2015)”. Coverage of deworming among children 12-59 months has increased from 50% in 2010 to 71% in 2014.

- Coverage of Vitamin A Supplementation among children 6-59 months has increased from 61% in 2010 to 72% in 2014. However, coverage for Zanzibar declined from 72% in 2010 to 58% in 2014. Highest coverage of vitamin A supplementation was noted at Arusha, Kagera and Unguja North (>90%) and the lowest at Mwanza, Singida, Manyara and Town West with less than 50%.
- Chronic Energy Deficiency among women has improved sharply in Mainland and Zanzibar. It reduced from 11% to 5% in Mainland Tanzania and from 14% to 9% in Zanzibar.

4.4.4 But, challenges remain

- More than 2,700,000 children under five years of age are stunted in Tanzania in 2015 and 58% of stunted children live in 10 regions. Most of these regions are not benefiting from key nutrition intervention.
- 435,000 children under five years of age are suffers from acute malnutrition including more than 105,000 severely acute malnourished children with high risk of dying if they do not receive appropriate treatment.
- Indicators of IYCF Practices have not improved between 2010 and 2014. Only 20% of under-five children receive a minimally acceptable diet of complementary foods roughly unchanged over the period. More seriously, however, this indicator declined from 19.6% to 8.4% for Zanzibar.
- Obesity among women has increased from 6% in 2010 to 10% in 2014. Highest levels of obesity were found in Kilimanjaro (22.2%), Dar-Es-Salaam (20.9%), Town West (25.2%) and Unguja South (24.8).
- Coverage of Iron and Folic Acid Supplementation during pregnancy has improved from 3.5% in 2010 to 8.3% in 2010, but the level is still unacceptably low. The regions with lowest level of Iron Folic Acid supplementation are Singida (0%), Mwanza (0.5%), Tabora (1.9%), Katavi (2.4%), Geita (3.2%), Simiyu (3.8%) and Mara (4.5%).
- Use of Iodized Salt at Household level has decreased from 82% in 2010 to 64% in 2014, despite provision of potassium iodate to Tanzania Salt Producers Association (TASPA) in 2013. The level of iodized salt is very low in regions like Lindi (6%), Mtwara (13%), Tabora (20%), Rukwa (22.5%), Simiyu (23%), Geita (23%), Ruvuma (25%), Singida (33%) and Shinyanga (30%).

4.4.5 Key challenges

- **High levels of stunting amongst under five children**
- **Poor maternal nutrition**

The most immediate causes of poor nutritional outcomes are insufficient nutrient intake related to poor feeding practices and household food insecurity at the underlying level. Another immediate cause is mother's poor nutritional status during conception and pregnancy due to women's workload; their limited access to information and power regarding household food practices; and food taboos among some ethnic groups. This is directly connected to low birth weight, which is also an immediate cause for stunting. High levels of preventable disease — notably malaria, pneumonia and diarrhea — also contribute to poor nutrition outcomes. This can be a result of poor environmental hygiene and poor quality and cost of health services. Despite exemption and waiver of health system user fees being available for the poor, the available evidence seems to suggest that this is not functioning well.

At the institutional level, insufficient coordination among key actors reduces the efficiency of interventions. Tanzania also has an HIV prevalence of 5.1%, and several regions have an HIV prevalence among adult women of over 10% (e.g. Njombe 15.4%, Mbeya 11.0%, Iringa 10.9%). HIV is known to have an impact on growth. Poor growth was among the first manifestations of HIV infection to be reported in children, including the effect of under nutrition on HIV disease progression and negative impact on morbidity and child survival in children with HIV⁵¹. Access to food may be a challenge in drought prone regions due to the high cost of transported

⁵¹ Berhane R, et al. Growth failure as a prognostic indicator or mortality in pediatric HIV infection. *Pediatrics* 1997; Arpadi SM, Growth failure in HIV Infected children (2005) Technical review commissioned by WHO; Ramalho et al. Abnormalities in body composition and nutritional status in HIV-infected children and adolescents on antiretroviral therapy. *Int J STD AIDS*. 2011 Aug;22(8):453-6 ; Padmapriyadarsini C, et al. Prevalence of Underweight, Stunting, and Wasting among Children Infected with Human Immunodeficiency Virus in South India. *Int J Pediatr*. 2009;2009: 837627. Epub 2009 Jul 2; Sunguya et al. Under nutrition among HIV-positive children in Dar es Salaam, Tanzania: antiretroviral therapy alone is not enough .*BMC Public Health* 2011, 11:869.

food and the prevalence of chronic poverty. Mother's level of education and the lack of extension workers providing advice are also linked to poor feeding practices.

At the level of root causes, insufficient allocation and poor distribution of budgetary resources using social and gender criteria, for both health and nutrition is a key factor. The Public Expenditure Review for Nutrition indicated that in the period under review, expenditure was inadequate to achieve the stated nutrition goals. Furthermore, of the budget allocated for 2011/2012 and 2012/2013 only 22.9% and 23.1% respectively was disbursed. It also concluded that nutrition expenditure was not targeted at the most vulnerable groups (children under age two and pregnant women). Other root causes include the low educational status of mothers and chronic poverty compounded by insufficient food production in drought prone regions.

4.4.6 Causal analysis of key challenges: Nutrition

Challenges	Immediate causes	Underlying causes	Root Causes
2. High levels of chronic malnutrition among under five children	<ul style="list-style-type: none"> • Insufficient nutrient intake • High levels of preventable disease • Low birth weight • Mother's poor nutritional status during conception and pregnancy • Limited utilization of health services 	<ul style="list-style-type: none"> • Unaffordability of health services • Waiver system not functioning well in practice. • Poor quality of health services • Insufficient coordination among key actors • Poor feeding practices e.g. frequency of feeding and quality of nutrients • Household food insecurity • Unequal power and decision making on use of household resources between women and men. • Poor environmental hygiene • Lack of information on nutrition 	<ul style="list-style-type: none"> • Insufficient allocation of budgetary resources • Low educational status of mothers • Chronic poverty • Insufficient food production in drought prone regions • Insufficient transport of food from food surplus regions to food deficit regions • Insufficient recognition of gender and social inclusion issues (female, child ,elderly) headed households in food security and nutrition strategies

4.5 HIV/AIDS

4.5.1 Introduction

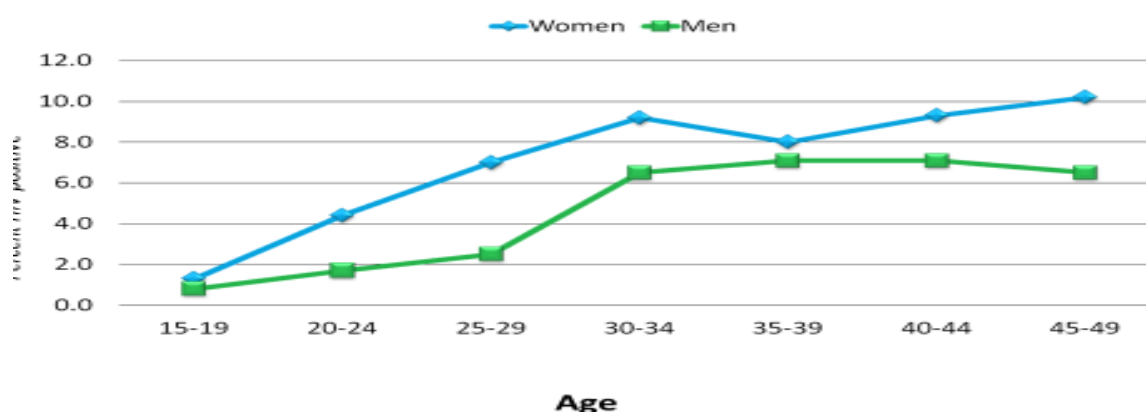
Tanzania experienced its first HIV infections in 1983. By 1987, every region in the country had reported AIDS cases. Since then, the HIV/AIDS epidemic spread rapidly, affecting productive segments of society and leaving many orphans. The human and economic toll of HIV/AIDS has been immense. It is currently estimated that about 1.4mn Tanzanians are living with AIDS (UNAIDS, 2013), including an estimated 250,000 children living with HIV. It is estimated that 7,400 Zanzibar residents are living with HIV. HIV/AIDS remains the number one cause of mortality in the country. In 2013 Tanzania recorded 72,000 new infections and an estimated 78,000 Tanzanians died from AIDS.

The focus on addressing HIV/AIDS has diverted valuable resources from other important health and social issues and has stretched the already challenged health sector. The main mechanism for impacting growth is through the reduction in productivity brought about by illness, absences from work and mortality particularly amongst highly educated people.

4.5.2 Current status of HIV/AIDS in Tanzania

HIV prevalence has decreased significantly among adults (age 15-49) from 8.2% in 2003/4 to 5.7% in 2007/08 and 5.1% in 2011/12 (THMIS), but the decrease was only statistically significant among men (Figure 59). HIV prevalence is higher for both women and men in urban areas than in rural areas. There is around 6.9% HIV prevalence amongst pregnant women. HIV infection among women being significantly higher (6.2%) than among men (3.8%). Women are particularly at risk of HIV infection in their transition to adulthood: HIV prevalence increases by 240% between late teens and early 20's. HIV prevalence amongst the 15-24 age group has not declined significantly in the last five years (2.5% in 2007/2008; 2.4% in 2011/2012).

Figure 59: Higher prevalence in women: Transition to adulthood



Source: URT (2014)

The HIV epidemic on Tanzania mainland is described as generalized, meaning it affects all sectors of the population. Heterosexual sex is estimated to account for roughly 80% of infections on the Tanzania mainland.

Nevertheless there are high prevalence rates amongst key population groups. Available data from recent studies gives the prevalence of HIV among people who inject drugs (PWIDS) to be 16%, men who have sex with men (MSM) to be 22.2% and Female Sex Workers (31.4%). Although these may not be national representative estimates, they show a decline in HIV infection among key population when compared to earlier estimates among MSM (42%) and PWIDS (51%). Declining HIV infection rates in the general population and possibly among key population is likely to be an indication of the impact of extensive preventive intervention measures in the country.

Zanzibar has a concentrated HIV epidemic, with higher infection rates in key populations compared to 1.0%

in the general population (THMIS 2012). The prevalence among MSM is 2.6%, FSW 19.3% and PWID 11% (ZIHTLP 2012). HIV prevalence among adults 15-49 years was 0.6% in 2008 (THMIS) and 1% in 2011. (0.9% men, 1.1% women aged 15-49 years). Data from four rounds of antenatal surveillance, two national population surveys and projections indicate that HIV incidence in the age group 15-49 peaked at 1.48% in 1991, declined to 0.6% in 2004 and stabilized at 0.59% up to 2011. This decline in HIV incidence partly explains the observed decline in HIV prevalence.

Despite the decline, the HIV epidemic in Tanzania remains heterogeneous with geographical and population variability. The HIV prevalence ranges from 1.5% in Manyara to a high of 14.8% in Njombe. While HIV prevalence is generally decreasing, 8 regions (Ruvuma, Kagera, Kigoma, Rukwa, Mtwara, Kilimanjaro, Singida and Arusha) have recorded an increase.

4.5.3 Drivers of the epidemic

In general, the epidemic is driven by a series of risky behaviors. These include a number of sexually related behaviors such as low rates of consistent and correct condom use, multiple partners, transactional sex and intergenerational sex. Low levels of male circumcision in some regions of the country and the presence of other sexually transmitted infections also contribute to increased HIV risk. Other key drivers include the sharing of needles amongst PWID and lack of awareness and knowledge of the means of HIV transmission and of HIV prevention.

Less than half of youth have comprehensive HIV knowledge as defined by the surveys, that is: know that a health-looking person can have HIV; reject two common misconceptions about HIV/AIDS and prevention; and know the above two HIV prevention methods. Both knowledge of HIV prevention methods and comprehensive HIV knowledge were lower among rural youth and Zanzibar youth than their urban and Mainland counterparts, especially for boys. More female than male youth knew about prevention of mother-to-child HIV transmission, with urban youth and Zanzibar youth demonstrating higher levels of knowledge⁵².

On average, among respondents in the THMIS aged 15-49 who have ever had sexual intercourse, women had 2.3 sexual partners over their lifetimes and men had 6.6. Four percent of women and 21% of men reported having sex with two or more partners in the 12 months preceding the survey. Twenty-seven per cent of both women and men who had more than one sexual partner in the past 12 months reported using a condom during their last sexual intercourse. Nine per cent of men reported paying for sex in the past 12 months, with higher rates of paying for sex among young men aged 15-19 (15%) and 20-24 years (16%) (more commonly in rural areas compared to urban, and Mainland compared to Zanzibar). Only fifty-three per cent of men who had engaged in paid sex in the past 12 months used a condom the last time they paid for sex, compared to 38% of 15-19 and 52% of 20-24 year old boys. Among adolescents and youth, reported condom use during last high-risk sex is higher among males and females ages 15-19 compared to youth ages 20-24. Gender differences in reported condom use during premarital sex varied by age: it was higher for girls than boys ages 15-17 (48% versus 38%), but higher for men than women ages 20-24 (60% versus 48%). Taken together, low rates of condom use among youth, combined with high rates of multiple sexual partners among males, likely facilitate the spread of HIV in Tanzania, particularly in rural areas⁵³.

Contextual factors driving the HIV epidemic in Tanzania include poverty leading to the growth in transactional sex with growing numbers of commercial sex workers, irresponsible male patterns of sexual behavior, social, economic and political gender inequalities including violence against women and children, substance abuse such as alcohol consumption, local cultural practices e.g. widow cleansing, mobility in all its forms which leads to separation of spouses and increased establishment of temporary sexual relationships and low rates of male circumcision in some regions.

⁵² Population Council, Tanzania Commission for AIDS (TACAIDS), Zanzibar AIDS Commission (ZAC), and UNICEF Tanzania. 2015. The Adolescent Experience In-Depth: Using Data to Identify and Reach the Most Vulnerable Young People, Tanzania 2009-2012. Dar es Salaam: Population Council, TACAIDS, ZAC and UNICEF Tanzania

⁵³ Population Council, Tanzania Commission for AIDS (TACAIDS), Zanzibar AIDS Commission (ZAC), and UNICEF Tanzania. 2015. The Adolescent Experience In-Depth: Using Data to Identify and Reach the Most Vulnerable Young People, Tanzania 2009-2012. Dar es Salaam: Population Council, TACAIDS, ZAC and UNICEF Tanzania

The Tanzania Violence against Children Study (VACS, 2011) indicated that exposure to sexual violence during childhood was associated with sexual risk-taking behaviours (including multiple partnerships and infrequent or no condom use) during adolescence and adulthood. It is imperative that HIV prevention work in communities also address the social dynamics and risk factors that underpin the problem of sexual violence, including, but not limited to, poverty, male entitlement, age, income inequality, and alcohol and drug consumption.

4.5.4 Key groups affected

HIV and AIDS disproportionately affects **women** in Tanzania. In 2011, women comprised nearly 60% of people living with HIV. Women tend to become infected earlier, which is partly due to the tendency of women to have older partners or get married earlier. Approximately 5 to 6% of girls are married before age 15, with rates differing dramatically by region. Another reason for the higher prevalence is the difficulty women experience negotiating safer sex because of gender inequality. One example of women's dependency is the widespread culture of 'sugar daddies': women will often accept the sexual advances of older men, or 'sugar daddies', for a variety of reasons including money, affection and social advancement.

There are 250,000 **children** living with HIV and 1.3mn children orphaned by AIDS in Tanzania. (UNAIDS, 2013) Grandmothers and other relatives often provide invaluable support to orphans but they are still more vulnerable to poverty, sexual abuse and poor nutrition than children who live with both their parents. Children living with HIV have antiretroviral coverage of 26% compared to 68% of adults. Due to weaknesses in health management information systems and reporting, the coverage rates of HIV/SRH services for adolescents (10-19 years) are unknown in Tanzania. Notably, HIV is the leading cause of mortality among adolescents in Sub-Saharan Africa, and HIV-related mortality does not appear to be decreasing in this population.

Tanzania's coastal trade as well as its border with eight countries exposes a host of vulnerable populations to HIV. A field assessment conducted by the International Organization of Migration in 2010 ²⁰ concluded that transport workers, border personnel, fishermen and seafarers were more likely to have multiple sexual partners and less likely to use condoms than the general population. ²¹ Access to treatment and prevention initiatives in these areas was also minimal, underlining the regional variation in access to HIV services. ²² In Tanzania's border and lake areas, 1 in 5 people are estimated to be HIV positive.

It is thought that there are around 25,000 PWID in Tanzania, half of which may be infected with HIV. One particularly dangerous practice which has become a concern is that of 'flash-blood' where a user injects heroin or another drug and then draws a syringe full of blood that is passed to a second user to inject. ²⁸ HIV prevention and treatment for injecting drug users in Tanzania has not traditionally been a focus of government or donor attention. However, in 2011, with assistance from PEPFAR, Tanzania became the first country in sub-Saharan Africa to implement a harm reduction program for PWID

Zanzibar's AIDS Commission identifies PWID as a key population, along with MSM, SWs and students of correctional facilities (prisoners), and has made efforts to identify and address the prevalence of HIV among these populations. As an island and gateway to and from the African mainland, Zanzibar is situated along a major corridor for drug trafficking. Around one in six PWID in Zanzibar is infected with HIV according to official estimates, ³² but some believe the HIV prevalence is even higher. ³³ In Zanzibar, HIV is concentrated among PWIDs, SWs and MSM; groups which often come into contact with one another, as well as the general population. For example, 1 in 4 MSM in Zanzibar is also an PWID. The tendency to have multiple partners, share needles, engage in 'flash-blood' practices, and have unprotected sex place drug users in Zanzibar at high risk of HIV infection. In addition, stigma and discrimination leads to low.

4.5.5 Responses

In 1985, the government set up the NACP (National AIDS Control Program) to coordinate the response and established AIDS coordinators in each district in the country. ⁹² The Tanzania Commission for AIDS (TACAIDS) was then established in 2002 to coordinate a multi-sectorial response, bringing together all stakeholders including government, business and civil society to provide strategic guidance to HIV/AIDS programs, projects and interventions. ⁹⁷ In 2003, TACAIDS launched the first of a series of National Multi-

sectorial Frameworks (NMSF) which outlined all areas of focus for stakeholders including cross cutting themes like stigma and discrimination, prevention, care and support and dealing with the socio-economic consequences of HIV and AIDS. Under each broad theme, certain strategic areas were identified (such as school based prevention or blood safety) and goals, challenges, targets and indicators of success were specified. 98. Access to anti-retroviral treatment (ART) has increased since the government launched its public sector ART programme in October 2004.

The Government launched Voluntary Counseling and Testing Centers in 1985. A high profile campaign led by President Kikwete was launched in 2007 with the aim of testing 4mn Tanzanians within six months. 38 The President and other Members of Parliament publicly endorsed the campaign and were the first to take the test. 39 By the end of the six months, more than 3mn Tanzanians were tested through the campaign. 40. The number of people who have been tested in the last twelve months and know their results rose from an average of 1 in 20 in 2003/2004 to around 1 in 3 in 2011 and (according to THMIS 2011/2012) more than 80% of people know where to get an HIV test 41 42 The number of facilities that provide HIV testing and counseling increased slightly between 2009 and 2010 to around 2,193 facilities, which equates to nearly 11 facilities per 100,000 of the adult population.

Community based VCT (CBVCT) involves mobile VCT services and community-based support services. 44 CBVCT delivers HIV testing to individuals that are unable or unwilling to access standard clinic based VCT (SVCT), which is often some distance from communities. According to a recent study, access to CBVCT can lead to an increase in the uptake of testing among individuals that have never tested before, suggesting CBVCT should be used in areas where HIV uptake is low. 45 The study found that in communities with both CBVCT and SVCT, 39% of those who tested were first time testers, compared with 9% in communities that could only access SVCT.

Despite reservations amongst religious groups, the Tanzanian government officially recognized the role of condom use in the prevention of HIV/AIDS and has made it an integral part of its fight against the epidemic. In 2007, more than 120mn condoms were distributed in Tanzania, which was double the number distributed in 2005. 49 In 2009, around 140mn condoms were made available. 50 In the same year, the government, in partnership with Population Services International, unveiled a six-year pilot program to install a hundred condom vending machines in Tanzania, in particular in bars and nightclubs. 51 Condoms are reportedly stocked in 94% of bars and 80% of retail outlets. 52 Nevertheless, as mentioned above, condom use during higher risk sex is still very low – in 2011, only 35% of men and women who had more than one sexual partner in the past year reported using a condom the last time they had sex.

As we can see in Table 16 condom use among people with more than one partner increased with the increase of education level. In general, women with more than one partner have a greater tendency to use condoms. It is also clear that the rate of condom usage among the surveyed population is alarmingly low.

Table 15: Condom usage at difference literacy levels

<i>Level of education</i>	<i>Condom usage</i>
<i>Illiterate men</i>	15.4%
<i>Illiterate women</i>	21.4%
<i>Did not complete primary education men</i>	21%
<i>Did not complete primary education women</i>	31.2%
<i>Completed primary education men</i>	25.9%
<i>Completed primary education women</i>	25.4%
<i>Secondary level and above men</i>	45.3%
<i>Secondary level and above women</i>	48.1%

Source: URT (2013)

In addition, the THMIS points out that use of condoms is higher (52.4% for women and 51.9% for men) among women and men who are not married compared to those married or living together whose rate of condom use is 11.2% for women and 14.3% for men.

Nearly a fifth of all HIV new infections in Tanzania are due to mother-to-child transmission (MTCT), meaning that thousands of babies are infected through their mothers every year. To avoid MTCT, ART for both mother and baby as well as protected breastfeeding must be integrated into routine reproductive health services. Tanzania's PMTCT program was first piloted in 2000 with the aim of rolling out PMTCT to all reproductive and child health services. Overall, 74% of all HIV positive pregnant women in need of ARV therapy to reduce the risk of HIV transmission to their child received it in 2011. According to Tanzania's National Pediatric HIV scale up plan (2009-2013), the aim was for the country to reach 80% by 2012. To improve efficiency in health services delivery, integration of PMTCT services in the routine RCH services has been implemented with a remarkable 93% integration. A significant proportion (85%) of pregnant women are tested for HIV during ANC visits. There has been a decrease in MTCT from 26,000 children in 2009 to 15,000 in 2012, a 48% reduction.

Comprehensive sexuality education (CSE) is a vital part of reaching adolescents and young people and ensuring that they have the knowledge and skills required to prevent HIV. However, CSE is not widespread in Tanzanian schools and pregnancy is the lead cause of girls dropping out of school; 44% of women under 19 in Tanzania are already mothers (TDHS, 2010). Without consistent and clear messages on HIV prevention at primary school, students often miss out on the vital information that can stop them from transmitting or becoming infected with HIV. In Tanzania enrolment into school can begin late, particularly for boys, and is often extended due to other pressures on student's life, such as agricultural work or inability to pay for school or school items, which extends a pupil's time at primary school. Therefore, some primary school students can be as old as 17.

4.5.6 Achievements

- Tanzania mainland and Zanzibar have from the start recognized the grave danger posed by HIV/AIDS and rolled out institutions and programs with the support of development partners. As a result incidence, prevalence and mortality have declined. For example, new cases of HIV have declined from approximately 240,000 in 1995 to around 50,000 now.
- In 2001 the newly launched National Policy on HIV/AIDS recognized ART as a right for all people living with HIV. A big achievement has been the substantial increase in access to ARV treatment from virtually zero patients in 2002 to 155,000 patients in 2012. New infections fell 32% to 83,000 between 2002 and 2012.
- According to data from the Demographic and Health Survey (2010), there is widespread knowledge of HIV/AIDS prevention methods. Nearly nine in ten respondents (87% of women and 90% of men) know that the chance of becoming infected with the AIDS virus is reduced by limiting sexual intercourse to one uninfected partner who has no other partners. Three-quarters of respondents (76% each of women and men) know that the chance of contracting HIV/AIDS is reduced by using condoms.

4.5.7 Challenges

i) **Stigma and discrimination against people living with AIDS** remain a challenge. In 2008, the Tanzanian parliament passed the HIV and AIDS Act, protecting the rights of People Living with HIV and AIDS. The 2008 law makes it illegal to discriminate against someone because of their HIV status or the HIV status of a family member and obliges the government and employers to advocate against stigma and discrimination. One reason for continuing stigma and discrimination is that HIV and AIDS continues to be associated with immoral behavior, and is therefore seen as a 'punishment'.

Discrimination may lead to an unwillingness to take an HIV test and to disclose results to family, friends or sexual partners. A 2005 USAID study conducted in Dar es Salaam found that only half of HIV positive respondents had disclosed their status to intimate partners. ⁷⁹ The average time from receiving results to disclosing them was 2.5 years for men and 4 years for women. Stigma, specifically fear of abandonment, job or property loss and violence were reasons for this delay. Such fear increases the chance that HIV will be transmitted to a partner, that preventative behavior will be avoided and that uptake of treatment will be delayed. ⁸⁰

Stigma and discrimination related to HIV/AIDS are widespread among Tanzanian adults. Only 25% of women and 40% of men on the mainland expressed accepting attitudes on all four standard indicators used to measure stigma: they would be willing (1) to care for a family member sick with the AIDS virus in their own home, (2) to buy fresh food from a shopkeeper with the AIDS virus, (3) to allow a female teacher with the AIDS virus to continue teaching, and (4) to not keep the HIV-positive status of a family member a secret. There is also lack of knowledge of how HIV is transmitted and a fear of the unknown.

Women and men in Zanzibar report less HIV/AIDS-related stigma compared with those in mainland Tanzania: 43% of women and 55% of men from Zanzibar express accepting attitudes on all four standard indicators compared with 25% of women and 40% of men in mainland Tanzania. There is a substantial difference of opinion between mainland Tanzania and Zanzibar regarding condom use education for youth: 59% of women and 63% of men in mainland Tanzania support condom use education for youth compared with only 28% of women and 25% of men in Zanzibar.

ii) Limited availability of quality HIV/AIDS friendly health services especially for children and adolescents. Access to health services implies the availability and the affordability of services. Serious **underfunding** of the health sector has impeded access to and quality of health services particularly in rural areas and less well-off regions. According to USAID (2013) in the Strategic review of the National Supply Chain for Health Commodities there is substantial funding gap between estimated requirements and actual funds committed by the Government and development Partners to finance health care services. For example, the funding committed for essential drugs was only 38% of what was required, that of contraceptives only 20% and for HIV/AIDS medicine and supplies 80%.

As reported in the health background paper for The Tanzania Human Development Report 2014, most primary health care facilities are still characterized by inadequately trained staff, experiencing frequent shortages of drugs and supplies and being poorly equipped.

Shortage of competent personnel remains one of the implementation bottlenecks in the health sector and more so in rural areas compromising the quality of care delivered. Inadequacy of incentives to retain skilled personnel at rural areas also remains one of the challenges facing the health sector. It was further noted that there is still a problem of inadequacy or underutilization of skilled human resources in the health sector. In 2010, there were 0.9 doctors or Associate Medical Officers per 10,000 people and 4.9 nurses or midwives per 10,000 people. A threefold differences in health worker densities exist between regions.

Other related major challenges that confront the health sector are due to the slow expansion of infrastructure to keep pace with population growth, improvement of women's access to decent health and reproductive services and the establishment of youth friendly services. Over one-third of all health facilities and nearly 30 per cent of hospitals were found to have no latrine facilities for patients. This is a serious problem considering the long waiting times endured by women and their children. In addition to the discomfort and indignity inflicted on clients, the inadequacy of WASH at health facilities presents a clear and present danger for disease transmission and nosocomial infection due to inadequate health worker hygiene.

The water supply situation at health facilities is alarming. Almost two-thirds of all health facilities lack a regular water supply – a shocking statistic given the critical role of clean water and hygiene in infection control. In hospitals, the main challenge is the reliability of water sources: 96% of hospitals have safe on-site water sources, but only 42% have year-round supply. Reliability of supply also affects lower-level health facilities with on-site water sources. But the greater problem is that a third of health centers and almost half of all dispensaries have no safe on-site water supply at all.

In order to safeguard the poor and vulnerable against the potential negative effects of user fees and the provision of private services, a number of mechanisms were put in place. They were aimed at avoiding exclusion and enhancing equity in accessing health care services. These initiatives include the establishment of a public exemption and waiver system, introduction of Community Health Fund (CHF) and establishment of a National Health Insurance Fund (NHIF). However, available analysis suggests that these measures are not functioning as intended to achieve these intended objectives (URT-MoH 2005, MoHSW 2012). Apart from the ineffectiveness of the exemption and waiver system, the cost sharing system has been shown to have had limited success in achieving its stated goals of raising additional revenue for health care, improving the

quality of services and improving the operation of the referral system (COWI, 2007; Hussein and Mujinja, 1997). Furthermore, there are also problems associated with the functioning of the CHF and NHIF including weak management and very limited coverage of these initiatives.

At the immediate level, health care workers are not available on demand and the cost of services is prohibitive to some leading to low utilization of the services. Health services in Tanzania are delivered via Local Government Authorities while Ministry of Health plays the role of policy formulation and setting of strategic direction. Inequitable distribution of resources to LGAs is also a cause for concern.

iii) Continued high incidence, especially among key populations

There has been a significant reduction in prevalence amongst key populations as noted in the Table 17. Nevertheless, the number of cases remains high enough to be of public health concern.

Table 16: Prevalence in key population groups

<i>Population group</i>	<i>Mainland</i>	<i>Zanzibar</i>
<i>Sex workers</i>	31.4%	20.5%
<i>People using injecting drugs</i>	42%	11.2%
<i>Men having sex with men</i>	30%	2.6%

Source: URT (2014)

Unsafe practices are the most immediate causes of high prevalence in these groups. For PWID the sharing of needles is a high risk factor. For all three groups, unsafe sexual practices most notably low condom/lubricant access and usage and multiple partners are a challenge.

At the underlying level, the growth in transactional sex resulting from poverty is a key factor. The practice of 'flash blood' in which PWID inject the blood of another drug user, alcohol abuse and low rates of male circumcision and presence of other sexually transmitted infections add to the risk environment. The phenomenon of intergenerational sex in exchange for presents, cash or career advancement also plays a role. The lack of availability of health services that are non-stigmatizing for KPs, makes KPs more reluctant to seek services they need.

At the root cause level, social norms and standards, which stigmatize HIV and the key population behaviors (drug use, sex work and same-sex sexual relations) makes it difficult for members of key populations to seek help. Family breakdown and exposure to violence also contributes to an environment in which risk taking becomes more frequent. Limited national resources are available to address the specific issues to address the issue comprehensively. There are still funding gaps in a number of areas.

iv) High numbers of new HIV cases

Although overall HIV prevalence has fallen significantly among adults, the number of new cases remains high at approximately 50,000 per annum and the human and social cost remains immense. As in all cases, the new cases are driven primarily by unsafe sexual practices and to a lesser extent by the limited availability of Post Exposure Prophylaxis (PEP) kits. The presence of other sexual infections increases the risk.

At the underlying level, violence and sexual abuse against women and children, the growth in transactional sex and the practice of early marriage which makes it difficult to negotiate safe sex and also being exposed to sexual activity for a longer time. In the THMIS survey (2011/12), 5% of respondents aged 20-24 were married before age 15 and another 31% before age 18. Particularly high rates of under-15 child marriage were recorded in Dodoma (18%), Rukwa (14.3%), Mtwara (14.1%) and Tabora (9.3%). In Zanzibar, the rates were much lower, in the mid-single digits and below. Stigma against HIV positive people and human resource shortages (including challenges in relation to task shifting) are among the obstacles to ensuring a sustained reduction of new HIV infections and to providing care and treatment to those already infected. The lack of doctors is a particular problem in rural areas, where there are often only nurses available to treat patients. Qualified doctors and nurses emigrating abroad because of better pay, conditions and training opportunities means that health sector shortages remain a critical problem to the scale up of HIV treatment, counselling and

prevention in Tanzania. Also at the underlying level, lack of knowledge of the means of transmission and prevention of HIV and alcohol abuse is also contributing factors.

At the root cause level are social norms and standards which, for example, allow for polygamy and patriarchal gender relations to set the stage for all that follows. Further complicating matters is a strong anti-condom stance of some religious bodies. Due to competing priorities, there is insufficient prioritization of HIV prevention across sectors (notably education) In common with all other challenges, the shortage of national resources for addressing HIV/AIDS across sectors is a major concern. A large proportion of HIV/AIDS funding is externally sourced primarily from the Global Fund and PEPFAR.

4.5.8 Causal analysis of key challenge: HIV/AIDS

Challenges	Immediate causes	Underlying causes	Root causes
1. Stigma and discrimination against People Living With HIV/AIDS	<ul style="list-style-type: none"> • Misunderstanding/misconceptions on how HIV is transmitted 	<ul style="list-style-type: none"> • Perceptions that PLHIV engaged in immoral behavior • Fear • Limited understanding and enforcement of the laws against stigma and discrimination 	<ul style="list-style-type: none"> • Social norms • Strong religious beliefs • Unfavorable policies and legal environment
2. High HIV related deaths including children and adolescents	<ul style="list-style-type: none"> • Low rates of early infant diagnosis, provider-initiated counseling and testing and HIV case identification in general of children and adolescents, across sectors • Weak enrolment and retention in HIV treatment • Poor nutrition 	<ul style="list-style-type: none"> • Limited availability, quality and utilization of appropriate youth and gender-friendly health services • Low utilization of health facilities • Limited availability and motivation of health workers especially in poorer regions • Insufficient numbers of well trained and motivated workers/limited task shifting • User fees and limited application of exemptions or waivers • Distance to facilities/transport costs • Weak community-facility linkages and referral systems across services 	<ul style="list-style-type: none"> • Inadequate budgetary allocation for health services • Inadequate institutionalization of gender equality in Health and HIV & AIDS planning, budgeting and monitoring • Inequitable distribution of health resources amongst LGAs • Unfavorable policies • Chronic poverty • Stigma and discrimination (disclosure parent-child)
3. High incidence of HIV, especially among key populations	<ul style="list-style-type: none"> • Sharing of needles • Unsafe sexual practices, notably low condom/lubricant usage and multiple sexual partners 	<ul style="list-style-type: none"> • Substance abuse (drugs/alcohol) • Practice of “flash blood” • The existence of “sugar daddies” • Limited/no KP-friendly health services 	<ul style="list-style-type: none"> • Stigma and discrimination • High rates of poverty and low wage employment • Family breakdown • Exposure to violence • Social norms • Limited national resources to address the specific issues affecting key population groups

		<ul style="list-style-type: none"> • Unfavorable policies and legal environment
<ul style="list-style-type: none"> • Early sexual debut • Unsafe sexual practices notably low condom usage, multiple sexual partners, age-disparate and transactional sex • Limited availability of post exposure prophylaxis (GBV) • Low voluntary medical male circumcision (VMMC) • Low HIV testing and counselling (HTC) 	<ul style="list-style-type: none"> • Emotional, physical and sexual violence against women and children • Early marriage making it difficult to negotiate safe sex • Lack of knowledge of means of transmission and prevention of HIV (through all channels and sectors) • Lack of access to condoms/family planning • Misconceptions about condom use • Substance abuse (drugs/alcohol) • Limited parental guidance • The existence of “sugar daddies” • Weak multi-sectorial HIV prevention response 	<ul style="list-style-type: none"> • Stigma and discrimination • Patriarchal gender relations • Social norms • Anti-condom stance of religious bodies • Insufficient allocation of national resources for multi-sectorial HIV prevention activities • Insufficient prioritization of HIV prevention across sectors • High rates of poverty • Unfavorable policies and legal environment

4.5.9 HIV/AIDS capacity gaps: HIV/AIDS

Levels Capacity constraints

Institutional	<ul style="list-style-type: none"> ▪ Critical funding gaps for HIV/AIDS programming (particularly domestic resources). ▪ Lack of incentives and motivation for health workers particularly in remote areas. ▪ Lack of capacity at national and LGA levels to monitor age-disaggregated HIV service statistics ▪ Shortage of key health staff overall but most severe in a few key regions. ▪ Gaps in awareness of means of transmission and prevention of HIV. ▪ Engagement with key populations particularly for harm reduction and condom use. ▪ Capacity for mainstreaming gender approaches in HIV & AIDS planning , budgeting , implementing and monitoring at national and LGAs respectively
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4.6 Safe water, sanitation and hygiene

4.6.1 Introduction

In addition to being essential for life, clean water, access to sanitation and hygienic practices are necessary to avoid preventable diseases such as diarrhoea, cholera and intestinal worms. A high proportion of the population of Tanzania faces serious challenges as a result of poor access to a safe domestic water supply and adequate sanitation services resulting in high prevalence of preventable diseases which contribute to poor health, loss of productivity and intensification of poverty.

Public health measures such as water and sanitation services can make a significant contribution to reducing the burden of disease. They reduce the burden on curative health services by lowering disease transmission, particularly in children less than five years of age. Improved water supply and sanitation services have a direct impact on lives of women and children, particularly in rural areas, reducing the burden of water carriage (as women and children normally carry water from source to home). Time/effort saved in water collection has great potential for contributing to better childcare and improved education.

On the whole, Tanzania has extensive but unevenly distributed water resources. However, due to the rapid growth in population, climate change and irresponsible use of water sources resulting in pollution, it is projected that by the year 2025 the country will suffer from water stress based on the available per capita water supply. Prudent management of this precious resource is thus required.

Regarding sanitation, the Water and Sanitation Program of the World Bank estimated the cost to Tanzania of poor sanitation at US\$260mn or more than US\$5 per capita in 2012. Investing in sanitation is clearly an investment worth making.

4.6.2 Current status

A household is classified as having access to safe drinking water if it uses private piped water in the housing unit, private piped water outside the housing unit, piped water from a neighbor's housing unit, piped water from a community supply, a protected public well or a protected private well. In Tanzania, THMIS survey indicates that majority of households (59%) have access to clean and safe water sources, where 38% access piped water, 8% from tube well or borehole, 10% from protected dug well, 2% from a protected spring and less than 1% from rain water or bottled water (THMIS 2011/2012).

Comparative regional data on access to safe drinking water for 2011 from the Joint Monitoring Program indicated that whereas safe water coverage for Tanzania was estimated at 53% down from 55% in 1990, it was estimated at 60% for Kenya, 70% for Rwanda and 75% for Uganda.

In Zanzibar, private piped water in housing units is a major source of drinking water (32.1%), while piped water in community supply is the second most important source (24.1%). The combination of these two sources contributes more than half (56.2%) of total household water needs. In urban areas, nine in every 10 (94.3%) households have access to safe drinking water while 86.1% of rural households do. There is improvement over the period where household access to safe drinking water increased from 72.7% (as reported in 2004/05 HBS) to 86.1% in 2009/10 HBS. In general, households living in Zanzibar are more likely than those living in the mainland to have access to clean water. For example, 97% of households in Zanzibar use drinking water from improved sources compared to 59% in the mainland (THMIS 2011/2012).

A household is considered to have an improved toilet if the toilet is used only by members of one household and not shared with other members from other households; and at the same time if the facility used by the household separates the waste from human contact (WHO, 2012). In general 13% of households in Tanzania use improved toilet facilities not shared with members from other households, and 10% of households use facilities that would be considered improved if not shared with members from other households. In the mainland, about 26% of households in urban areas have improved toilet facilities compared with seven percent of households in rural areas. The most common type of non-improved toilet facility is an open pit latrine or one without slabs, used by 74% of mainland households in rural areas and 37% of mainland

households in urban areas. About 12% of households in the Mainland had no toilet facility (THMIS 2011/2012). In Zanzibar, 17% of households had no toilet facility.

4.6.3 Planning framework

Universal access to safe water is a key goal of the Tanzania Development Vision to 2025. Tanzania's poverty reduction framework, MKUKUTA II has as a goal to achieve increased access to clean, affordable water, sanitation, decent housing and a safe and sustainable environment. The Water Supply and Sanitation Act Nr.12 of 2009, which outlines roles and responsibilities, provides the legal basis for activities in the sector. Decentralization has shifted the responsibility for the provision of water and sanitation services to the Local Government Authority level. A series of 20 Urban Water Supply and Sanitation Authorities have been established to deliver services in urban areas. The National Water Sector Development Strategy covering 2006-2015 was launched in 2006. This was complemented by the National Water Sector Development Program (2006-2025).

4.6.4 Key achievements

- Development of policy framework and mobilization of significant resources for the water sector. The Integrated Water Resources Management and Development (IWRMD) approach was adopted as the most suitable way for efficient, equitable and sustainable development and management of water resources. A water sector dialogue forum for stakeholders on climate change was established to serve as a platform for coordination and exchange of experience. In order to strengthen the water quality-monitoring activities in the country, the Water Quality Management and Pollution Control Strategy was developed.
- As a result of the increased focus given to rural water supply under the BRN Initiative, 32,846 water points, benefitting 8,211,500 people were constructed.
- In the area of sanitation and hygiene, 312,528 improved latrines are reported to be constructed in 113 LGAs; 204,215 functional hand washing facilities installed at household level and 9,120 sub-villages have signed declaration to improve their toilets and stop open defecation. In addition, 220 schools have rehabilitated toilets meeting a 1:40 and 1:50 drop hole per pupil ratio for girls and boys respectively.

4.6.5 Key challenges

i) Low access to safe water and improved sanitation facilities

On the Mainland approximately 19mn Tanzanians have no access to safe water (41%) and 41mn are without improved sanitation facilities (87%). A large number of water points are also non-functional at any given point in time. This has implications for women and girls who are responsible for fetching water and often have to look for a functioning water point. The THMIS indicated that 41% of households responded that they spent up to 30 minutes collecting water. Another 44% indicated that they spent more than 30 minutes on this task.

Furthermore, the availability of water and sanitation services in health facilities and schools is also limited. Over one-third of all health facilities and nearly 30% of hospitals were found to have no latrine facilities for patients. This is a serious problem considering the long waiting times endured by women and their children. In addition to being an inconvenience to patients, it poses a health risk and can lead to disease transmission and inadequate health worker hygiene.

The water supply situation at health facilities is alarming. Almost two-thirds of all health facilities lack a regular water supply, a shocking statistic given the critical role of clean water and hygiene in infection control. In hospitals, the main challenge is the reliability of water sources: 96% of hospitals have safe on-site water sources, but only 42% have year-round supply. Reliability of supply also affects lower-level health facilities with on-site water sources. But the greater problem is that a third of health centers and almost half of all dispensaries have no safe on-site water supply at all.

Available data in Tanzania clearly indicates that access to water and sanitation in schools is particularly dire while hygiene practices are inadequate. Nearly 38% of the primary schools (both government and public) have no water supply on the school premises, and of those, which have a water supply, nearly half are not functional. Moreover, 96% of the schools lack sanitary facilities suitable or accessible to children with disabilities and 84% do not have a functional hand washing facility.

In addition, due to poor maintenance there are significant losses due to leakages in water pipes further reducing the available supply. This can be attributed to the limited capacity for maintenance of facilities at village level. There is insufficient construction of WES facilities in health centers and schools due to the low budget set aside for this purpose. There is also inadequate coordination between the key duty bearers in the sector, which reduces the efficiency of interventions. Significant capacity gaps exist at LGA level and below. There is also the need for a greater provision for training at the sub-national level.

Despite the serious situation of sanitation, the budget allocated amounts to less than 0.1% of GDP. There is also no separate budget line for sanitation and there is a tendency to prioritize water supply over sanitation.

ii) High levels of water borne disease and malnutrition

The World Bank, based on input from WHO, estimated that approximately 26,500 Tanzanians including 18,500 children under 5 die each year from diarrhoea, nearly 90% of which is directly attributable to poor water, sanitation and hygiene. In addition poor sanitation is a contributing factor – through its impact on malnutrition rates – to other leading causes of child mortality including malaria, ALRI and measles.

Up to one third of deaths in children under five years old in Tanzania are related to poor hygiene. This includes nearly 20% of under-five deaths due to preventable diarrhoea, as well as deaths among newborns and due to respiratory illness. Hand washing with soap, alone, has the highest impact on reducing disease transmission, including diarrhoea, and reducing the condition by about 47%. However, awareness about the importance of hygiene practices, especially hand washing with soap, is low. Sanitation has the second highest impact on reducing diarrhoea, decreasing the impact by about 36%. Nevertheless, access to safe drinking water and to improved toilets that can be kept clean continues to constrain Tanzania's ability to adequately address the under-five child mortality rate.

Water borne disease is potentially a significant economic burden, leading to high direct costs to the health sector and to households, and indirectly to the economy and society at large because of time lost allocated to work, school and other productive activities. For example, water-related diarrheal diseases, including cholera, are widespread in areas where water resources are scarce, the majority of such diseases being attributed to environmental factors such as unsafe drinking water, poor hygiene and lack of sanitation. This situation is replicated in unplanned urban settlements where access to clean water is also limited.

Some of the underlying causes for this situation are the relatively limited contact with health services in rural areas, insufficient information to villages and households regarding risks of consuming contaminated water and poor hygienic practices and insufficient investment in water and sanitation facilities. Root causes include household poverty, low levels of education and inadequate budget allocation.

iii) Wide urban/rural and socio-economic disparities in access

There are significant differences in clean water coverage and improved sanitation by rural and urban areas and socio-economic status. On the mainland, urban coverage of safe water was estimated at 88.6% while that of rural areas was estimated at 46.8%. For sanitation, the respective coverage was 26% urban and 7% rural. There are also specific challenges in providing services in low income unplanned urban settlements. The immediate cause of this situation is simply that fewer facilities are constructed and functional in rural and low-income urban areas. In some cases where water has to be purchased due to unavailability of clean water, those in poverty are at an immediate disadvantage. There is a significant cost differential in providing water and sanitation facilities in different regions and a tendency to increase numbers and maximize return on investment by focusing on easier to reach areas first. There is also limited investment in facility maintenance, particularly in rural areas. In common with all other sectors where service delivery has been decentralized, low capacity to plan and manage at the LGA level and below is a major constraint.

iv) Availability of fresh water under threat

Projections of climate change suggest that warmer temperatures during the dry season and higher rainfall during the wet season will make it more difficult to manage the available water supply. The prognosis is for a higher frequency of droughts in already drought prone areas and floods in other areas. The net result is expected to be greater shortages of water in dry areas of the country. The ice cap on Mount Kilimanjaro is expected to completely melt away between 2015 and 2020. The population living around the base of Kilimanjaro rely on this melt water and the fog water from the rainforests that cover the mountain's flanks for drinking, irrigation, and hydropower. Furthermore illegal mining is already a major source of water pollution. Rising sea levels, illegal seafront construction and cutting of mangroves contribute to sea water intrusion. This is an issue of particular concern for Zanzibar, where salt-water intrusion is already happening and 20% of Unguja and 30% of Pemba are considered low-lying areas vulnerable to significant intrusion in the future.

4.6.6 Analysis of safe water challenges: Safe water, sanitation and hygiene

Challenges	Immediate causes	Underlying causes	Root causes
1.0 Low access to safe water sources and improved sanitation facilities	<ul style="list-style-type: none"> ▪ Long distances to collect water ▪ High proportion of non-functional water systems ▪ Significant leakages from water pipes ▪ Limited number of water and sanitation facilities ▪ Low coverage of WES in schools 	<ul style="list-style-type: none"> ▪ Limited coordination between key duty bearers – MoHSW, MoW, MoRALG, MoEVT ▪ Capacity gaps at District, Ward and Village level ▪ Limited capacity for maintenance of water facilities at local level ▪ Insufficient construction of WES facilities in schools 	<ul style="list-style-type: none"> ▪ Inadequate funding for water and sanitation facilities ▪ No separate budget line for sanitation ▪ Low investment in sanitation (>0.1% of GDP) ▪ Tendency to prioritize water over sanitation ▪ Inadequate provision for training of district and sub-district workers. ▪ Insufficient budgetary allocations for WASH in schools
2.0 High levels of water borne disease and malnutrition	<ul style="list-style-type: none"> ▪ Low access to clean water and improved sanitation particularly in remote rural areas and unplanned urban settlements 	<ul style="list-style-type: none"> ▪ Insufficient information to villages and households regarding risks of consuming contaminated water and poor hygienic practices ▪ Limited access to and/or contact with health services 	<ul style="list-style-type: none"> ▪ Poverty at the household level ▪ Inadequate reach of
3.0 Wide rural-urban and socio-economic differentials in access	<ul style="list-style-type: none"> ▪ Limited affordability of water purchases by poor households ▪ Proportionately fewer facilities in poor and rural areas 	<ul style="list-style-type: none"> ▪ Tendency to increase numbers and maximize return on investment by focusing on easier to reach areas first ▪ Limited investment in maintenance of facilities particularly in remote areas 	<ul style="list-style-type: none"> ▪ Significant cost differential in provision of water and sanitation in different regions ▪ High cost of buying water from private sources ▪ Differential allocations to LGAs

4.0 Availability of fresh water under threat

- Higher frequency of droughts in drought prone areas
- Illegal mining pollutes water
- Illegal sea front construction contributes to salt water intrusion
- Higher temperatures
- Poor enforcement of environmental regulations
- Climate change
- Limited domestic resources for environmental management

4.6.6 Capacity gaps analysis: Safe water, sanitation and hygiene

Levels Capacity constraints

Institutional	Capacity for maintenance at the level of water committees • Capacity for planning, implementing projects at the LGA level and below • Technical support for repairing non-functional systems • Nationally, the WASH sector has weak monitoring and evaluation systems, with limited evidence based data collection and poor analysis and documentation, all-important for improved sector advocacy • Capacity to evaluate equity issues also requires attention as well as capacity building for advocacy among the main WASH sector civil society organization networks • Coordination is needed among key actors in the sector • Greater investment and urgency around sanitation
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4.7 Social protection

4.7.1 Introduction

Social protection is a human right embodied in the Convention on the Rights of the Child. Social protection may be defined as the set of public and private interventions that support individuals, households and communities to prevent, manage and overcome the risks threatening their present and future security and wellbeing and to embrace opportunities for their development and contribution towards the social and economic development of Tanzania. Social protection policies and programs are designed specifically to prevent poor and vulnerable groups from external shocks, which could place or keep them mired in poverty. It is an essential intervention for creating a more inclusive and sustainable development pathway. Social protection can be conceptualized as not only protective of a household's level of income and consumption but also preventive in the sense of preempting households from resorting to negative coping strategies such as pulling children out of school and involving them in child labor.

The need for social security systems that are responsive to changing circumstances is now more urgent than ever, as recognized by the Social Protection Floor Initiative. Recurring and multiple crises have highlighted the importance of social protection as a buffer against sudden drops in income and employment. In addition, rapid rates of urbanization, changes in family and household structures, demographic transitions, migration and health crises of various kinds call for innovative approaches that are able to protect people and help them adjust in the face of new challenges. In doing so, social protection measures can bolster the realization of economic and social rights, but also foster economic development and transformation (UNRISD, 2010 cited in UNWOMEN, 2014).

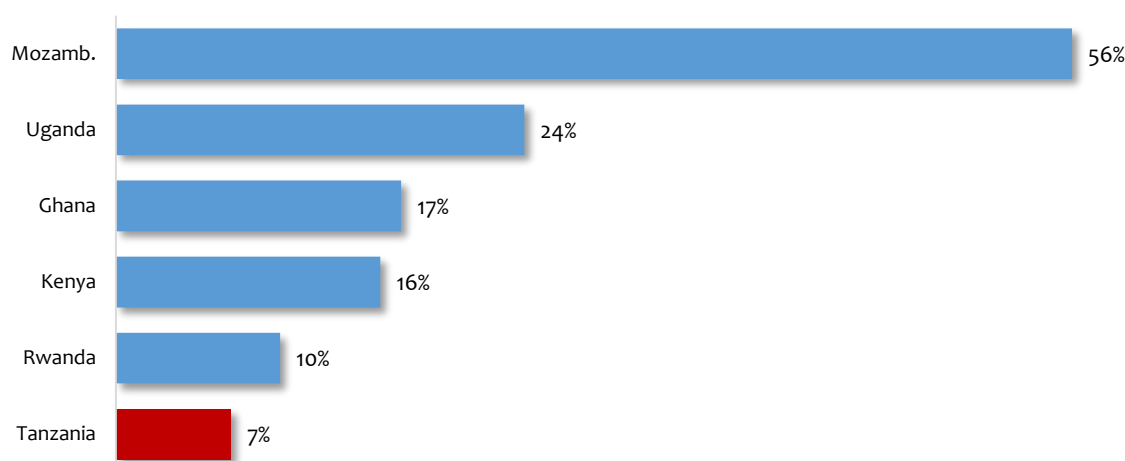
The basic building blocks of social protection include access to essential health care including maternal care and basic income security for children and persons of working age who are unable to earn sufficient income due to illness, unemployment, maternity and disability and for older persons. (WSPR, 2014)

Tanzania has a long history of people-centred development and strong family and community structures. However, the persistence of poverty and inequality and growing vulnerability to climate and economic shocks provides the rationale for supporting families and communities in offering social protection to their members. With an income poverty rate of 28.2%, an extreme poverty rate of 9.7% and the fact that due to low wages a substantial proportion of the population lives near the poverty line, a large proportion of Tanzanians remain extremely vulnerable to small variations in income and other shocks.

Figure 60 shows that Tanzania is far behind its regional neighbors with respect to adequacy of social protection and labor programs⁵⁴. The existing six social security schemes in Tanzania covers less than 1% of the entire population and only 6.5% of the total formal working population (ILO, 2012). The situation is much more critical in the informal sector where almost all workers lack social security coverage and are therefore vulnerable to fall into poverty when confronted by economic shocks. The ILO report identified key challenges as the absence of a comprehensive national system of social protection to deliver sufficient and adequate protection to vulnerable groups. The other challenge is with respect to limited knowledge on ways to raise coverage and outreach of the existing social protection schemes

⁵⁴ Adequacy of social protection and labor programs is measured by the total transfer amount received by the population participating in social insurance, social safety net, and unemployment benefits and active labor market programs as a share of their total welfare. Welfare is defined as the total income or total expenditure of beneficiary households. Estimates include both direct and indirect beneficiaries

Figure 60: Adequacy of social protection and labor programs (% of total welfare of beneficiary households)



With expenditures on health included, Tanzania is estimated to have spent 6.8% on social protection in 2010. With health excluded the figure drops to 2.33%. According to the World Social Protection report, there were significant out of pocket health care expenditures averaging US\$25.50 per capita in 2011. In a situation where health services are not functioning well, the cost of health care can make it unaffordable for poor and vulnerable groups. Data from the WSPR indicates that as of 2008, 3.2% of people of pensionable age were receiving some sort of pension. This is well below the Low Income Country and Sub-Saharan Africa rates. As of 2011 existing social protection schemes covered approximately 8% of the population. This was considered low in comparison with other Low Income Countries. However, the Government has implemented a series of initiatives aimed at addressing the deficit.

There is increasing evidence globally and in Sub-Saharan Africa that social protection instruments such as cash transfers or child support grants contribute to HIV prevention, particularly among girls, through keeping adolescents in school and reducing their risk behaviors (such as early sexual debut, transactional sex).

4.7.2 Planning framework

At the global level, ILO Convention 102 and Recommendation 202 on social protection floors provides the framework. At the continental level, there is the AU Social Protection Framework. Tanzania's twin national strategies on growth and poverty reduction, MKUKUTA and MKUZA, have a strong social protection focus. In the mainland the social protection goals are concerned with the provision of adequate social protection and the rights of the vulnerable, focusing on the provision of basic needs. In Zanzibar, the focus is on improving social safety nets and social protection for poor and vulnerable groups.

In Tanzania's mainland the draft National Social Protection Framework is currently being finalized by a Task Force under the Prime Minister's Office and expected to be completed during 2015. The framework would bring the wide range of social protection initiatives under a common framework and define more clearly roles and responsibilities and coordination mechanisms. Zanzibar completed its social protection policy in 2014 and is expected to develop a road map in 2015 to put the policy into practice.

The Government adopted the Arusha Declaration on Social Protection in Tanzania in December 2014. In the Declaration it committed itself to three broad goals: Poverty Reduction and Human Capital Development; continuing to strengthen accountability and responsiveness of government institutions to the people and protection of every Tanzanian child and woman and from all forms of violence and abuse. As part of the Declaration, the Government also committed itself to progressively and sustainably increasing investments in social protection for the poor and vulnerable; to consolidate, reform and better coordinate existing programs; and to systematically measure the impact of social protection programs on vulnerable groups.

4.7.3 Key achievements

- The development and implementation of the Tanzania Social Action Fund (TASAF). The first two rounds of TASAF achieved impressive results in facilitating community access to social services through infrastructure projects such as schools, health facilities and water points. It reached 7.3mn people in TASAF I and 16.1mn in TASAF II. TASAF III is focused on increasing household consumption using cash transfers, public works, economic livelihoods and community sensitization, while improving human development indicators and helping beneficiaries save and invest for income generation, household asset accumulation and ultimately a sustainable pathway out of poverty. Through expansion of the secondary school cash transfer component, the program is more adolescent and HIV-sensitive. The program is expected to reach 920,000 households living below the food poverty line by 2015.

4.7.4 Key challenges

i) Increasing vulnerability to climate and income shocks

The most immediate causes of increasing vulnerability are the low and irregular incomes generated in smallholder agriculture and the micro, small and medium enterprises sector. With climate change, the expectation is for more extreme weather conditions making it increasingly difficult to produce enough food and income to survive. Underlying this situation is the low coverage and the limited coordination of social protection initiatives. This may be made worse by lack of awareness and utilization of the available programs among socially excluded groups. In addition, the culture of results is not yet well established so there is a lack of evidence based plans and programs. Furthermore, there is a limited climate change adaptation capacity. While all of these issues are in the process of being addressed, for the moment they are still challenges.

At the root cause level, the absence of an agreed National Social Protection Framework and the limited expenditure on social protection have been challenges which are currently being addressed. More challenging however is the implementation of social initiatives through and the inequitable distribution of resources to Local Government Authorities, which will need to be addressed if real and sustained progress is to be made. A further root cause is the impact of climate change, which in the context of rapidly growing populations can be expected to create greater vulnerability.

ii) Inadequate access to social services making it difficult to break the cycle of poverty and inequality

Equitable access to social services is a critical element in breaking the cycle of poverty and inequality. Various sections have described in some detail the challenges in obtaining a quality education, accessing health care in the absence of key inputs and inadequate access to sanitation, among others. These limitations have a social cost but also an economic cost as they result in reduced quality of human capital and resultant low productivity. The most immediate challenge despite systems put in place to address them is the unaffordability of health, education and clean water for the poor. For mothers living in rural areas there is a real opportunity cost to sending to school given the intra-household division of labor and questions of relevance when it comes to education.

At the underlying level, user fees for health services are not achieving their aims and are proving to be a constraint for poor and vulnerable households. The high cost of education with limited availability of scholarships is a barrier to entry, which could be addressed through conditional cash transfers. Raising the quality of social services up to Government norms and further efforts at demand creation would increase understanding of the real and potential benefits of using the available social services. Inadequate access to water and sanitation particularly in schools, hospitals and communities in underserved areas could be a game changer. Underpinning all of the above is the daily experience of poverty concentrated in the rural areas, most notably in the Central and Southern Zones.

iii) Inadequate protection of vulnerable groups notably, women, children, people living with HIV or AIDS, the elderly, people with albinism and the disabled

Inadequate protection of vulnerable groups is a fundamental human rights issue. There is substantial evidence on gender-based violence, violence against children including corporal punishment, sexual abuse and trafficking. In addition, there is clear evidence of stigma and discrimination against people living with HIV/AIDS and people with disabilities. The lack of participation of children with disabilities in the education system is a stark reminder of how far we need to go to assure the equal rights, which are guaranteed under the constitution. Likewise, the unjust treatment of people with albinism is something, which cannot be tolerated in any society.

The most immediate causes of this situation are the poor enforcement of existing laws and the low social status of the affected groups. There is a fairly widespread perception that violence against children and women is a domestic issue. The tendency towards stigma and discrimination in society is another underlying cause of the situation. A limited knowledge and understanding of the law among the public and police officers charged with administering the law is also a contributing factor. The practice of customary law may at times over ride civil law and cause human rights to be neglected.

At the root cause level, the strength and persistence of tradition and custom is a clear feature. This also contributes to the patriarchal gender relations and ideology, which is institutionalized in courts, police and the community denying women access to justice. There are still some gaps in laws and policies that will need to be filled and insufficient investment in social protection aimed at these groups. In addition, there is an overall weak capacity in the development and implementation of gender responsive social protection strategies at all levels. Presence of institutionalized gender responsive capacities would have assisted in providing continuous analysis and development of strategies that address persistent tradition and customs as well as patriarchal gender relations and ideology.

4.7.5 Analysis of social protection challenges: Social protection

Challenges	Immediate causes	Underlying causes	Root causes
1.0 Increasing vulnerability to climate and income shocks	<ul style="list-style-type: none"> ▪ Low productivity and incomes ▪ Increasing temperatures and drought in semi-arid areas 	<ul style="list-style-type: none"> ▪ Low coverage of social protection initiatives ▪ Limited coordination of Social Protection initiatives ▪ Inadequate systems for targeting of beneficiaries ▪ Lack of evidence based plans and programs ▪ Lack of awareness among the poor of available Social Protection Programs ▪ Limited climate change adaptation capacity 	<ul style="list-style-type: none"> ▪ Absence of an agreed National Social Protection Framework ▪ Limited expenditure on Social Protection ▪ Inequitable distribution of Government resources across Local Government Authorities ▪ Limited systematic monitoring and impact evaluation of Social Protection initiatives ▪ Climate change
2.0 Inadequate Access to Social Services making it difficult to break the cycle of poverty and inequality	<ul style="list-style-type: none"> ▪ Unaffordability of health, education and clean water for the poor ▪ Opportunity cost of utilizing education and health services 	<ul style="list-style-type: none"> ▪ User fees in health not sufficiently offset by exemptions or waivers ▪ High cost of education with limited opportunities for scholarships ▪ Quality of social services a problem ▪ Limited availability of safe water and improved sanitation facilities ▪ Limited understanding of the benefits of using the available social services 	<ul style="list-style-type: none"> ▪ Household Poverty concentrated in rural areas notably Central and Southern Zones ▪ Government expenditure on social services insufficient to meet growing demand.
3.0 Inadequate Protection of vulnerable groups notably, women, children, people living with HIV or AIDS, the elderly, people with	<ul style="list-style-type: none"> ▪ Poor enforcement of existing laws ▪ Low social status of vulnerable groups 	<ul style="list-style-type: none"> ▪ Perception that violence against children and women is a domestic issue ▪ Limited knowledge and understanding of the law among the public and officers enforcing the law 	<ul style="list-style-type: none"> ▪ Tradition and custom ▪ Patriarchal ideology institutionalized in courts, police, and the community denying women access to justice ▪ Gaps in law and policies

Albinism and the disabled

- Limited registration of birth and other vital events
- Stigma and discrimination
- Insufficient investment in disabled friendly facilities
- Weak accountability structures
- Limited capacity for developing and implementation of gender responsive social protection policies and strategies

4.7.6 Capacity gaps: Social protection

Levels Capacity constraints

Household

Lack of knowledge at household level and community levels on the negative impact of harmful traditional practices.

Institutional

Capacity of the police and judicial system to deal with protection of vulnerable groups needs to be upgraded • Major investments and rethinking needed of education system and clear focus on provision of sanitation services • Capacity development for planning, monitoring and evaluation at the central level and for planning, implementation and monitoring at the LGA level and below.

Chapter 5: Cross Cutting Thematic Areas

5.1 Environment: Use of oceans, seas, marine and terrestrial ecosystems

“The ‘environment’ is where we live; and development is what we all do in attempting to improve our lot within that abode. The two are inseparable.”

5.1.2 Introduction

The immense social, economic and environmental consequences of climate change and loss of essential ecosystems are becoming clearer. Their effects are already being felt in floods, droughts, and devastated landscapes and livelihoods. Among those most affected are women and girls, given the precariousness of their livelihoods, the burden of securing shelter, food, water and fuel that largely falls on them, and the constraints on their access to land and natural resources.

Dominant patterns of production, consumption and distribution are heading in deeply unsustainable directions (see A/CONF.216/PC/7). Humanity has become a key driver of earth system processes and the overexploitation of natural resources, the loss of key habitats and biodiversity and the pollution of land, seas and the atmosphere are becoming increasingly evident. Scientific understandings are clarifying the huge economic, social and environmental challenges posed by such threats as climate change and the loss of essential ecosystem services, as humanity approaches or exceeds so-called “planetary boundaries” (Intergovernmental Panel on Climate Change, 2013).

Despite a slow start there is by now widespread consensus on the importance of managing the environment to ensure sustainable development processes. Any strategy designed to deal with economic growth and poverty reduction must take environmental concerns into consideration to have any real chance of success or sustainability. Population growth, economic growth and consumption patterns have acted together to place severe strain on the environment. Environmental degradation is already impacting development and will continue to undermine efforts at economic growth and poverty reduction in the future. The negative effects of environmental change disproportionately affect the poor.

It is now clearly understood by decision makers that the vast majority of Tanzanians depend on the environment for their livelihoods and that environmental management is an essential part of good Governance. This fact is reinforced in Zanzibar, an environmentally dependent small island. Roughly 50% of GDP and more than 75% of livelihoods are climate sensitive. These include agriculture, fisheries and tourism. Cloves and seaweed farming, for example, account for 90% of Zanzibar exports. Effects of climate change are already being experienced and are expected to accelerate over the coming years.

Although in the larger scale of things Tanzania has a relatively small environmental footprint, it is located in a world where major environmental changes are taking place. In addition to managing its own environmental challenges, the country must respond to and mitigate the effects of global phenomena including climate change. Sustainable development at the national and local level requires that domestic institutions work in a coherent and coordinated manner. It requires not only cross-sectional, but also multi-level coordination with the active involvement of all stakeholders.

The importance of environment for poverty reduction in Tanzania has been recognized and there have been efforts to integrate (mainstream) environment in development policies. These efforts include mainstreaming Poverty-Environment Indicators in the national, sectorial, and Local Government Authorities (LGAs) monitoring systems including the MKUKUTA Monitoring Master Plan.

Proposed Sustainable Development Goals

- Take urgent action to combat climate change and its impacts.
- Conserve and sustainably use the oceans, seas and marine resources for sustainable development.

- Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.

5.1.3 Policy framework

The Government has taken several measures to address environmental concerns in the country. The National Environmental Action Plan (NEAP) formulated in 1994 was the initial effort to mainstream environmental concerns into development policies, plans and strategies. Since the preparation of NEAP, the Government has undertaken various initiatives to improve environment management in the country. These include: formulation of the National Environmental Policy (1997) and enactment of the Environmental Management Act No. 20 of 2004 which provides the legal and institutional framework for dealing with environmental issues. The Act also provides for environmental management instruments including Environmental Impact Assessment (EIA). To elaborate the EIA requirements and processes, which includes monitoring and Environmental Audits, the Minister has also promulgated the Environmental Impact Assessment and Audit Regulations 2005.

Environment has been mainstreamed into MKUKUTA I (2005-2010) and MKUKUTA II (2010-2015). There has also been formulation of the sectorial policies, strategies and plans and ratifications of a number of Multilateral and Regional Environmental Agreements such as the United Nations Convention to Combat Desertification (UNCCD); United Nations Framework Convention on Climate (UNFCCC); and The Convention on Biological Diversity (CBD). In 2002, the Tanzanian government passed the Forest Act which banned exportation of logs starting in July 2004. More recently, climate change has been added as a major area of concern and National Climate Change Strategy 2012 was produced to guide interventions in this area.

In Zanzibar, the arsenal of policy tools include Environmental Policy 2013, Climate Change Strategy 2013, the Environmental Management Act 2015 and Regulations regarding: Environmental Impact Assessment; banning the use of coastal mangroves; and management of non-renewable natural resources.

5.1.4 Tanzania's environmental heritage

Tanzania is among the most biodiverse countries on the planet. It has large areas of forest covering approximately 35.3mn hectares or 40% of its total land area. Most of the forest area is occupied by woodland (90%). Other forest types include montane, mangrove and acacia forests and coastal woodlands. About 18mn hectares of this total forest area have been gazetted as forest reserves and 4.1mn hectares of this are managed under Participatory Forest Management initiatives (PFM) (URT, 2012a). Over 17.3mn hectares, a third of total forested land, are on village and general land with no properly defined management regime and this is where deforestation and degradation is the most severe (URT, 2012a). The mangrove forests are found along the coast belt from Mtwara region in Southern Tanzania to Tanga region in the North covering more than 115,000 hectares of land and a length of more than 800km. Zanzibar has extensive forest vegetation, and the forests of the two islands, Pemba and Unguja, form an important part of the East Africa Coastal Forests Eco-region. Zanzibar has extensive forest vegetation, and the forests of the two islands, Pemba and Unguja, form an important part of the East Africa Coastal Forests Eco-region. These forests have been under pressure and have been significantly reduced in area.

Tanzania also has great diversity of flora and fauna. It is home to magnificent mountain ranges including Mount Kilimanjaro, Africa's highest peak. It also houses Lake Victoria, Africa's largest lake and Lake Tanganyika, the world's second deepest lake. It also has significant marine resources and wetlands. Its climatic zones include coastal, sub-tropical, semi-arid, semi-desert, temperate and alpine. Tanzania's environmental resources make a substantial contribution to the economy particularly in the agriculture, forestry and fisheries sector but also in tourism and mining. Mineral resources include gold, diamonds, tanzanite, nickel, iron-ore, copper and cobalt. Poor rural households rely heavily on lands and forests for their livelihoods. However, governance of Tanzania's natural resource sectors remains a challenge.

5.1.5 Key achievements

- Tanzania has been successful in mobilizing international support for environmental initiatives in the country and to attract large numbers of visitors anxious to see the natural beauty of the country.

- Tanzania has managed to retain roughly 39% of the land area of the country as a natural conservancy.
- Tanzania has a relatively robust planning framework and a recently updated legal and policy framework in Zanzibar. Policies are under review in the mainland. Key environmental issues are on the policy radar.

5.1.6 Key challenges

i) Desertification

Desertification is the persistent degradation of dry-land ecosystems by human activities and climate variations. It occurs when the tree and plant cover that binds the soil is removed, when trees and bushes are stripped away for fuel wood and timber or to clear land for cultivation. It occurs when animals eat away grasses and erode topsoil with their hooves and when intensive farming depletes the nutrients in the soil. Wind and water erosion aggravate the damage, carrying away topsoil and leaving behind a highly infertile mix of dust and sand. It is the combination of these factors that transforms degraded land into desert.

The effects of desertification can be devastating. Desertification reduces the land's resilience to natural variations in climate. It disrupts the natural cycle of water and nutrients. It intensifies strong winds and wildfires. The effects of dust storms and the sedimentation of water bodies can be felt thousands of kilometres away from where the problems originated.

The cost of desertification is high, and not just in economic terms. Desertification is a threat to biodiversity. It can lead to prolonged episodes of famine in countries that are already impoverished and cannot sustain large agricultural losses. Poor rural people who depend on the land for survival are often forced to migrate or face starvation.

There is already substantial evidence of desertification in Tanzania concentrated in but not confined to the arid and semi-arid areas of the country. As early as 2001, a study undertaken by the Institute of Resource Management at the University of Dar es Salaam showed that between 40 and 55% of Tanzania's land surface of 85.6mn hectares was seriously degraded. In the case of Tanzania, high rates of deforestation, increasing droughts and overgrazing are the immediate causes behind desertification. Other causes may high population densities on fragile lands and mining. All of these lead to soil erosion and eventually desertification.

Between 400,000 and 500, 000 hectares of forest area are lost every primarily to feed the need for charcoal. Dar es Salaam alone uses more than 300,000 tons of charcoal per year. There is limited replanting of trees and limited access to alternative sources of energy for cooking. There are programs in place to increase the use of renewable energy resources but for many it will be too little too late. There is also limited enforcement of environmental regulations leading to illegal logging and export of trees. All throughout the steady increase in temperatures due to climate change has continued to increase the pressure on communities living in the climate sensitive areas.

ii) Reduction in biodiversity

Tanzania has a rich but degrading biodiversity impacted by both human activities and climate change. There are several factors, which contribute to loss of biodiversity. These include deforestation, overfishing and warming land and sea temperatures. According to IUCN data (2013), a total of 175 species are classified as endangered, vulnerable, rare and or insufficiently known. This could be due to increase in population growth, climate change or human activities such as poaching.

Tanzania's average annual deforestation rate is at a global high of 1.1%, more than twice the global average of 0.5%. Forests provide over 90% of the national energy supply through wood fuel and charcoal and they also provide 75% of the country's demand for construction materials.

As such, the country is losing between 300,000 to 400,000 hectares of forest each year and experts warn over the possibility of increasingly rapid climate change effects. The potential impacts of climate change on forests are complex, but forests are acclimatized to existing ecological zones, and have long lifetimes and slow rates of growth. The forests are therefore at risk of climate change from a combination of temperature, precipitation and weather extremes, as well as other factors such as changing pests and disease. These forests support wider biodiversity, and changes to these areas and other terrestrial vegetation will also affect wider biodiversity. Some species are capable of adapting to climatic shifts and will survive but for islands such as Zanzibar, the potential for species movement is very limited and this is highlighted as a critical issue.

Marine biodiversity and critical marine habitats, including coral reefs, are seriously threatened in many African countries, and as a result the continent is experiencing collapsed fish populations, a growing list of endangered species and fewer intact marine ecosystems. In Tanzania, which has over 500 different freshwater fish species and large varieties of commercial marine species, government statistics indicate an alarming situation regarding the decline of fish stocks over a period of time due to over-fishing and use of poison, dynamite and small nets in fishing. This situation is worsened by warming of the oceans, which cause fish to migrate and contributes to coral bleaching and loss of habitats for the fish. Poaching for profit and protein, along with blocking of wildlife corridors by agriculture and human settlement, is leading to a steady degradation of wildlife biodiversity. The population of elephants was reported to have dropped by 66% between 2009 and 2013 and in 2013 alone, the park reportedly lost 10,000 elephants. This and other highly publicized poaching incidences triggered a number of government responses, ranging from investing in aerial surveillance, launching of special operations involving security forces, establishing a specialized wildlife protection army and enhancing the existing community based mechanisms renowned as Wildlife Management Areas (WMAs). In collaboration with UNDP and other donors, a multilateral anti-poaching and wildlife basket fund is currently being established.

Competition for land and water in areas adjacent to conservation areas is causing degradation. These areas are attractive because of their proximity to water sources and potential sources of employment. At the institutional level there is poor enforcement of environmental policies and legislation and a limited knowledge of the critical nature of environmental threats. This is reinforced by limited capacity for environmental management and poor coordination of the wide range of actors in environment.

Insufficient budgets for biodiversity protection and insufficient engagement with local communities to reach environmentally sound options for livelihoods are among the root causes of the situation.

iii) Environmental conflicts over land and water

Another issue of concern is the threat to social stability posed by mounting internal conflicts over natural resources, in particular land. Land disputes in the country are primarily over ownership, land acquisition, and compensation, trespassing and third party land rights which plaintiffs are unable to enjoy or derive any benefit from. On the mainland, conflicts over natural resource use and rights need addressing through strengthened local dialogue and dispute resolution mechanisms. There is a strong competition between pastoralists and agriculturalists over access to limited land and water resources. There is also the perception among certain groups that the conservation areas are a potential source of food and income and that animals should not be prioritized over humans. This has contributed to rapid population growth in and around the conservation areas. At the root of it are high levels of poverty which cause populations to migrate to these areas in search of income, a lack of legal and policy clarity regarding land usage and inadequate budgets to manage land conflicts and invest in projects that can contribute to a win-win situation between environmentalists, pastoralists and agriculturalists.

In a youth survey undertaken by Restless Development, 70% of youth respondents reported conflicts over land as being a major source of conflict in their communities (RD, p.16).

iv) Seawater intrusion in coastal areas

Another rapidly advancing challenge is that of seawater intrusion along coastal areas of the mainland and Zanzibar. Seawater intrusion contaminates aquifers and reduces the capacity for agriculture. Saltwater

inundation has affected beach resorts, trees, farms, rice paddies, graveyards and homes. The majority of islanders earn low incomes, making it financially difficult to repair damaged homes. Saltwater is also affecting catchment areas like the Mwanyanya and Bububu springs which supply drinking water to towns and which are themselves suffering from increased population pressure.

In Zanzibar, 148 areas of intrusion have already been identified on Unguja alone. On Pemba, some families have already been evacuated to other areas due to being inundated at high tide, with others expected to follow. In response to the intrusion, the Government of Zanzibar is constructing groynes, sea walls and dykes with funding from the Global Environmental Facility.

Among the causes are rising sea levels generally caused by global warming leading to the melting of polar ice caps and coastal erosion caused by higher than normal waves. These factors are made worse by the fact that 20% of the land area of Unguja and 30% of the land area of Pemba are low lying and vulnerable to intrusion. It is also amplified by the destruction of coral reefs, sand mining and cutting of mangrove forests, which normally act as barriers against the sea. Destruction of coral is normally done by fishermen who are facing declining catches and wish to catch the fish who live in and around the coral. At the level of root causes we find climate change and household poverty.

5.1.7 Causal analysis of key environment challenges

Challenges	Immediate causes	Underlying causes	Root causes
1.0 Desertification	<ul style="list-style-type: none"> ▪ Soil erosion ▪ Deforestation ▪ More frequent droughts 	<ul style="list-style-type: none"> ▪ High demand for charcoal ▪ Limited replanting of trees ▪ Agricultural practices ▪ Steadily increasing temperatures 	<ul style="list-style-type: none"> ▪ Low coverage of electricity and other energy sources ▪ Insufficient investment in nontraditional energy sources ▪ Limited enforcement of environmental policies and regulations ▪ Climate Change
2.0 Reduction in biodiversity	<ul style="list-style-type: none"> ▪ Over fishing ▪ Seawater temperature changes leading to migration of fish ▪ Acidification of the ocean leading to coral bleaching and loss of habitat for fish ▪ Pollution ▪ Poaching for profit and for protein 	<ul style="list-style-type: none"> ▪ Competition for land and water in areas adjacent to conservation areas ▪ Poor enforcement of environmental policies and regulations ▪ Limited knowledge of the critical nature of environmental threats ▪ Poor coordination of the wide range of actors in the environmental sphere ▪ Disruption of wildlife corridors ▪ Limited capacity for environmental management 	<ul style="list-style-type: none"> ▪ High levels of household poverty ▪ Inadequate budgets in support of biodiversity protection ▪ Insufficient engagement with local authorities and communities in environmental management ▪ Climate change
3.0 Environmental conflicts over access to land and water	<ul style="list-style-type: none"> ▪ Expansion of settlements encroaching on pastoral land ▪ Competition for limited land and water resources ▪ Eviction of pastoralists from Conservation areas 	<ul style="list-style-type: none"> ▪ Rapid population growth in and around conservation areas ▪ Divergent interests between different users of land and water resources ▪ Perception of conservation areas as a source of food and income 	<ul style="list-style-type: none"> ▪ Lack of legal and policy clarity regarding land usage ▪ High levels of poverty ▪ Inadequate budgets to manage land conflicts
4.0 Limited access to fresh water and poor hygienic practices	<ul style="list-style-type: none"> ▪ Distance to clean water sources ▪ Unavailability of nearby sanitation sources 	<ul style="list-style-type: none"> ▪ Unaffordable clean water sources ▪ Insufficient investment in water and sanitation facilities 	<ul style="list-style-type: none"> ▪ Water receives greater policy attention than Sanitation ▪ Insufficient budget allocation ▪ Household Poverty

5.0 Seawater intrusion		<ul style="list-style-type: none"> ▪ Sharing of toilets between men and women a taboo in some areas ▪ Social norms and standards
	<ul style="list-style-type: none"> ▪ Rising sea levels ▪ Low lying coastal areas ▪ Coastal erosion ▪ Destruction of coral reefs 	<ul style="list-style-type: none"> ▪ Steadily increasing temperatures ▪ Melting of polar ice ▪ Cutting of mangrove forests ▪ Higher waves ▪ Illegal fishing practices such as use of dynamite ▪ Climate change ▪ Household poverty

5.1.8 Environmental capacity gaps

Level	Capacity constraints
Institutional	<ul style="list-style-type: none"> ▪ Lack of coordination among key environmental actors • Lack of awareness of the fragile nature of Tanzania’s environment • Lack of capacity for environmental management • Insufficient domestic budget for environmental activities • Availability of renewable energy resources - Limited analysis and mainstreaming of gender equality in environment management.

5.2 Humanitarian crises and natural disasters

5.2.1 Introduction

The recent events such as floods, epidemics, drought, fire, road and marine accidents and collapse of buildings confirm that Tanzania remains vulnerable to both natural and man-made disasters. Such disasters have resulted into loss of lives, disruption of livelihoods and they are threats to the ongoing progress on economic growth and poverty reduction.

Tanzania maintains a diverse number of early warning systems under the management of different state entities. They include the Tanzania Meteorological Agency (TMA), seismology unit under MEM, the Emergence Preparedness and Response Unit (EPRU) under the MHSW and the plant protection unit and food security department under MAFS. A number of communication channels are utilized to disseminate information on disasters including press releases, information through media and meetings between local community and their leaders. TMA, for instance, disseminates early warnings on weather related (rain, cyclones and hurricanes) through radio, TV stations, faxes, newspapers, press releases, official letters, emails and websites.

5.2.2 Planning and programmatic framework for the sector

MKUKUTA II and MKUZA II have both incorporated Disaster Risk Reduction (DRR) issues in all three clusters by demanding all central and LGA entities to integrate DRR in their development plans. The national disaster management policy (2004) and the national operational guidelines (2003) have been reviewed to ensure the resilience of the nation and communities to disasters. The review process produced a 5-year implementation strategy and monitoring and evaluation framework for the policy. The two instruments have taken into account key DRR related issues as advocated under Hyogo framework for action 2005 – 2015.

In collaboration with various stakeholders, the country has established the National Emergency Preparedness and Response Plan (NEPRP) and National Disaster Communication Strategy (NDCS) which elaborate procedures to be followed during emergencies. The land use framework plan 2011-2031 has been put in place to guide land uses across protected areas, wetlands, agriculture, grazing, urban and rural settlements and socio-economic infrastructures.

It is expected that in the medium term a new Act to establish a disaster management agency will be formulated. In addition, the government intends to replicate the national level DRR forum to the local level. In terms of regional initiatives, the country will remain actively involved in founding EAC sub-regional platforms and DRR coordination mechanisms.

5.2.3 Achievements

In collaboration with UNICEF, the government conducted several training events to district disaster management committees and regional and district focal points in all regions. Areas covered by the trainings included need assessments, disaster reporting and emergency coordination to information sharing and managing warehouse for disaster relief items. Capacity building has also been successfully undertaken in Zanzibar (through media outlets and shehias) focusing on awareness rising in disaster management issues.

A baseline survey to assess the level of understanding of emergency at the community level was carried out in both sides of the union through UNICEF support. Information from the baseline has been useful in many ways. It facilitated the development of the emergency communication strategy and toolkits for floods, drought and epidemics. The toolkits have been disseminated to pilot districts in the mainland and Zanzibar. With UNICEF support, a total of six zonal disaster relief warehouses were constructed in North Eastern (Kilimanjaro), Coast (Dar es Salaam), Central (Dodoma), Lake (Shinyanga), Northern Highlands (Mbeya) and South Eastern (Lindi).

The baseline survey findings revealed that (i) repeated experience of various disasters has increased public awareness and knowledge on the magnitude, vulnerability and risk of hazards along with ways to cope with them (ii) communities have developed coping strategies e.g. use of sand bags, tree planting and raising foundations of houses and toilets (pit latrines) to cope with floods (iii) main sources of information before, during, and after emergencies came from the Disaster Management Department (DMD) in the Prime Minister's Office (mainland) and the Second Vice President's office (Zanzibar), TMA and government officials such as regional commissioners, district commissioners, district administrative secretaries, ward executive officers, shehia leaders, street and religious leaders. The most common communication channels were found to include radios, televisions, newspapers, mobile phones and loudspeakers.

Academic programs in disaster management are currently in place at the University of Dodoma and Ardhi University for both undergraduate and postgraduate courses. DRR has also been mainstreamed in the curriculum of universities such as the University of Dar es Salaam, Open University of Tanzania, Muhimbili University of Health and Allied Sciences and Agency for the Development of Educational Management (ADEM). The national Disaster Management Training Centre (DMTC) continues to offer short courses in disaster management.

5.2.4 Key challenges

i) Marginalization of DRR in the development policy discourse

DRR remains a new thematic area for most policy makers. As a result, it ends up being marginalized in the national policy discourse, resource allocation and weakly or completely absent in sectors' development policies plans and strategies. Lack of a forum between key DRR players to facilitate data exchange and policy deliberations is another related constraint. Consequences of marginalizing DRR range from weak research on geo-hazards and geological networking to the absence of sustainable enabling environment such as trained and skilled personnel and financial resources to speed up the implementation of priority actions outlined by existing strategies and action plans. Baseline studies are not as regular as they should be, while most of the results from risk assessments are not fully utilized for intervention and planning purpose due to inadequate technical and financial resources.

ii) Increasing frequency of natural disasters and emerging and re-emerging threats and trends

The scale and severity of some of the recent disasters such as flooding in Kilosa and Kinondoni, drought in Longido and Micheweni and recurrence of cholera cases in both the mainland and Zanzibar confirm that the nation is experiencing increasing magnitude, frequency, impact, severity and vulnerability to disasters. Most affected population groups during flooding are children, women, the elderly and the disabled because of their mobility impairment especially during evacuation.

The 2014 World Risk Index (WRI) published by the United Nation University examines the risk of becoming the victim of a disaster resulting from extreme natural events. It uses four indicators to define countries at risk to natural disasters, namely, exposure, susceptibility, coping capacities and adaptive capacities. WRI position Tanzania as a "high" risk country ranking 55th out of 171 countries in 2014 (the ranking starts from riskiest to the safest). Susceptibility risk is "very high" with Tanzania occupying a 3rd position in the list of top 15 countries with the highest susceptibility risk⁵⁵. Table 18 presents risk scores for Tanzania across the 5 criteria which sum up to the overall WRI "high" risk score.

⁵⁵ Susceptibility refers to the likelihood of suffering from and experiencing harm, loss and disruption in an extreme event or natural hazard. Thus, susceptibility describes structural characteristics and framework conditions of a society. Its components include public infrastructure (share of population without proper sanitation and water facilities), housing condition (share of population living in a slum and poor dwellings), nutrition (share of population undernourished), poverty and dependence (extreme poverty – living below US\$ 1.25 per day and dependency ratio) and economic capacity and income distribution (GDP per capita and gini index).

Table 17: Tanzania risk score associated with natural disasters

	WRI	Exposure	Vulnerability	Susceptibility	Lack of coping strategy	Lack of adoptive strategy
Numerical score	8.11%	12.01%	67.51%	6.27%	82.23%	55.78%
Risk situation	High	Medium	Very High	Very high	High	High

Source: UN – WRI (2014)

The UN WRI report also makes an assessment of risks in urban areas for 171 countries including Tanzania. The urban risk scores relate to vulnerability to disaster in countries with a low level of urbanization yet with high rates of urban population growth rates. Table 19 discloses scores for Tanzania across the three measured components. The country's urban areas are considered to be of high risk to natural disasters.

Table 18: Risk situation in urban areas in Tanzania

Indicators	Level of risk
1. Urban exposure	High
2. Vulnerability	Very high
3. Overall urban risk	High

Source: UN – WRI (2014)

“Vulnerability” is a sum of susceptibility and lack of coping and adoptive capabilities. Urban risk is a sum of exposure and vulnerability.

The baseline survey conducted by the government reveals the common natural and man-made disasters in Tanzania to include floods and droughts (causes: deforestation, river siltation due to soil erosion and climate change, uncontrolled urbanization, poor solid waste disposal, inadequate drainage systems and movement of herds in search of pasture which contributes to drought); Cholera (causes: contaminated surface water and shallow wells; the tendency of not boiling drinking water, lack of appropriate toilet facilities and behavior and cultural practices, for instance, a taboo in some communities for men to share toilets with women).

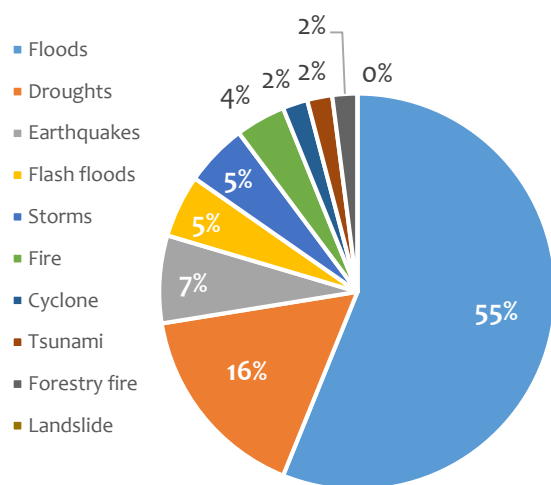
Statistics from the United Nations Office for DRR (UNSDR) shows that from 2005-2014 a total of 4.8mn people were affected by natural disaster with an Average Annual Loss (AAL) of US\$ 64mn (Table 20). Floods and droughts are the most common natural disasters accounting for 55% and 16% of the total number of disasters respectively (Figure 61). The rest (earthquakes, storms, fire, cyclones, Tsunami and forest fire) are relatively less common, each accounting for less than 10% of the total disasters. Flooding events are more costly accounting for 59% of AAL over the same time period (Figure 62).

Table 19: AAL by hazard (10-year moving average 2005-2014)

Hazard	Value (US\$ mn)	AAL/capital stock	AAL/GFCF	AAL/social expenditure	AAL/total reserves	People affected
Earthquake	26.08	0.52	0.21	6.04	0.56	4,863,811
Flood	37.79	0.75	0.30	8.76	0.81	

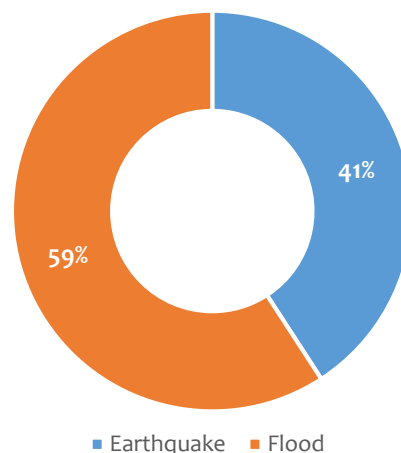
Source: UNISDR (2015)

Figure 61: Distribution of disasters in Tanzania (2005-2014)



Source: UNISDR (2015)

Figure 62: Hazards contribution to AAL in Tanzania



Source: UNISDR (2015)

iii) Increasing conflicts related to land use e.g. between pastoralists and agriculturists

Rapid growth of population and increasing human activities have all given rise to fierce competition in exploiting natural resources. Loss of lives have been reported in land conflicts between pastoralists and agriculturists. Reference is made to the recent incidences in Kiteto, Mvomero and Kibondo. Cases of human right abuses have also been reported particularly the state attempts to resolve land conflicts between local people and foreign investors. Increasing incidences in land conflicts is exacerbated by inadequate human and financial resources to roll out and enforce land use allocations. Poverty and lack of understanding land laws have also been cited as reasons behind escalating land related conflicts.

iv) Weak DRR system

Resource deficiency is the principle root cause of a weak DRR system. It is much weaker from district down to community level. As a result, DRR in Tanzania is characterized by (i) weak technical and infrastructure capacities to analyze and disseminate early warning information on natural disasters (ii) inadequate DRR related researches and data (iii) disparities between DRR capacities at the central and local level where the latter is severely constrained in most elements along disaster management cycle (iv) absence of full time National Emergency Operation Centre (EOC) to monitor and coordinate disaster operations in the country (v) inadequate expertise and modern equipment of search and rescue (vi) poor disaster mapping facilities even in major sources of disasters⁵⁶ (vii) weak disaster management committees at LGA and community level.

Considerable achievements have been made in strengthening the emergence warning systems. However, both governments in Zanzibar and mainland remain over dependent on DPs (mostly UN agencies) for policy reforms, prevention, mitigation and preparedness for disasters. Several gaps therefore remain unattended because DPs cannot finance every aspect related to the disaster management system. Furthermore, a number of state institutions have their own niches (e.g. agriculture and health) in collecting data that are of relevance to disaster management. However, a clear mechanism to share data among such stakeholders does not exist and consequently constraining the scope for harmonizing disaster risk management especially for common hazards.

⁵⁶ The United States Geological Survey (USGS) in collaboration with Tanzania Geological Survey (TGS) and University of Dar es Salaam (UDSM) is currently mapping the northern part of Tanzania. However gaps remain in other parts of the country.

v) Late response for early action that might have spared many lives and livelihoods

Late public response to disasters is attributed to (i) limited geographical extension of the emergence warning systems (iii) vulnerable communities and Tanzanians in general rarely listen to weather forecast (iv) late delivery of information and lack of community awareness in the use of warning signs and symbols (v) underdeveloped traditional prediction mechanisms.

5.2.5 Causal analysis of the key challenges: Humanitarian crises and natural disasters

Challenges	Immediate causes	Underlying causes	Root causes
1. Marginalization of Disaster Risk Reduction (DRR) in the development policy discourse.	<ul style="list-style-type: none"> Sub-optimal institutionalization of preventive & early response measures. 	<ul style="list-style-type: none"> DRR missing out on the list of top priorities in the national budget Weak disaster management desk at zonal level or regional and district. Weak mainstreaming of DRR in sectors development policies plans and strategies. Weak coordination/understanding of inter dependencies across sectors. Insufficient education/public awareness campaigns on causes and impact of natural disasters and threats. 	<ul style="list-style-type: none"> DRR remains a new area for policy makers.
2. Increasing frequency of natural disasters and emerging and re-emerging threats and trends.	<ul style="list-style-type: none"> Increasing risks of cholera outbreak and floods. Rising impacts of drought hazard. 	<ul style="list-style-type: none"> Weak capacity to manage solid waste in major cities (dumping solid wastes in the storm water drainage). Deforestation, stone bricks making and quarry and sand mining, encroached and illegally constructed houses in the flood prone areas (e.g. Msimbazi river valley). Farming along the river banks & overgrazing. 	<ul style="list-style-type: none"> Limited enforcement of laws on waste management, land use etc. Increasing human activities, rapid urbanization and growing unplanned settlement. Behavior and cultural practices (not sharing toilets).
3. Increasing conflicts related to land use e.g. between pastoralists and agriculturists.	<ul style="list-style-type: none"> Significant area of the country remain unplanned or open to multiple use. Women lack access to and ownership of land. 	<ul style="list-style-type: none"> Inadequate public sector management of environmental resources. Lack of land planning to satisfy different needs of population. Gender discriminatory laws and practices – inheritance, matrimonial property. 	<ul style="list-style-type: none"> Inadequate resources (financial and human) to ensure proper land planning. Lack of social inclusion and gender responsive legal and policy over land.
4. Weak DRR system.	<ul style="list-style-type: none"> Strain on humanitarian response capacity. 	<ul style="list-style-type: none"> Inadequate skilled personnel/technology especially at district/community levels. Inadequate research on DRR. 	<ul style="list-style-type: none"> Resources constraints (financial, human resources and technology) to address all issues along the disaster

5. Late response for early action that might have spared many lives and livelihoods.

- | | | |
|---|--|---|
| <ul style="list-style-type: none"> • Weak networking, information dissemination on early warning systems. • Sub-optimal organization of early response. | <ul style="list-style-type: none"> • Lack of full time National Emergency Operation Centre (EOC) to coordinate the disaster operations in the country. • Absence of consolidated database/website for stakeholders/public to disseminate and access information on disaster risk management. • Baseline studies not done regularly. • Absence of wide varieties of pre-positioning of relief items and logistics/distribution plans. | <ul style="list-style-type: none"> management cycle and DRR especially at local level. • Overdependence on DPs' financial resources. |
| <ul style="list-style-type: none"> • Most people remain unaware of DRR issues. • Low capacity to respond on time. | <ul style="list-style-type: none"> • Absence of strong disaster management committees at the regional, district and community levels. • Lack of technical platform to analyze data for dissemination and or demonstration to local communities. • Insufficient communication on emergencies. • Risk assessment results are not fully utilized for intervention and planning. • Disaster management departments receiving funds only after disaster. | <ul style="list-style-type: none"> • Inadequate participation of communities in design and implementation of DRR programmes. • Absence of clear mechanism for various institutions to share data. • Resource constraint (financial and technical). |

5.2.5 Capacity gap analysis: Humanitarian crises and natural disasters

Institutions	Capacity gaps
LGA	<p>Skills/knowledge: • Efficient management on communication flow during emergencies • Insufficient capacity building on DRR • weak seismograms networks in the mining and quarrying areas to monitor intensity of blasting.</p> <p>Technology: • Poor disaster mapping facilities • at local level (technical knowhow and IT equipment) • weak archiving and dissemination of data on key hazards at local level.</p>
Disaster management departments in the PMO (mainland) and SVPO (Zanzibar)	<p>Technology: • Absence of atlases on hazard areas • weak international cooperation in disease and pest control • absence of database, web based information on early warning and disaster.</p> <p>Resources: • Baseline surveys • absence of comprehensive risks and vulnerabilities assessment, modelling and impact projection report • absence of central system to collect, synthesize and timely disseminate information to the public • Inadequate resource allocation to the Tanzania Geological Survey to continue mapping hazard prone areas • absence of annual government report on disaster prevention and response • replenishment for used emergency supplies is weak • inadequate human resources and inadequate funds to conduct post-disaster reviews</p> <p>Motivation: • Weak M&E system for the disaster management policy • traditional prediction mechanisms have not been developed to provide reliable information • absence of coordinated post disaster stakeholder sessions.</p>
CSOs	<p>Motivation: • Sub-optimal participation of civil society members, sectorial organizations and women's organizations in disaster management platforms • grassroots communities are also underrepresented as well as members of parliaments.</p>
TMA	<p>Resources: • Insufficient TMA weather stations.</p> <p>Skills/knowledge: • Inadequate skills in effective prediction and forecast • weak skills in packaging, interpretation and understanding the socio- economic benefit of weather and climate information in DRR • weak knowledge in reconciling indigenous and scientific sources of knowledge on hazards and risks in ways that make sense to local communities.</p>
Media and research institutions	<p>Skills/knowledge: • Lack of specialized journalists on weather and climate related hazards • Absence or weak community radio for proper awareness and information dissemination activities.</p>

Resources: • Research institutions lacks funds for research activities • weak communication of research findings to communities • few researchers are in the field of disaster activities • absence of a research center for DRR on various hazards (not only geological hazards).

5.3 Peace, good governance and access to justice

The existence of peace and stability, good governance and access to justice are essential elements for sustainable development. While peace and access to justice are relatively straightforward concepts, governance is a broad area, which requires an operational definition. Though the available literature on Governance proposes several definitions, most rest on three dimensions: authority, decision-making and accountability. **The Institute of Governance uses the following definition: Governance determines who has power, who makes decisions, how other players make their voice heard and how accountability is exercised.** Democracy and good governance are essential ingredients for development as they create the necessary enabling environment for sustainable economic growth, improved service delivery and social wellbeing.

Systems of governance affect the performance of the state in executing its core functions and through this, its performance in meeting major economic and social goals. Governments create the conditions for functioning of markets, operation of private firms, strength of civil society, and welfare of communities and individuals.

The Economic Commission for Africa proposes several categories for assessing good governance. These include Political Governance, Economic management and corporate governance, Institutional effectiveness and accountability, Human Rights and Capacity Building. Governments create the conditions for functioning of markets, operation of private firms, strength of civil society, and welfare of communities and individuals.

5.3.1 Principles of good governance

The principles of good governance developed by UNDP provide a good benchmark against which to assess and analyze the practice of governance in Tanzania.

<i>Principle</i>	<i>Application</i>
Legitimacy and Voice	<p>Participation – all men and women should have a say in decision-making, either directly or through legitimate intermediate institutions that represent their intention. Such broad participation is built on freedom of association and speech, as well as capacities to participate constructively.</p> <p>Consensus orientation – good governance mediates differing interests to reach a broad consensus on what is in the best interest of the group and, where possible, on policies and procedures.</p>
Direction	<p>Strategic vision – leaders and the public have a broad and long-term perspective on good governance and human development, along with a sense of what is needed for such development. There is also an understanding of the historical, cultural and social complexities in which that perspective is grounded.</p>
Performance	<p>Responsiveness – institutions and processes try to serve all stakeholders.</p> <p>Effectiveness and efficiency – processes and institutions produce results that meet needs while making the best use of resources.</p>
Accountability	<p>Accountability – decision-makers in government, the private sector and civil society organizations are accountable to the public, as well as to institutional stakeholders. This accountability differs depending on the organizations and whether the decision is internal or external.</p> <p>Transparency – transparency is built on the free flow of information. Processes, institutions and information are directly accessible to those</p>

Fairness

concerned with them, and enough information is provided to understand and monitor them.

Equity – all men and women have opportunities to improve or maintain their wellbeing.

Rule of Law – legal frameworks should be fair and enforced impartially, particularly the laws on human rights.

While Tanzania has been characterized by relative peace and stability since independence, significant challenges remain in Governance and access to justice is a work in progress. **Tanzania is experiencing major transformation in social attitudes and expectations from Governments based on a shift from traditional to modern values and reinforced by rural-urban migration. This is putting a strain on Government's ability to adapt and adopt new ways of doing business. In particular, there are more demands for political, social and economic participation, a free press and public participation. In the context of rapid population growth, there will be added pressure to improve its performance in service delivery both at national and subnational level.**

5.3.2 Planning framework

A wide range of laws, policies and regulations form the legal and policy framework for Governance. Good governance and accountability form the third pillar of MKUKUTA II and MKUZA II, the respective national strategies for growth and reduction of poverty for Mainland Tanzania and Zanzibar respectively. A series of 20 indicators are used to assess progress towards the following 5 goals:

- Goal 1: Ensuring systems and structures of governance uphold the rule of law and are democratic, effective, accountable, predictable, transparent, inclusive and corruption-free at all levels
- Goal 2: Improving public service delivery to all, especially the poor and vulnerable.
- Goal 3: Promoting and protecting human rights for all, particularly for poor women, children, men and the vulnerable, including people living with HIV/AIDS
- Goal 4: Ensuring national and personal security and safety of properties
- Goal 5: Promoting and preserving culture of patriotism, hard work, moral integrity and self-confidence.

5.3.3 Key achievements

- i) Tanzania is often characterized as one of the most stable and peaceful countries in Africa largely a result of policies of national unity initiated by the first president. There has been significant progress in democratic governance as manifested in successful and peaceful multiparty elections and peaceful transfer of political power in line with the Constitution. However, Tanzania has yet to experience the transfer of power from the ruling party to the opposition as happened in some African countries.
- ii) Tanzania has taken commendable steps to reinforce the participation of women in decision-making, in the National Assembly, Local Councils and in the public service, generally. This, in turn, has been reinforced by the drive towards gender parity in primary and secondary education. Zanzibar for instance has seen an increasing number of women in decision-making positions within the government. In the mainland the proportion of women among senior civil servants (Assistant Director and upwards) has reached 36% by 2013/14.
- iii) Development and implementation of sound economic policies along with the improvement of economic governance has resulted in encouraging rates of economic growth. Over the last decade,

economic growth averaged 7%. Economic freedom has been enhanced with simplified business registration and licensing procedures.

- iv) The increasing power of Parliament, growth in self-confidence and assertiveness of both political parties and civil society and development of a robust media are **holding Government to account on a number of key issues relating to management of public finances, strategic direction and delivery of services. The number of licensed newspapers currently stands at 15, television stations at 6 and radio stations at 10, the vast majority private.** The National Assembly and the Zanzibar House of Representatives are increasingly active in overseeing the Executive as evidenced by the number of high-level ministerial level resignations after being implicated in parliamentary investigation. As the opposition makes up only 20% of the seats, the increasing power of the parliament points to two main aspects: reduced ability of the ruling party to silence its members of parliament; and the adopted commonwealth parliamentary structures where the opposition head public finance committees.
- v) Through major support from development partners, there have been significant efforts aimed at the development of relevant policies, legislation and institutions in support of reforms to facilitate the process of governance.

5.3.4 Key challenges

i) Internal conflicts over land and natural resources

A critical challenge is the threat to social stability posed by mounting internal conflicts over natural resources, in particular land. Land disputes in the country are primarily over ownership, land acquisition, and compensation; trespassing and third party land rights which plaintiffs are unable to enjoy or derive any benefit from. Gender discriminatory laws and policies and limited community participation in decision making regarding land and natural resources are strong contributory factors leading to exclusion from processes in the sector. There has also, over time, been a trend towards expansion of protected areas for conservation purposes. This has been further fueled by the practice of land grabbing for investment purposes. There is also the observation that there is poor understanding and enforcement of land use laws and policies. On Mainland, conflicts over natural resource use and rights need addressing through strengthened local dialogue and dispute resolution mechanisms. There is a strong competition between pastoralists and agriculturalists over access to limited land and water resources. There is also the perception among certain groups that the conservation areas are a potential source of food and income and that animals should not be prioritized over humans. This has contributed to rapid population growth in and around the conservation areas. At the root of it are high levels of poverty which cause populations to migrate to these areas in search of income, a lack of legal and policy clarity regarding land usage and inadequate budgets to manage land conflicts and invest in programs that involve local communities in having a say on how the benefits from land and natural resources are allocated.. Another root cause is the increasing effects of climate change leading to land degradation and migration in search of greener pastures.

ii) Increasing corruption

All available data and evidence points to the fact that both grand and petty corruption are on the increase in Tanzania. While comprehensive laws are in place and institutions exist to weed out corruption, weak internal controls and lack of compliance with anti-corruption legislation within different government agencies create an environment where corruption can thrive. For instance, public procurement, taxation and customs service are areas that are prone to corruption. Foreign companies have identified that corruption within those sectors poses potential obstacles for doing business in Tanzania. Corrupt practices have become entrenched among some business and government elites. Another form of corruption encountered is the exchange of sexual favors for employment. This is an area, which needs further research.

It is also believed that the existing large informal sector amount is associated with cumbersome business registration processes, which have created opportunities for corruption. The existence of widespread corruption damages the credibility of Government with its own people as well as with external supporters. The almost daily revelations of high-level corruption among senior leaders, who are expected to lead by example, are just the tip of the iceberg. Surveys such as Afro Barometer indicate the perception that

corruption is widespread in daily life and involves police, tax collectors, judges and even the Anti-Corruption Bureau itself. This has led to a cooling of relations with Development Partners. The number of corruption cases leading to conviction rose from 77,495 cases in 2011/2012 to 94,872 in 2012/2013.

It is clear from the available evidence that anti-corruption measures need strengthening. In addition, more attention needs to be paid to strengthening the anti-corruption institutions through improved staffing and funding. There is a challenge with limited enforcement of the law along with inadequate capacity of the judiciary.

At the underlying level, low wages support petty corruption in a context of rising prices and wage poverty. Increasing money flows within the economy create opportunities. There is also insufficient knowledge among members of the public and enforcement officials of the laws governing corruption. There is also an absence of sufficient data on corrupt practices. In some cases there is limited international corruption in tracking illicit money flows.

At the root of it all are changing attitudes and breakdowns in traditional values. In today's world, money is king. There is insufficient budgetary support for key anti-corruption institutions and measures leading them to be ineffective and sometimes victims of corruption themselves. At times there is a grudging social acceptance of petty corruption. There are also gaps in the legal framework.

iii) Limited capacity of government to implement policies and plans

The capacity of the government to effectively plan, implement and monitor policies and plans is an essential element of good governance. Tanzania is often characterized as being a country with great plans but limited implementation. A good starting point relates to the National Planning Framework, which is extremely broad and lacks prioritization. While it may be important to cover all bases, prioritization is necessary in a context of limited resources to achieve impact. There is also the related challenge of limited availability and utilization of data to provide an evidence base for policy making and planning. **This is particularly evident in the monitoring of MKUKUTA II and MKUZA II. For example,** twenty of the cluster's 23 indicators are missing 2013/2014 data, while 16 indicators are completely without data throughout the MKUKUTA reporting phase. This is also true in critical areas such as enforcement of environmental regulations. This is embedded in an organizational culture, which is not service oriented.

Decentralization of implementation in a number of key areas to Local Government Authorities has also proven to be challenging due to limits on capacity at that level and below. Consequently low levels of expenditure and difficulties in monitoring and accounting for funds are quite challenging. Local governments are largely responsible for basic service delivery (education, health, water, roads, agriculture) in Tanzania. Unequal distribution of grants to Local Government Authorities may serve to perpetuate inequality. The LGAs are increasingly under pressure from the central government to generate their own resources while it is clear that poverty stricken districts will continue to be completely dependent on the central government for large part of both their recurrent and development budget. **Strengthening the process of decentralization including devolution of resources to the local level and the capacity of Local Governments to efficiently mobilize resources and deliver services is a key challenge.** Underlying this situation is a heavy reliance on donors for funding and technical assistance and limited incentives for civil servants to improve performance. This is due to limited budget allocations partially due to limited collection of tax revenues. There is often a limited understanding of the gender equality dimensions of policies leading to a lack of gender responsive implementation and monitoring.

iv) Rule of law, access to justice and respect for Human Rights need strengthening

The concept of rule of law, including respect for human rights and legal traditions, is not widely understood and applied. Implementation in the justice sector is held back by corruption, inadequate infrastructure, uneven national coverage, biases against women and children largely based as cultural practices as well as insufficient protection of the rights of the poor. Cases of police brutality are on the rise, while the proposed use of army in some civil activities such as elections are worrisome. Armed robberies appeared to be on the rise while cases of albino killings for witch crafting reasons have resurfaced recently. The recently held local elections were characterised by reported incidences of favouritisms to the ruling party resulting in violence

in some areas. With increasing support to the opposition both in rural and urban areas, impartial management of the general election (campaigning, voting, counting and result announcements) is critical for a peaceful outcome.

Access to justice is hampered by the cost, limited availability of legal aid, corruption and limited knowledge and awareness of the law and human rights by the public and law enforcers. At the same time the independence of the judiciary is in question since the President appoints judicial officers and the remuneration of judges is decided on by the Parliament. There is also limited awareness of the public and judicial officers of the content of laws. In Zanzibar, MKUZA II too has identified the following additional shortcomings being faced by the legal sector in Zanzibar. These include: inadequate institutional and operational capacity; poor infrastructure; delays in delivery of justice, and poor legal practice and procedures; corruption in the legal sector has now become endemic; absence of a framework for managing and coordinating legal training and education; and underfunded courts leading to delay of justice. All of these hamper the legal sector's ability to deliver justice efficiently and effectively, improve good governance and contribute positively to pro-poor development. In general, there is a limited understanding of the concepts of social inclusion and gender dimensions of laws and policies.

There is inadequate protection for vulnerable groups in society including people with albinism, women and children and the disabled. There are disproportionate levels of violence against these groups and limited legal recourse for them through the legal system. Seventy-four people with albinism have been murdered since 2000 for use in witchcraft. However, only 10 convictions have taken place with the first in 2008. Women are often regarded as second-class citizens and there is a perception that violence against women and children is a domestic matter to be dealt with in the family. In Zanzibar, the percentage of cases of sexual abuse reported that resulted in a conviction has registered a declining trend while the percentage of court cases outstanding for two or more years has increased to 26% in 2011 from 19% in 2010. In addition, the multiplicity of legal frameworks (customary, religious and statutory) operating in tandem leaves room for discrimination and marginalization.

5.3.5 Causal analysis of key challenges: Peace, good governance and access to justice

Challenges	Immediate causes	Underlying causes	Root causes
1. Internal conflicts over land and natural resources	<ul style="list-style-type: none"> • Conflict of interest between major stakeholders over natural resources • Migration and urbanization • Women lack access, and ownership over land • Increasing resources scarcity 	<ul style="list-style-type: none"> • Poor implementation and enforcement of land use laws and policies • Gender discriminatory laws and practices – inheritance, matrimonial property • Limited functional and sometimes multiple mechanisms for democratic decision making over land and natural resources • Limited knowledge on laws and policies on land and natural resources • Lack of good governance and corruption over land and natural resources • Increased land grabbing including for investment purposes • Lack of community participation in decision making over land and natural resources • Limited information sharing regarding land usage • Inadequate administrative and technical capacities of government to regulate exploitation of natural resources, • Expansion of settlements encroaching on pastoral land 	<ul style="list-style-type: none"> • Lack of legal and policy clarity regarding land usage • Climate Change and environmental degradation • Lack of social inclusion and gender responsive laws and policies regarding land and natural resources • Expansion of protected areas for conservation purposes • Lack of transparency, accountability and fair allocation of proceeds from natural resource exploitation • Rapid population growth
2. Increasing corruption	<ul style="list-style-type: none"> • Anti-corruption measures require strengthening. 	<ul style="list-style-type: none"> • Low wages support petty corruption 	<ul style="list-style-type: none"> • Changing attitudes and breakdown in traditional values

	<ul style="list-style-type: none"> • Inadequate capacity of the judiciary Limited enforcement of the law • <i>Growth / increased sex corruption re ‘sextortion’</i> • Greed and attitudes that make people disregard the law • Lack of courage to denounce corrupt behaviour • <i>Limited levels of good governance, transparency and accountability</i> 	<ul style="list-style-type: none"> • Institutional weaknesses – staff systems and governing laws • Major increase in monetary flows within the society especially big business • Absence of sufficient data on corrupt practices • Lack of international cooperation to end illicit flows of resources • Insufficient knowledge or information on the laws governing corruption. • <i>Limited public awareness of sextortion and negative implication to the economy</i> • Inefficient controls and regulations of acts of corruption 	<ul style="list-style-type: none"> • Insufficient budget provision for key anti-corruption institutions and measures • Tolerance for petty and grand corruption - Downplaying or reacting mildly to corruption charges • Entrenched corrupt practices by political and business elites • Gaps in the legal framework and lack of harmony between relevant laws • <i>Limited anti-sexual abuse policies and enforcement</i> • Weak systems to combat corruption
3. Limited capacity of Government to implement policies and plans	<ul style="list-style-type: none"> • Limited availability and use of data • Lack of prioritization of strategies and actions • Traditional government organizational culture which, is not service oriented. • Limited human and financial resources for implementation. 	<ul style="list-style-type: none"> • Heavy reliance on donors for funding and technical assistance • Limited incentives for civil servants to improve performance • Limited understanding of gender equality dimensions of policies and accountability and incentive for gender responsive implementation and monitoring • Weak oversight bodies 	<ul style="list-style-type: none"> • Limited collection of tax revenues • Insufficient budget allocation • Conflicting government priorities • Limited technical HR (skill) to support implementation and oversight
4. Rule of law, access to Justice and respect for Human Rights need to be strengthened	<ul style="list-style-type: none"> • Limited enforcement of existing laws and policies • Slow pace in addressing gender related barriers in laws and policies • Multiplicity of laws (customary, religious and statutory laws) operating 	<ul style="list-style-type: none"> • Limited knowledge and understanding of the law among the public and officers enforcing the law • Inadequate infrastructure • Insufficient numbers of legal professionals 	<ul style="list-style-type: none"> • Insufficient budget provision • Poor access to information • Limited accountability and oversight mechanisms for social inclusion and gender equality.

side by side leaving room for discrimination and marginalization

- Limited knowledge and understanding of social inclusion and gender dimensions of laws and application of human rights and gender equality conventions that Tanzania has ratified
- Institutional weaknesses especially Human Resources and systems
- Weak oversight bodies especially the national ombudsman.
- *Corruption among the law enforces including sex related corruption*

5.3.6 Governance capacity gaps: peace, good governance and access to justice

Levels Capacity constraints

Institutional

- Funding for institutional strengthening of anti-corruption agencies.
- Planning, monitoring and evaluation at national and subnational levels.
- Support for a free press to enable open and honest dialogue on the issue of corruption
- Fill remaining gaps in the legal reform process

5.4 Culture heritage and creative industry

5.4.1 Introduction

Tanzania is a country of remarkable rich in diverse natural and cultural heritage resources ranging from the Pliocene period about 4mn years ago to the present time (Figure 63). These cultural heritage resources are categorized into archaeological sites, historical sites and towns, traditional settlements, historic buildings, sites with special memories (e.g. cemeteries of World War I) and natural features structures.

The paleoanthropological sites, for instance include two of the most famous in the world i.e. Olduvai Gorge and Laetoli. In addition to the land based cultural heritage, Tanzania is also endowed with several water bodies containing significant maritime and underwater cultural heritage assets. They are found in Zanzibar, Bagamoyo, Kilwa, Pangani and Mikindani where historical contact between Tanzanians and the outside world have left behind cultural assets of significant value. The country is also a home to all four major linguistic groups (Bantu, Khoisan, Nilotes and Kushites) divided into more than 120 tribes with varying cultural traits, customs and traditions – all with significant intangible cultural heritage value.

In addition to the cultural heritages, Tanzania is rich in natural heritages with 28% of the total land area set aside as protected locations (national parks, game reserves etc⁵⁷). Natural heritage sites such as Serengeti and Ngorongoro also contain cultural heritage materials including stone artifacts, pastoral Neolithic traditions and rock art (drawings and engravings). There are currently 16 antiquities in mainland that are open to the public and directly managed by antiquities division⁵⁸. Three out of the 16 sites (Kondoa Rock Art site, the Ruins of Kilwa Kisiwan and Songo Mnara, and Olduvai Gorge) are inscribed on the world heritage list.

5.4.2 Planning framework for the sector

The protection of cultural heritage assets in Tanzania is guided by the Antiquities (Amendment) Act of 1979 and its regulations of 2002. The operational policy guidance is the National Antiquities Policy of 2008, which outlines roles of different actors (public, individuals, corporate and institutions) in conserving, managing, preserving, developing and researching on cultural heritage assets. Both instruments are premised on centralized management of the cultural assets.

Figure 63: Map of Tanzania showing areas with natural and cultural heritage.



Source: Mabulla and Bower (2010)

⁵⁷ The protected areas are Ngorongoro (1%), 12 national parks (4%), 31 game reserves (15%), and 38 game controlled areas (8%). Of the protected areas, 19% is under wildlife protection, whereby no permanent human settlement is allowed, while the remaining 9% consists of areas wherein wildlife coexists with humans.

⁵⁸ These are Mbozi Meteorite in Mbeya; Mkwawa Museum in Kalenga and Isimila Stone Age Site, in Iringa; Kolo Rock Art, in Kondoa; Mwalimu Nyerere Museum at Magomeni and Kunduchi Ruins, in Dar es Salaam; Kaole Ruins and Bagamoyo Historic Town, in Bagamoyo; Tongoni Ruins and Amboni Caves, in Tanga; Engaruka Irrigation Canals and Olduvai Gorge, in Arusha; Ujiji Memorial Museum, in Kigoma; Kwiwara Livingstone Museum, in Tabora; Kilwa Ruins in Kilwa and Dar es Salaam Historic Area.

As culture is a non-union matter, the Zanzibar government maintains a distinct Zanzibar cultural policy of 2005. The culture policy and the Zanzibar sports policy of 2007 are currently under review offering an opportunity to uplift areas such as creative industries which have been overlooked in the development policy discourse. The results of the research by Bakari (2012) show that one of the common problems in most developing countries is the dominant focus on heritage and preservation with limited attention to contemporary culture and creative industries. It is therefore not surprising that the role of culture and creative industries is less prominent in MKUKUTA II and MKUZA II and consequently weakening the legitimacy of the two within the mainstream of policy, consultations and resource considerations.

Information from different documents shows that the medium term will be characterized by the implementation of the cultural heritage policy strategy (2013 -2017) which aims at enhancing conservation, protection and management of cultural heritage; including advancing the historic Amboni caves’ in Tanga region as the centre for antiquities studies. Developmental activities around marine and underwater cultural heritages are expected to be prominent in the medium term as well. The government through the support from the Centre for International Heritage Activities (CIE) has launched a Maritime and Underwater Cultural Heritage (MUCH) programme in 2009. This initiative will be complemented by the establishment of a Maritime Archaeological Unit of Tanzania (MAUT) within the structure of the Ministry of Ministry of Natural Resources and Tourism.

5.4.3 Achievements

Most tourists visiting Tanzania embrace wildlife (mainland) and beach experience (Zanzibar). However, there have been a significant jump in the number of tourists visiting cultural heritage sites in Ngorongoro, Bagamoyo, Kilwa Kisiwani and Ujiji. For example, the total number of tourists visiting culture heritage sites in 2012/13 was nearly five times the number recorded eight years earlier (Figure 64). In fact the average annual growth rate over the eight years was 34% which is 26% higher than the average annual growth of entire tourist arrivals during the same period.

Revenue increased considerably from TShs 208mn in 2005/06 to TShs 1.32bn in 2012/13, an average growth rates of 41% per annum (mostly attributed by a spike between 2012 and 2013 where revenue more than doubled (Figure 65)). Despite such advances, a considerable knowledge gap persist in understanding what it means, both economically and in terms of poverty reduction to be rich in culture heritage assets in Tanzania. Knowledge creation in such area is a potential entry point for development cooperation in the medium term.

Figure 64: No. of tourists to the culture heritage sites (in thousands)

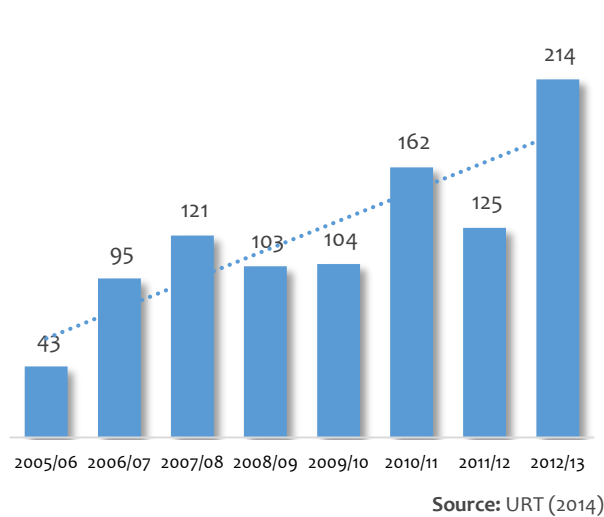
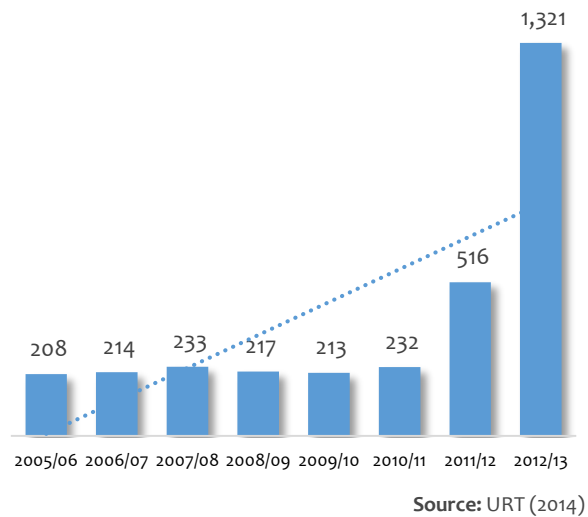


Figure 65: Revenue collected from culture heritage sites



A number of achievements have been recorded in Zanzibar. Conservation guidelines have been disseminated as well as rolling out public awareness campaigns focusing on conservation and benefits of historical sites. The latter has been carried out through the use of government television, information blogs as well as facilitating students' tour to targeted sites. Public investment was also directed towards promotional activities including the launching of anniversary celebrations of the famous Dr. Livingston. A number of old and 21st century exhibition antiquities have also been acquired from the public for the anticipated new museums.

The union government in the mainland commissioned a number of researches including good practices on conserving historical sites, harmonizing information on historical sites and profiling of the local film industry. To raise the value of heritage sites, the government constructed information centers in Kolo rock art sites, Olduvai Gorge, Dr. Livingstone memorial, Ujiji, Carava Serai and Isimila. A Maritime and Underwater Cultural Heritage (MUCH) programme was launched and has so far released documentations of the existing maritime and underwater cultural heritage assets in Mbwamaji, Kunduchi, Bagamoyo, Mafia, Zanzibar, Pangani, Kilwa Kisiwani and Songo Mnara, Ngurumahamba, Mingoyo, Sudi and Mikindani.

The promotion of intangible cultural heritages such as the Swahili language is ongoing involving media based programmes. Such programmes not only aimed at promoting the use of Swahili, but also at amending common mistakes in the daily use of the language. Swahili promotional activities went beyond borders with the government facilitating the translation of officials documents used in the African Union (AU) head of state assembly in Addis Ababa and AU parliamentary assembly in South Africa. The government through the European Union (EU) financial support is rehabilitating the historic Amboni caves' in Tanga Region. Tanzania is now part to the agreements with several international specialized agencies such as the International Centre for the Study of Preservation and Restoration of Cultural Properties (ICCROM), World Heritage Centre (WHC), International Council on Monuments and Sites (ICOMOS) and African Organization for Museums (AFRICOM).

5.4.4 Challenges

Increasing competition to exploit land and other natural resources has also been one of the main threat to the cultural heritage resources. Divergent in needs between pastoralists (grazing resource), conservationists (preservation of heritages) and investors (prioritising wildlife attraction above culture heritage) coupled with limited knowledge and safeguards for the cultural heritage resources is a concern. The review by Mabulla and Bower (2010) demonstrated ways in which hotel investments in Serengeti and Ngorongoro have impaired and destroy cultural heritage resources. The review also provided an account of other destructive human economic activities such as quarrying for road gravels etc., which have affected unidentified and undocumented cultural heritage properties or causing devastating threat to the known cultural heritage resources.

Despite the ongoing re-excavation of Laetoli hominid trackway, the preservation and recovery of the damaged historical sites including historical buildings in Zanzibar is therefore an emerging area in need of immediate attention. In fact, significant investment in renovation is needed beyond the current efforts taking place at the Amani museum, Palace museum, Beit ela Ajab and Chake Chake museum.

Attention to the cultural heritage sub-sector is also severely affected by lack of awareness on its economic and cultural values which in turn limit the number stakeholders (local governments and other government institutions, NGOS, religious institutions, private actors and local communities) to actively engage in conserving and developing such resources. Limited awareness and actual involvement is further compounded by inadequate government resources allocated to the sub-sector where only 16 out of estimated 1,500 culture heritage sites are managed and controlled by the government.

The creative industry faces similar challenges as the cultural heritage sub-sector. Its progress as an economically valuable industry has been hindered by lack of a comprehensive national cultural and creative industry policy. Such policy gaps are the outcome of limited understanding of the inter-sectoral linkages necessary to the developmental needs of the creative industry. Unfair economic gain has been routinely raised by artists in

Tanzania as a number one challenge, pointing directly to the prevailing weak enforcement of copyright and intellectual property right laws.

5.4.5 Causal analysis of the key challenges: Culture heritage

Challenges	Immediate causes	Underlying causes	Root causes
1. Over dependence on the central government in conservation and development of cultural heritages.	<ul style="list-style-type: none"> Limited number of stakeholders involved in conservation and development of cultural heritages. Conflicts and inefficient cultural heritage management. 	<ul style="list-style-type: none"> Limited awareness on conservation of cultural heritage resources. Limited awareness on benefits out of the cultural heritage. Limited coordination between stakeholders (e.g. MDAs and the general public). 	<ul style="list-style-type: none"> Limited use of incentives and policy mechanisms to attract stakeholders. Wrong belief that the development of heritage resources is the task of the central government.
2. Sub-optimal benefits from cultural heritages to local communities, general population and the government.	<ul style="list-style-type: none"> A more comprehensive approach to employment, economic and social impact of culture, culture heritage and creative industry is lacking. Only sixteen out of estimated 1,500 heritage sites are managed and controlled by the government. Sub-optimal government support and limited investment in the promotional activities. Sub-optimal flow of tourists to such sites. 	<ul style="list-style-type: none"> Gaps in economic growth and poverty reduction policy discourse on the economic value of cultural heritages. Gaps in the existing guidelines which exclude urban and “intangible” heritages particularly traditions, customs and beliefs. Absence of comprehensive national inventory register of cultural heritage. Few staff with cultural heritage management skills. Inadequate infrastructures in heritage sites. Gaps in research/data. Absence of cultural centers in many districts and regions in Tanzania. 	<ul style="list-style-type: none"> Inadequate linkages between macro policies and cultural heritage associated policies. Antiquities legislation gives limited attention to the economic use of cultural heritages. Insufficient budgetary allocation.

		<ul style="list-style-type: none"> • Absence of strategies to link cultural heritage to eco-tourism. 	
3. Disappearance of cultural heritages and denied cultural rights.	<ul style="list-style-type: none"> • Destruction of cultural and natural sites through increasing human activities and tourists' hotels being located archaeological sites. 	<ul style="list-style-type: none"> • Inadequate capacity to enforce Cultural Heritage Impact Assessment (CHIA). • Inadequate elaboration of the law requiring developers to conduct CHIA. • Insufficient technical knowledge within SENAPA and NCAA on cultural heritages. • Inconsistent cooperation between government entities and legal instruments. 	<ul style="list-style-type: none"> • Inadequate technical and resource capacity. • Unawareness, neglect and misunderstanding. • Overlapping jurisdictions. • Conflicting needs of pastoralists/ conservationists/investors.
4. Constrained rights to economic gains for players in the creative industry.	<ul style="list-style-type: none"> • Inadequate enforcement of copyright and intellectual property rights laws. • Insufficient availability of necessary infrastructure and facilities to advance the creative industry. 	<ul style="list-style-type: none"> • Absence of a comprehensive national cultural and creative industries policy. • Gaps in the education system to produce professionalism and innovation in the creative industries. • Limited understanding of inter-sectoral linkages necessary to advance the creative industry. 	<ul style="list-style-type: none"> • Limited mainstreaming of creative industries in economic and social policy discourse. • Limited recognition of the economic role of artists beyond social and recreational functions.
5. Existence of barriers for some social groups to participate in the cultural life of their communities.	<ul style="list-style-type: none"> • Negative stereotypes precluding women and girls from active participation in decision making. 	<ul style="list-style-type: none"> • Unequal opportunities for women and girls to unleash their potentials. 	<ul style="list-style-type: none"> • Patriarchal views of women.

5.4.6 Capacity gap analysis: Culture heritage

Institutions Capacity constraint

1. Ministry of Tourism and Natural Resources	Resource gaps persist in construction, rehabilitating, research activities on archeological heritages, promoting stakeholders' awareness and active participation in conserving, upgrading and safeguarding the sites • Inadequate capacity to enforce the existing CHIA legislation as well as constrained motivations in coordinating roles of various constituencies (e.g. between natural and cultural resource management entities) • Limited training opportunities and human resource constraint are much more severe in the districts where culture heritage assets are located • Despite increasing revenue collection, the Ministry remains constrained in innovating additional means to enhance revenue collection strategy • Investment is needed in the medium term to reinforce inter-linkages between culture heritage, tourism and creative industry (through policy instruments, training, enhancing regulations such as property rights and private/public partnerships).
2. SENAPA and NCAA	Insufficient specialized human resources such as archeologists has constrain NCAA and TANAPA ability to preserve and protect heritage sites from modern destructive developmental activities • There are limited motivations to coordinate investment and management plans between directorate of antiquities, TANAPA and NCAA • Overlapping jurisdictions between the three entities remain to be resolved.
3. Universities and research institutions	Limited academic programmes for professional culture heritage managers is another area of concern • Cultural heritage is a research intensive industry i.e. information on ecological history of protected areas can only be gathered through archeological investigations detailing human activities and the ecosystem that existed thousands of years ago • Data gaps is even more severe in the creative industry resulting into absence of suitable framework that could prioritize strategic action for the industry.

5.5 Gender equality

5.5.1 Introduction

In Tanzania, the right to gender equality is guaranteed by the Constitutions of the Mainland and Zanzibar and a host of complimentary legislation. However, due to a variety of factors including social customs and traditions, significant gender gaps remain in almost all areas of life. In addition to being a human right, investments towards gender equality contribute to economic growth and transformation through a number of pathways. They also contribute to poverty reduction and more equitable development outcomes.

The business case for moving decisively towards gender equality has never been stronger. This is, however, no easy task. Development practitioners will need to broaden their horizons and move beyond laws, policies and regulations to influence and change deeply held customary practices. Changing mentality, attitudes and behaviors has never been easy but there are some facilitating factors that could be expected to boost the effort. These include the gradual but steady modernization of the economy, the increasingly youthful nature of the population and the laws and policies already in place.

5.5.2 Policy framework

Tanzania has ratified the main international and regional gender protection instruments including the Beijing Platform of Action, the Convention on the Elimination of Discrimination against Women and the Maputo Protocol, also known as the Protocol to the African Charter on Human and People's Rights on the Rights of Women in Africa of 2003.

The Maputo Protocol guarantees comprehensive rights to women including the rights to take part in political processes, social and political equality with men, control their reproductive health, and end female genital mutilation. Most provisions have been domesticated. However, despite some notable achievements, many provisions continue to be violated in practice. This is largely due to the continued application of customary laws and practices which are oppressive to women, despite being prohibited under the Constitution and other laws.

The Government has made deliberate efforts to implement the CEDAW and Beijing Platform for Action by increasing women's participation in the political arena, including affirmative action for women (which is enshrined in the Constitution). The Tanzania Development Vision 2025 lists gender equality and empowerment of women in all socio-economic and political relations and cultures as a target for improving the livelihood of all Tanzanians.

In addition, several policies have been established to foster gender equality in the social, cultural, economic, and political spheres, including the Women and Gender Development Policy (2000), the National Employment Policy (2007), the National Employment Creation Program, and the Youth Employment Action Plan. The Revolutionary Government of Zanzibar has also formulated policies on gender to serve similar purposes. These include the Child Survival Protection and Development Policy (2001), the Zanzibar Youth Development Policy (2005), and Youth Employment Action Plan (2007), Zanzibar Employment Policy (2007), the Education Policy (2006) and the Women Protection and Development Policy (2001).

To reduce gender-based violence, the Sexual Offences (Special Provisions) Act of 1998 was enacted to safeguard the dignity, integrity, liberty, and security of women. The Government also developed a National Plan of Action for the Prevention and Eradication of Violence against Women and Children 2001-2015, which provides a framework of actions to be undertaken by stakeholders including the Government, development partners, NGOs, civil societies and local communities, to prevent and eradicate violence against women and children. Additionally, a Multi-sectorial Committee to End Violence against Women, Children and Persons with Albinism was launched in 2011 along with a multi-sectorial action plan. Despite these efforts, however, socio-economic

and legal inequalities continue to prevent the achievement of gender equality and leave women in Tanzania in a disadvantaged position, in detriment to the welfare of society as a whole.

5.5.3 Key achievements

- Tanzania has reached gender parity MDG targets for primary and secondary education. Zanzibar has also moved beyond gender parity at tertiary education.
- The legal framework is largely — although not completely — in place to facilitate moves towards gender equality.
- The proportion of seats held by women in the House of Representatives has reached 36% in the mainland and 33% in Zanzibar. While this is not yet ideal, it is a positive result of women's group efforts.

5.5.4 Key challenges

Key challenges in achieving gender equality have been noted throughout the situation analysis. In this section we summarize a few of the key challenges.

i) Poor maternal health and maternal mortality

Persistently high levels of maternal health and mortality continue to be a challenge to the realization of women's right to health and to gender equality. This is a complex challenge but at its roots are customs and traditions that force women to work right through pregnancy, to be deprived of certain essential foods due to food taboos and lead directly to poor maternal nutrition and greater vulnerability to illness and disease. Also at the root causes level, patriarchal attitudes place less importance on the lives of women and mothers than that of fathers and sons. This contributes to poor health seeking behaviors on the part of women. Social traditions also sustain illegal practices such as female genital mutilation. Insufficient budgetary resources to address maternal health issues add to the picture at the root causes level.

At the underlying level, early marriage and onset of sexual activity is another factor compromising the health and safety of child mothers. Abortions undertaken also contribute to challenges during pregnancy and delivery. The situation of health care, particularly in rural areas, and the limited availability and ease of access to Emergency Obstetric Care further challenge even the most resilient of women. This is complicated by the limited availability of skilled attendants at delivery. Female genital mutilation, which affects 14.6% of the population aged 15-49, is another practice, which contributes to birth complications.

At the immediate level, the main causes of injury and death include: complications from abortion and female genital mutilation, Infections, hemorrhage, sepsis and eclampsia.

ii) Gender based violence

Violence towards women still remains an issue within Tanzanian society. Female genital mutilation, “witch killings”, and domestic violence still occur and require continued efforts to change social mind sets and norms in order to curb the problem. According to a UN statistic, around 17% of Tanzanian women reported being subjected to female genital mutilation (2006). In 2013, there were a reported 765 witch killings with 505 of those being women. Also, 30% of women living in urban areas reported being a victim of intimate partner violence at least once in their lifetime (2006). In the country as a whole, 33% of Tanzanian women reported being subjected to physical domestic violence in the last 12 months suggesting that the situation is worse in rural areas (2010). There is also a concentration of violence towards younger women (15-19 years old), which gradually decreases as the age categorization increases. Alcohol and substance abuse combined with lack of anger management, conflict resolution and negotiation skills contribute to this situation. Again, social norms play a role in allowing this to happen by not only suggesting that women are subordinate to men but by also viewing gender based violence

as acceptable and, as such, refraining from reporting it. A culture of silence and fear of reprisal surrounds the issue. There is also a social perception that violence against women and children is a private matter. At the institutional level, there is a lack of coordination amongst key actors and inadequate information and awareness of the availability of services at the household and community levels.

The root causes of gender-based violence include the patriarchal system that systematically disempowers women by promoting norms of male privilege through modalities such as bride price and widow cleansing. This is reinforced by discriminatory laws regarding inheritance and property rights such as the Marriage Act and the absence of laws against domestic violence. To make matters worse there is a gap in full understanding of the nature and extent of the issue due to inadequate availability of data.

There is an implicit tolerance of some of the harmful traditions and practices on the part of authorities to avoid social conflict with custodians of customary law. In summary, women have lower education status, higher poverty levels and are discriminated against in customary law.

At the underlying level, there is a general lack of understanding among women and law enforcement officials of laws against GBV and a consequent lack of enforcement particularly when it comes to domestic violence. The patriarchal system also leads to a lack of self confidence among women further leading to limited reporting and pressing charges against male offenders. Socialization into gender roles at home and school make girls and women more vulnerable to abuse. Stereotypical roles of women and men through which women are seen as subordinate to men are reinforced through this process. There is often community pressure to be subjected to female genital mutilation, which is seen as a rite of passage and a prerequisite for marriage in some cultures. Fear of social exclusion and shame may also cause girls to consent to the practice. At the immediate causes level, domestic disagreements and sometimes male arrogance spark gender based violence in the home.

iii) Limited economic empowerment of women

Access to economic resources is a serious challenge facing women. Although the law guarantees inheritance and land ownership rights to women, these are often over ridden by social norms and customs. Also, while more women have been engaged in investment ventures in recent years, most are in the informal sector and a challenge lies in achieving gender equality within the formal sector. It must be noted that on average, Tanzanian women's salaries are 63% lower than their male counterparts and that female business owners make 2.4 times less profit than men (World Bank). Another indication is that fewer women (13.8%) than men (20.8%) hold bank accounts in financial institutions.

There is also very limited access for women to senior management positions and other decision-making roles. According to data available in the ILO database, 14.3% of firms in Tanzania have women as their CEO. This compares with 15.3% in Uganda and 13.4% in Kenya. Aside from the stereotypical mindset that women are subordinate to men, another reason for this disparity is the lack of institutions which are actively promoting gender equality. Despite vocal organizations such as the Tanzania Media Women's Organization, there are still too few organizations reflecting the daily struggles and the views of women at the grass root level. More needs to be in done both the private and public sector to advocate for gender equality in the professional world. In 2006, the Tanzanian Women's Chamber of Commerce was established to safeguard and promote the role of women in business in the country.

At the local level, there is limited understanding even among women of their land ownership rights. Customary law often prevails over national law. In Tanzania 69.3% of land is held under customary title. In terms of division of assets after death or divorce the Government recognizes the primacy of Customary Law and Kadhi Courts for Muslims. To a large extent, there is a division between urban areas where Civil Law predominates and rural areas where customary law is predominant. At this level also, stereotypical roles of men and women in which women are seen as subordinate to men also play a role. All of these are rooted in strongly held customs and traditions including patriarchy. As a result women also have lower education status, higher poverty levels and are

discriminated against in customary law. This translates into lower bargaining power and lack of access to productive resources including credit.

iv) Limited progress toward gender equality

As we have seen in the previous sections and throughout the document, gender equality is far from being a reality despite the aspirations reflected in the Constitution and a wide variety of laws and policies. The predominant factors preventing the realization of women's right to equality lie in traditional social attitudes and values reflected in the patriarchal ideology and its application through all walks of life. Gender based violence and conflict is an immediate cause of limited progress. . There are few mechanisms and limited capacity for taking significant strides towards gender equality. At the root cause level also, there are insufficient institutional resources and too few male champions to deliver gender equality. Policy-making is insufficiently informed by gender analysis and use of sex disaggregated data. Getting gender issues right in practice could unleash a wave of capacity and energy that would play a valuable role in national and social development

5.5.5 Causal analysis of key challenges: Gender

Challenges	Immediate causes	Underlying causes	Root causes
1. Poor Maternal Health and Mortality	<ul style="list-style-type: none"> • Vulnerability to illness and disease • Complications from abortion • Infections • Hemorrhage • Sepsis • Eclampsia • Poor health seeking behavior by women 	<ul style="list-style-type: none"> • Poor maternal nutrition status • Limited access to health facilities made worse by user fees • Early marriage and onset of sexual activity • Limited availability of Emergency Obstetric Care particularly in rural areas • Poor nutritional status of the mother • Limited access to antenatal care and skilled attendants on delivery • Female genital mutilation 	<ul style="list-style-type: none"> • Customs and traditions such as food taboos and other practices that reduce women's access to food • Insufficient allocation of budgetary resources • Customs and traditions perpetuating FGM • Gender issues placing less importance on the lives of women and mothers
2. Gender Based Violence (Domestic violence, sexual assault, FGM)	<ul style="list-style-type: none"> • Domestic disagreements • Male arrogance • Fear of social exclusion and shame • Practice of infant FGM • Limited reporting of cases of GBV • Culture of silence and fear of reprisal • Alcohol and substance abuse • Lack of anger management dispute and conflict resolution, and negotiation skills • Impunity 	<ul style="list-style-type: none"> • Lack of awareness among women and law enforcement officials of laws against GBV • Low self confidence amongst women • Early marriage makes it difficult to negotiate safe sex • Socialization in gender roles at school make girls and women vulnerable to abuse • Children witnessing marital violence • Inadequate programming against GBV • Lack of enforcement of laws against GBV • FGM perceived to be a rite of passage and prerequisite for marriage in some cultures • Poverty among women lead to low reported cases 	<ul style="list-style-type: none"> • Patriarchal system that disempowers women by promoting norms of male privilege and possession of women such as bride price and wife cleansing, • Lack of comprehensive laws against domestic violence • Discriminatory laws especially inheritance rights, property rights • Inadequate data on the nature and extent of Gender Based Violence • Inadequate information on available services for victims of violence • Prevailing rigidly gender roles • Lack of awareness on human rights at household levels • Tolerance by authorities of some harmful traditions and practices • Women have lower education status, higher poverty levels and are discriminated against in customary law

3. Limited Economic Empowerment of Women

	<ul style="list-style-type: none">• Lack of coordination of GBV related service providers• Inferiority complex of men with income challenges compared to their spouses/partners.• Stereotypical roles of men and women in which to men women are seen as subordinate to men	<ul style="list-style-type: none">• Economic down among male partners such job loss housing foreclosure or debt. Inadequate services for victims of violence• Lack of political will at micro and meso levels• Lack of institutionalization of GBV aspects in the development program from micro to macro levels.
<ul style="list-style-type: none">• Fewer women own land or other productive resources• Lack of access to productive resources including credit• Fewer women hold accounts at financial institutions (13.8%) compared to men (20.8%)• Limited technical and managerial skills• Limited ability to make decisions• Limited bargaining power.• The majority of women owned businesses are at the micro level and are informal	<ul style="list-style-type: none">• Limited awareness among women of their land ownership rights• Under Law of Marriage Act men and women are not equally responsible for household finances• Limited access to economic resources notably land and inheritance• Stereotypical roles of men and women in which to men women are seen as subordinate to men• Absent or weak networks and associations to lift up women's voices	<ul style="list-style-type: none">• Customs and traditions that discriminate against women• Women have lower education status, higher poverty levels and are discriminated against in customary law• Recognition of Customary Law and Kadhi courts in division of assets after death and divorce• High proportion of land held under customary law (69.3%)• Lack of recognition of unpaid care work performed by women

<p>4. Limited progress towards gender equality</p>	<ul style="list-style-type: none"> • Women have lower education status and higher poverty levels and are more subject to violence and abuse • Conflict and gender based violence • Slow progress in access by girls to secondary and tertiary education • Stereotypical roles of men and women in which to men women are seen as subordinate to men • Limited access by women to senior management positions or in political leadership and decision making • Few institutions actively promoting gender equality • Limited systematic and sustained financing for gender equality in central, MDs and LGAs • Limited mechanisms for tracking and monitoring gender equality and women's empowerment at all levels. • Limited application of gender criteria in all key national, sectorial and institutional development planning, implementation, and reporting • Limited gender analysis and application of sex disaggregated data/information for policy and decision making • Customs and traditions that discriminate against women • Discriminatory legal framework against women • Inadequate policy framework for gender equality • Limited investment in moving towards gender equality • Discriminatory legal framework • Insufficient men champions for gender equality at all levels. • Lack of executive sponsorship at organizational level.(executive sponsorship refers to a situation whereby buy-in of the agenda is from executive level). • The lack of data on women's poverty to inform policies and programmes. • Lack of social protection policies. • Lack of accountability mechanisms for gender equality. • Institutions with mandate to coordinate gender equality and women's empowerment lack sufficient resources to deliver
<p>5.0 Low representation of women in decision-making at all levels</p>	<ul style="list-style-type: none"> • Unequal power relations • Limited initiatives in parliaments and councils on women's rights and gender equality • Limited prioritization of gender equality and women's empowerment agendas in major economic development (Macroeconomic) policy decisions and governance • Limited accountability and oversight on gender equality and women's' • Prevalence of patriarchal system

empowerment by key decision makers at all levels.

- Limited knowledge and tools to analyze formulate and implement gender responsive plans and budget.

5.6 Aid allocations and effectiveness

5.6.1 Introduction

The Aid effectiveness concept is vested within the principles of the Paris declaration whereby aid is considered effective when it supports a recipient owned development plans (ownership), donors are aligned to partners' strategies (alignment) by implementing activities in harmonized manner (harmonization). Furthermore, effectiveness is enhanced when aid is delivered in a way that focuses on desired results (managing for results), and donors and partners are accountable for development results (mutual accountability). The monitoring mechanisms for such principles are in place and Tanzania has participated in all three rounds of Paris Declaration monitoring surveys (2006, 2008 and 2011) and the Busan survey in 2014.

On the other side, "aid effectiveness" assessments that focus on the effects/impact of aid on economic growth and poverty reduction are constrained by unavailability of studies that have succeeded in isolating the impact of aid on economic and social outcomes from other factors. However, the recent study by Galiani et al (2014) gives an indication of the potential aid effects on economic outcomes. Precisely, the study finds a one percentage point increase in aid to GDP ratio raises annual real per capita GDP by 0.35 percentage points. The main channel through which aid promotes growth is by increasing physical investment. Without claiming causality, the latest 2013 independent evaluation of GBS and SBS attributes a number of successful public sector processes as well as income and non-income poverty outcomes to the two instruments (summary results in annex 1).

5.6.2 Donor mapping

5.6.2.1 Where does Tanzania rank on ODA inflows when compared to other ODA recipients?

In terms of ODA volume, Tanzania is 6th highest ODA recipient out of 143 ODA recipient countries (Table 21). It is however not among the largest ODA per capita recipient. The country is 71st out of 141 economies and in the middle of the pack of its neighboring countries (Figure 66) i.e. 4th after Zambia, Mozambique and Rwanda⁵⁹. The distinctiveness of Tanzania in the aid environment is therefore mostly based on (i) the country was one of the early pioneers of aid coordination and harmonization. Reference is made to Tanzania as an early adopter of programmatic aid modalities (GBS and SWAPs in the education, health and agriculture sectors) (ii) as a follow up to Paris declaration, the country was one of the first to pioneer a Joint Assistance Strategy (2006) adhered to by most donors collectively (iii) one of the first countries to launch the GBS framework consisting of several bilateral and multilaterals, and; (iv) one of the 8 countries to pilot the 'one UN' reform program.

Table 20: Tanzania's position amongst global aid recipients

	2012	Global position
ODA per capita	US\$ 59.3	71 st out of 141 economies
ODA per capita (Zanzibar) ¹	US\$ 100	43 rd out of 141 economies
ODA as a percent of GDP	10.3%	28 th out of 136 economies
ODA inflows (volume in US\$)	US\$ 2.9bn	6 th out of 143 economies
ODA as a percent of government expense	41.4%	18 th out of 71 economies

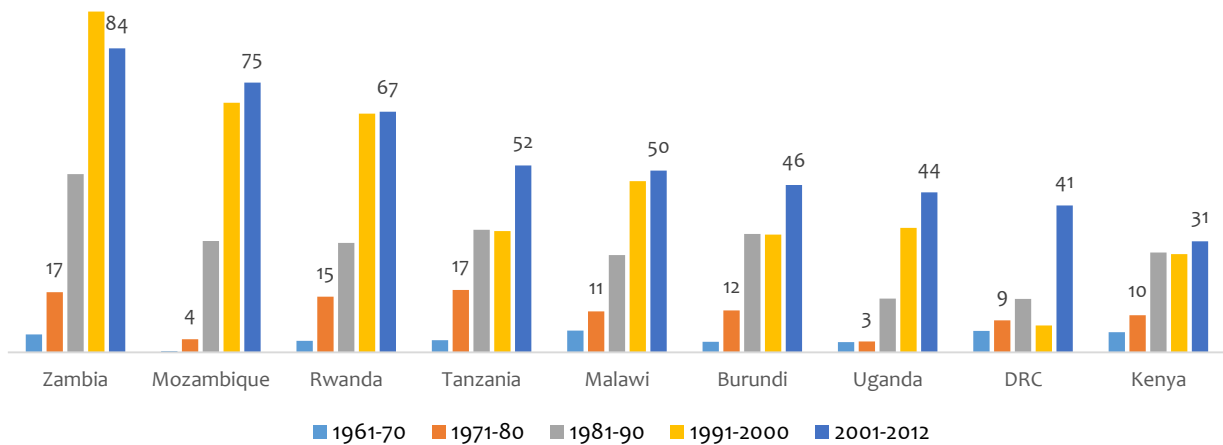
Source: World Bank – WDI (2015)

¹ Sourced from RGZ (2014, forthcoming).

The recent statistical evidence is contrary to the claim that Zanzibar is deprived of a fair share of ODA allocated to Tanzania. The forthcoming report RGZ (2014) shows that total ODA disbursed to Zanzibar in FY2013/14, amounted to US\$ 195mn which is equivalent to ODA per capita of roughly US\$100, which is significantly higher than in the Mainland (US\$59 per capita). The figure is not far off from ratios seen in small island developing states.

⁵⁹ The only time where Tanzania had the highest ODA per capita was 1971-80.

Figure 66: Net ODA per capita (US\$): Regional comparison



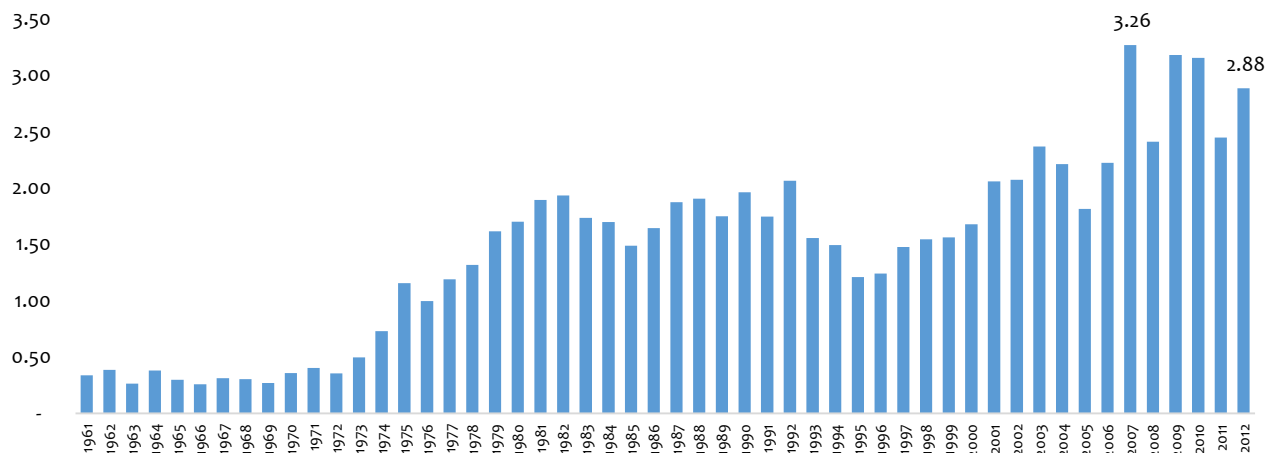
Source: World Bank-WDI (2015)

5.6.2.2 Are patterns of aid flows changing in Tanzania?

At constant prices, the ODA inflow to Tanzania has been declining from the peak of US\$ 3.26bn in 2007 to US\$ 2.88bn in 2012 (Figure 67). That means Tanzania has lost about US\$ 400mn in real terms in a span of 5 years. Furthermore, ODA to GDP ratio which peaked at 17% in 2007 declined to 10% in 2012 (Figure 68). The declining importance of ODA in Tanzania is also evidenced by the rising importance of domestic revenue which has reached 18% of GDP in 2012 from 12% in 2005 (Figure 69), FDI (Figure 70) and the increasing resources from non-concessional loans (Figure 71).

The role of non-traditional DPs such as China and private foundations is on the rise as well. Gates foundation is currently financing the Financial Sector Deepening Trust (FSDT) jointly with other traditional donors. In Zanzibar, China is increasingly becoming an important partner, both in capacity building and infrastructure support, with an annual aid valued at US\$ 50mn. To further diversify funding sources, the government is also on the course of issuing sovereign bond to finance large infrastructure projects. The declining ODA to GDP ratio and the potential exclusion of donors' inflows from the national budget forecast signal limited space in the future for DPs to use aid as a tool to enforce good governance and influence policy reforms.

Figure 67: Net ODA to Tanzania (constant 2011 US\$ bn)

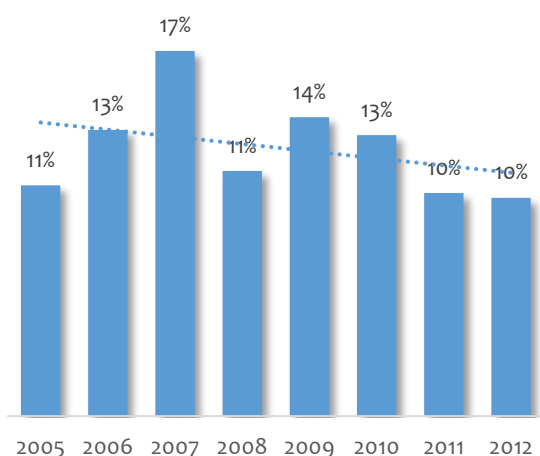


Source: World Bank – WDI (2015)

When compared to the overall FDI inflows to the region, the scale of FDI inflows to Tanzania is significant. As demonstrated by Figure 69, FDI resources to Tanzania in most cases have been higher than the sum of the flows to the rest of the EAC. The development stage of the LNG processing plant is expected to further amplify FDI inflows by bringing in US\$ 20bn from 2018-2021 (IMF, 2014). It is worth noting that Tanzania is attractive to foreign investors largely because of its natural resource base rather than the ease of doing business.

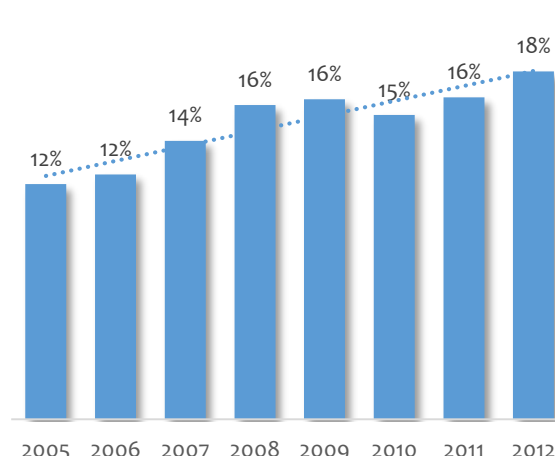
Despite the country attracting significant proportion of FDI coming to the region, other EAC members, in particular Kenya are catching up. Kenya's relative supportive business environment and its potential for oil and gas discoveries in the near future will make the country increasingly competing with Tanzania for FDI flowing to the region (Figure 70 shows a consistent rise in FDI flows to EAC countries – excluding Tanzania – from US\$ 0.77mn in 2010 to US\$ 1.78mn in 2013. Most of this increase is contributed by increasing FDI flowing to Kenya). It is worth noting that the risks with government spending being directly linked to the level of and earnings from FDI come from vulnerability of the domestic economy to investment (fluctuations in FDI) and and/or price shock (earnings from FDI).

Figure 68: Tanzania's ODA/GDP ratio



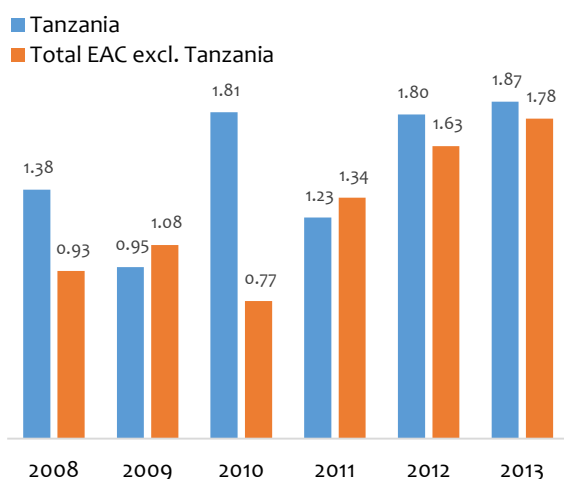
Source: World Bank – WDI (2015)

Figure 69: Tax revenue in Tanzania (% of GDP)



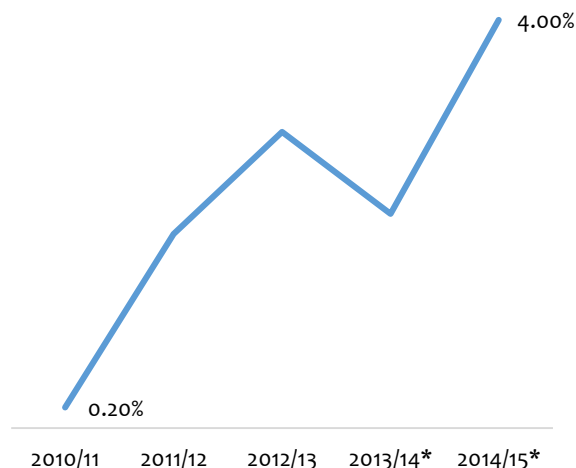
Source: World Bank – WDI (2015)

Figure 70: FDI flows (US\$ bn): Regional comparison



Source: UNCTAD (2014)

Figure 71: Non-concessional loans % of GDP

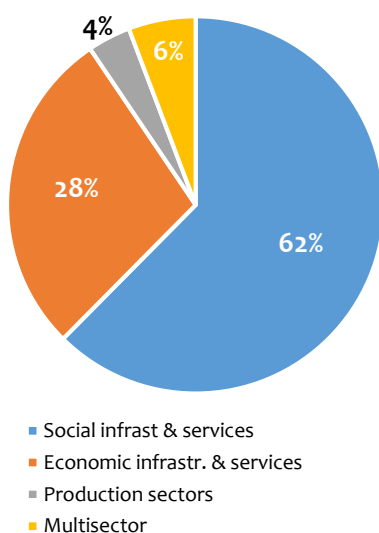


Source: IMF (2014)
* Projections

5.6.2.3 What is the aid money spent on?

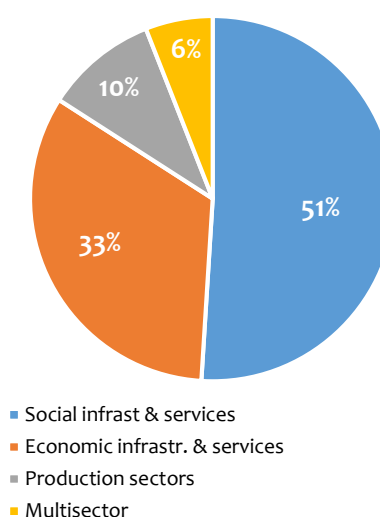
About 50% of ODA to Tanzania is spent on social sectors (Figure 73). In terms of trends, it is then a 12 percentage points less than the 62% share of the total ODA recorded in 2005 (Figure 72). The declining ODA share of the social sector has been the gain to ODA share of the other two sectors i.e. economic infrastructure and services⁶⁰ and production sectors⁶¹. The two have raised their ODA shares by a total of 11 percentage points from 2005-2013. Such changing patterns in Tanzania mimic the overall global trends in ODA allocations across the three sectors (annex 2).

Figure. 72: Sectorial distribution of ODA allocated to Tanzania in 2005:



Source: OECD (2015)

Figure. 73: Sectorial distribution of ODA allocated to Tanzania in 2013



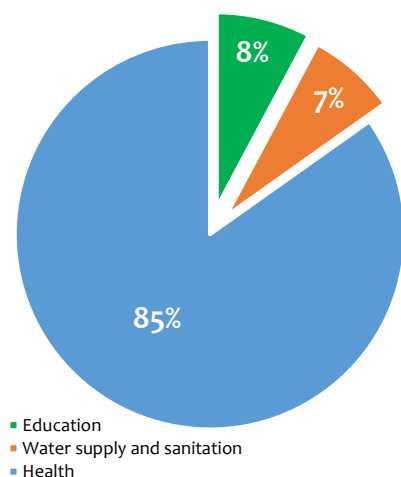
Source: OECD (2015)

The ODA share of the health sub-sector within the social sector has remained stable overtime at 85% (Figure 74 and 75). However, the share of the education sector is declining, accompanied by rising importance of water and sanitation in the distribution of ODA resources within the social sector portfolio. The declining share of education remains a concern in the wake of rapid population growth (need for investment in quantity) and poor learning outcomes (need for investment in quality). In absolute terms, the health sector financial envelope has increased from US\$ 414mn in 2005 to US\$ 778mn in 2013 with resources for water and sanitation more than doubled to US\$ 89mn in 2013 from US\$ 36mn in 2005 (Figure 76). While Tanzania has managed to attract increasing ODA in the health sector, the global allocation to the sector has been declining, from a peak of US\$ 1.1bn in 2010 to US\$ 778mn in 2013 (Figure 76) (OECD, 2015).

⁶⁰ Transport, communication and energy.

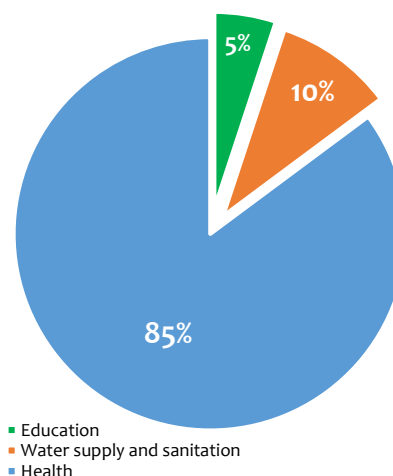
⁶¹ Agriculture, forestry, fishing, industry, mining, construction, trade and tourism.

Figure. 74: The distribution of ODA within the social sector in Tanzania (in 2005)



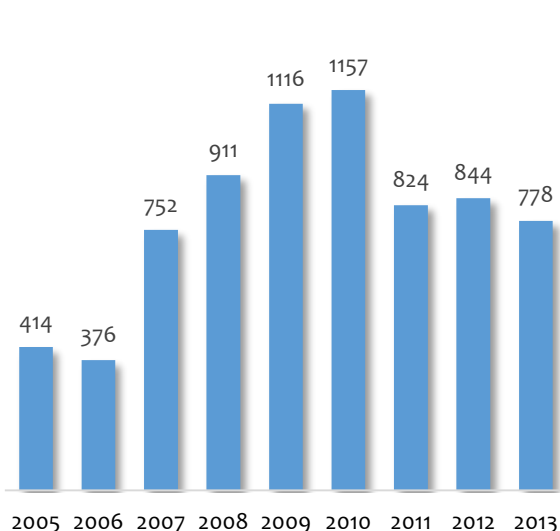
Source: OECD (2015)

Figure. 75: The distribution of ODA within the social sector in Tanzania (in 2013)



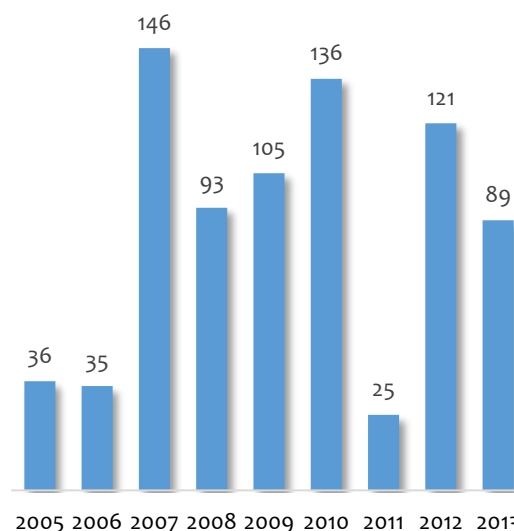
Source: OECD (2015)

Figure. 76: The rising and falling of global ODA being allocated to the health sector (US\$ mn)



Source: OECD (2015)

Figure. 77: ODA directed to the water supply and sanitation in Tanzania (US\$ mn)



Source: OECD (2015)

5.6.2.4 Where do the DPs channel their ODA?

The USA finances more than half of ODA to social services (62%) in Tanzania and 1 out of 3 dollars of global ODA to the production sector in Tanzania (Table 22). Denmark is the largest ODA provider to economic infrastructure and services providing nearly one half of the ODA directed to that sector. New donors to the social sector in Tanzania include Poland, Czech Republic and Portugal, while economic infrastructure sector has seen the arrival of Portugal, Poland, Slovakia and New Zealand. However, none of the new comers brought in an annual envelope of more than US\$ 1mn. They are also not expected to significantly increase their resources in the medium term.

Table 21: Top 5 ODA providers to Tanzania in 2013 (proportion of total allocations)

Social sector		Economic infrastructure		Production sector	
United States	62.2%	Denmark	46.7%	United States	33.2%
Germany	10.8%	Germany	14.8%	Japan	33.2%
UK	8.2%	United States	13.6%	UK	9.0%
Japan	4.9%	Japan	13.5%	Ireland	7.6%
Canada	3.9%	Sweden	7.4%	Canada	6.5%

Source: OECD (2015)

By looking at the trends in ODA allocations by individual DAC members (across the three main sectors) we can detect possible trends in the medium term. Table 23 shows an increasing movement towards production sector at the expense of social and economic infrastructure sectors. Since 2010 nine DAC members have significantly increased financial resources to the production sector compared to only 3 members to have done the same in each of the other two sectors. The number of DAC members reducing their allocations across the three sectors confirms similar emphasis towards the production sector. Since 2010, a total of 7 and 10 DAC members have significantly scaled down their resources to the social and economic infrastructure sectors respectively compared to only 3 donors to have done so for the production sector.

Table 22: The number of DPs who are increasing/decreasing ODA across the three sectors

DPs with significant increase in their financial allocation to Tanzania 2010-2013			DPs with significant decrease in their financial allocation to Tanzania 2010-2013		
Social sectors	Economic infrastructure	Production sectors	Social sectors	Economic infrastructure	Production sectors
France	Germany	UK	Greece	Sweden	Netherlands
Canada	Canada	Sweden	Netherlands	UK	Denmark
United States	Korea	Switzerland	Denmark	Italy	Germany
		Korea	Spain	Netherlands	
		Canada	Japan	Denmark	
		Ireland	New Zealand	Spain	
		United States	Luxemburg	Ireland	
		Japan		United States	
		New Zealand		Japan	
				Luxemburg	

Source: Own calculation from OECD (2015) data

5.6.2.5 Which sectors do DPs considered as priorities in the next five years (2016-2021)?

Despite limited number of responses, the February 2015 UN administered survey and information from the DPG website highlight potential future trends by some of DPs. Seven DPs responded to the UN survey and identified tentative list of priority sectors for the next five years. Governance thematic area led the way as mentioned by 6 out of 7 respondents. Agriculture and natural resources came second as identified by 5 out of 7 respondents, followed by private sector development and trade which was pointed out by 4 DPs. Next were education and environment sectors anticipated by 3 DPs only. The remaining sectors social protection, health, technology, gender, infrastructure, research land and human resources and HIV/AIDS were mentioned by no more than 2 DPs (Table 24 lists the forthcoming priority sectors for the 7 DPs).

In addition to sectorial prioritization, DPs specified ways in which their assistance to Tanzania will evolve. USAID expects to place more emphasis on sectorial integration in its interventions as well as raising the level of collaboration with other aid agencies in the fields to which USAID operate. Their intention to engage in SBS is testimonial to their increasing desire for harmonization. Other intentions such as broadening activities in good

governance related assistance (EU), introduction of broader range of instruments (AfDB and Sweden), increasing support to multilateral mechanisms (EU and Spain) and civil society organizations (Spain) are all expected to characterize DPs activities in the next five years.

Table 23: Potential priority sectors under consideration (2016 – 2021)

<i>DPs</i>	<i>Sectors</i>
USAID	Agriculture, education, health, HIV and AIDS and natural resources.
EU	Agriculture, energy and minerals, governance, natural resources, private sector and trade, environment, governance and public finance management statistic.
Spain	Governance, private sector and trade, social protection and water.
Italy	Environment, Health, Private Sector and Trade
Finland	Agriculture, governance, innovation and technology, natural resource, environment, gender equality, governance, natural resources and private sector and trade.
AfDB	Agriculture, education, energy and minerals, governance and infrastructure
Sweden	Agriculture, education, employment, energy and minerals, gender equality, governance, social protection, innovation & technology, research, land & human settlement and private sector and trade.
Canada	Sustainable economic growth ¹ .
Denmark	Health, private sector development and governance ¹ .
France	Water and NRJ ¹
Netherlands	With limited, non-delegated funds, priorities will include sustainable entrepreneurship and food security (including horticulture), water; sexual and reproductive health and rights and energy ¹ .

Source: UN administered perception survey (2015)

¹ Sourced entirely from the DPG website <http://www.tzdp.org.tz/dpg-website/dpg-tanzania/country-assistance-strategyprogram-overview.html>

5.6.2.6 What changes could be expected from the three aid modalities?

- Six out of 10 DPs expect to alter their aid modalities in the period 2016-2021. Expected trend is either DPs exiting or scaling down GBS resources (see also Table 24 and 25). Based on the information from the 2015 UN administered perception survey, the GBS instrument evolve as follows: -
 - Norway – to exit from GBS to SBS.
 - Ireland – to exit from GBS.
 - Sweden – to scale down GBS and raise its financial allocation to SBS, results based financing, pooled baskets and project support. Use of loans and guarantees is projected to rise as well.
 - EU - scaling down GBS from 40% to 30% of its total financial envelope and consequently raise its contribution to UN agencies from the current 10% to 20%.
- USAID intends to join SBS by allocating 10% of its total financial envelope.

- Italy will consider SBS only when ODA allocation to Tanzania is raised. Potential sectors include health and employment creation.
- Denmark will likely to continue with GBS. Support to the health sector in Zanzibar has ended and phasing out of transport (2013-14) and environment (2013-15) is ongoing⁶².

Table 24: Indicative distribution of ODA across aid modalities – 2016-2021

	GBS	SBS	PROJECT
Switzerland	0%	10%	90%
USAID	0%	10%	90%
EU	30%	10%	40%
Italy	0%	10%	90%

Source: Own calculation from OECD (2015) data

Table 25: The current distribution of ODA in the past 5 years.

	GBS	SBS	PROJECT
Switzerland		17%	83%
EU	40%	10%	35%
Ireland	30%	50%	15%
Italy	0%	0%	100%
Finland	30%	10%	60%
AfDB	25%	0%	75%
Norway	30-40%	0%	40-45%
Sweden	50%	15%	35%

Source: Own calculation from OECD (2015) data

5.6.3 Progress towards the global aid effectiveness agenda: Achievements and challenges

Table 27 presents progress on 8 Busan monitoring indicators, whose trends depend on improvements by both donors and partner governments. Mixed outcomes could be observed from the data presented in the Table. When benchmarked against global averages, Tanzania is far ahead in all 5 indicators to which data were available. For instance, 93% of the committed aid was disbursed (aid predictability) compared to the global average of 84%. It signals the continued trust DPs have on the development process and governance aspects in the country. The performance is significantly higher when compared to 70% and 61% recorded in the 2005 and 2008 respective rounds of Paris declaration. Aid Management Platform (AMP) and Tanzania's membership in the Open Government Partnership (OPG) have improved donor reporting on aid disbursement to the government, CSOs and private sector. The percentage of untied aid also improved but remains high at 88% in 2012. It was 91% at the 2010 survey.

Signs of reversing trends are observed when we turn our attention to the 2010 reporting as benchmark. In that order, 4 out of 7 indicators demonstrate declining performance. The percentage of aid on budget had declined from 89% to 74% followed by a setback on aid disbursed using national budget execution and financial/procurement systems. The decline is largely attributed to the reduced levels of GBS which is relatively highly integrated into the national budget processes than project resources. On the ownership criteria, Tanzania remained highly regarded with respect to developmental policies. The country achieved a top score ('a') in the third round of survey of the Paris declaration by having a unified strategic development framework, with its priorities clearly set out and strategically linked to the budget. Both MKUKUTA II and MKUZA II were drafted through an extensive national consultative process. It is however, worth noting that despite the national level human development reports, MKUKUTA and MKUZA annual implementation reporting using national systems,

⁶² Source of information: UN administered survey (2015) and the DPG website <http://www.tzdpg.or.tz/dpg-website/dpg-tanzania/country-assistance-strategyprogram-overview.html>

they are heavily donor funded unlike the annual economic surveys reporting which is entirely funded through the government own resources.

Table 26: Busan monitoring indicators - country level indicators for Tanzania

Indicator	2010*	Global average (2010)	FY 2012/13	Global Average (2013)	2015 Target
5a: Annual predictability (% of disbursements 'as scheduled' for disbursements)	89%	79%	93%	83.8%	95%
5b: Medium-term predictability. Estimated proportion of total funding covered by forward spending plans.	n/a	n/a	81%	70%	90%
6: Aid on budget (% of scheduled disbursements captured in GoT budget)	89%	57%	74%	64%	94%
7: Mutual accountability (**)	Yes	n/a	yes	n/a	yes
8: Gender Equality and Women's Empowerment (% of countries with systems that track and make public allocations for gender equality and women's empowerment) (**)	Yes	n/a	yes	n/a	yes
9a: Quality of PFM systems using CPIA 2012 ratings (***)	3.5	n/a	3.0	n/a	4.0
9b: Use of country PFM systems (% of disbursements using national budget execution, financial reporting, auditing processes and procurement procedures)	77%	48%	73%	49%	86%
10: Untied aid (% of aid that is fully untied); using DAC 2012 data	91%	77%	88%	79%	n/a

(*) Reference figures have been revised to correspond to the 2013 methodology

(**) See detailed description in annexed excel sheet "Additional Questions".

(***) World Bank Country Policy and Institutional Assessment (CPIA). 2012 rating.

Source: Tanzania DPG (2014)

A number of achievements on the harmonization principle are worth highlighting. Despite limited number of analytical works and missions conducted jointly, a single framework e.g. Performance Assistance Framework (PAF) for the GBS instrument persist, shared public expenditure and financial accountability reviews and SWAPs in the health sector continue to flourish. Information sharing and development of joint positions and inputs to the national development agenda continued to characterize DPs-government interactions. The DPG structure continues to strive and has even managed to reach out to non- traditional donors for consultations.

Despite a high score of 93% in aid disbursed in 2012/13, the mutual accountability principle continued to be constrained by uneven balance of power where aid beneficiary countries such as Tanzania lack mechanisms to impose donor commitments (UNDP, 2012). The current impasse where DPs have withheld GBS resources is a classic reflection which also signals a declining trust and confidence between DPs and the government. The latter in addition to the declining relative importance of ODA and changing composition of GBS group bring uncertainties on how DPs in the medium term will be interacting with the government particularly in areas such as governance and policy reforms. The medium term will therefore be characterized by issues under the following four main areas: -

Policy dialogue related

- Efforts in reviving trust and confidence between DPs and the Government.
- Potential areas expected to dominate policy dialogue include governance, PFM, local government effectiveness, quality of dialogue, fragile freedom of expression, management of natural resources and climate change and the provision of equitable and quality services.
- DPG will remain in favor of improved interactions and dialogue with non-DPG members (China international NGOs).

Programs and programming

- Any programming by DPG members needs to factor in the scale and approaches by non-DPG members. China has scaled up capacity building in addition to infrastructure development in Zanzibar, where a total of 320 public officials are trained in China annually in a diverse number of fields (public administration, clean technology etc.). It amounts to around 1,500 trainees in the past 5 years. Traditional donors are therefore compelled to assess their value addition in capacity building area in the wake of such massive intervention by China.
- DPs need to better understand the complexity of the union structures to improve aid delivery processes to Tanzania.
- The scope for testing new approaches prevails. For example, joint programming without necessarily implying joint programs. The experience of joint missions/analytical exercises/collective positions through platforms such as DPGs have yielded necessary experience to engage in joint programming.

Aid effectiveness

- Complementing aid effectiveness principles with development effectiveness. The latter would imply expanding the development cooperation field and dialogue to a wide range of stakeholders. Once endorsed the Development Cooperation Framework (DCF) is expected to motivate discussions around development effectiveness.
- Decisions on project locations need to consider immense regional disparities and inequities. The upcoming poverty mapping exercise (using HBS and census data) and the existing MPI and Tanzania's HDI regional disaggregated data are the tools to aid decisions on project locations.
- Increasing alignment to home grown development agenda. FYDP and BRN offer such opportunities.
- Responding to areas of slippages highlighted by the aid effectiveness indicators (Table 27).
- Increasing coordination efforts in the wake of large GBS donors moving back to projects. The GBS instrument will also be restructured as per the recommendations from its 2013 evaluation⁶³.

⁶³ Recommendations for GBS restructuring are available at <http://www.tzdp.org.tz/dpg-website/sector-groups/other-groups/httpwwwwtzdp.org.tz/budgetsupport/key-documents.html>)

5.6.4 Causal analysis of the key challenges: Aid effectiveness

Challenges	Immediate causes	Underlying causes	Root causes
1. Ineffective dialogue between government and DPs and between DPs.	<ul style="list-style-type: none"> • High transaction costs in engaging with a multitude of donors. • Conflictive and drawn out discussions e.g. GBS PAF instruments. • Inadequately informed and insufficiently strategic dialogue. • Low level of government ownership and leadership over the process and technical weaknesses. • Mismatch between development needs and supply of aid resources. 	<ul style="list-style-type: none"> • Complicated, duplication & multiple structures in policy dialogue. • Loss of institutional memory on the DPs side. • Limited preparedness for planned donor/government meetings. • Limited application of evidence based policy dialogue. • Limited efforts from DPs to align to the existing home grown development initiatives. 	<ul style="list-style-type: none"> • Multiple agents and objectives underlying formulation of different elements in dialogue processes. • Frequent changes in DPs' personnel. • Gov't has other responsibilities beyond interactions with donors. • Limited use of research and evaluation work to underpin policy dialogue. • Inflexibility of the development cooperation policies of aid agencies.
2. Weak complementarity between aid resources and domestic resources at the local level.	<ul style="list-style-type: none"> • Unequal sector performance across districts. • Significant disparity of funding across districts. 	<ul style="list-style-type: none"> • Limited fiscal decentralization. • Amplification of regional disparities. 	<ul style="list-style-type: none"> • Highly centralized process for development planning and decision making. • Risk averse and undue attention to regional disparities when locating donor projects.
3. Limited credibility of the budget along the core functions of budget formulation, execution and reporting.	<ul style="list-style-type: none"> • Financial mismanagement and leakages as consistently reported by annual CAG reports and corruption scandals. • Incidences of non-compliance with internal control systems. 	<ul style="list-style-type: none"> • Inadequate adherence to the professional and ethical management of public finances. • Limited internal monitoring and control of public finances. 	<ul style="list-style-type: none"> • Limited effectiveness of parliament in enforcing accountability in PFM. • PFMRP not fully addressing shortcomings in budget formulation and execution.

<p>4. Over focusing on aid effectiveness rather than development effectiveness.</p>	<ul style="list-style-type: none"> • Weak links between aid, investments, trade, technology, knowledge transfers, south-south cooperation etc. • Suboptimal coordination of donor resources and exclusion of key actors. 	<ul style="list-style-type: none"> • Undue attention to local domestic developmental preferences and processes. • Limited incentives to engage in complicated development challenges. • TA often does the work instead of building capacity sustainably. • Inadequate planning and poor execution of foreign financed programmes. 	<ul style="list-style-type: none"> • Limited push for development – which goes beyond ODA. • Short stay in duty station for most development specialists and TAs in aid agencies. • Limited understanding of the local context, and what generate change, realistic expectations. • Bilateral dialogue between one DP and government outside the official dialogue structures. • Dialogue on overarching issues such as anti-corruption exclude other stakeholders⁶⁴.
<p>5. Aid is less subjected to parliamentary scrutiny and strategic allocation processes.</p>	<ul style="list-style-type: none"> • Aid being channelled outside the system and not captured in the national budgetary processes. • Limited government ownership of the interface between DPs and development initiatives. 	<ul style="list-style-type: none"> • Limited use of partners' country systems such as budgetary, procurement and reporting systems. • Predictability of donor resources are less than the ideal period of three or even five-year. • Uneven balance of power between Tanzania and DPs. 	<ul style="list-style-type: none"> • Different planning cycles between donor HQs and country PFM procedures. • Over-centralization of policies and decision making at donors' HQs. • Risk averse behavior for some DPs to use partner country budgetary systems, processes and cycles.
<p>6. Fragmentation of aid delivered to Tanzania.</p>	<ul style="list-style-type: none"> • Limited harmonization between diverse types of aid. 	<ul style="list-style-type: none"> • Limited coordination among donors. • Absence of coordinated M&E culture. 	<ul style="list-style-type: none"> • Traditional and emerging donors strongly rooted into their institutional agenda and priorities. • Mushrooming of agencies, vertical funds, family and corporate

⁶⁴ For instance, the GBS anti-corruption dialogue with the government excludes other stakeholders such as other CSOs and non-GBS DPs.

		<ul style="list-style-type: none"> Unclear trends/shifts in donor support. 	foundations, non-traditional donors etc. <ul style="list-style-type: none"> Limited government ownership and coordination.
7. Programmes supported under development assistance lacking a focus on gender equality	<ul style="list-style-type: none"> Limited prioritization of women's empowerment and gender equality. 	<ul style="list-style-type: none"> Limited capacity to hold government accountable for commitments related to gender equality and women's empowerment. 	Limited accountability for development effectiveness based on agreed indicators for gender equality.

5.6.5 Capacity gaps analysis: Aid effectiveness

Institutions	Capacity constraints
Parliament and district councils.	<p>Skills/knowledge: • Limited capacity development support to the parliamentarians, councilors, and non-state actors in areas that would raise demand for accountability • Limited capacity for district councils to access and undertake analytical exercises to raise their ability to carry out their oversight responsibilities.</p> <p>Motivation: • Limited motivations to enforce fiscal decentralization • harmonization of different laws to make the governance system consistent with decentralization by devolution.</p>
Central and local governments.	<p>Skills/knowledge: • Inadequate capacity of government to manage diverse pool of DPs • inadequate capacity to formulate, implement, monitor, report and evaluate public sector interventions as well as control of budget through MTEF • weak in area of research and evaluation capacity necessary to underpin policy making and implementation • insufficient scientific tools and knowledge to refine policies in the light of results.</p> <p>Motivations: • A number of tools have been introduced by the core cross cutting reforms (e.g. OPRAS, clients' service charter and complaints handling mechanisms etc.) however they are yet to be firmly institutionalized • limited inclusion of aid flows from national and international NGOs, private sector and international foundations financing activities in Tanzania.</p> <p>Resources: • Considerable improvements in recording aid resources, however gaps persist in the quality of data entries • roll-out of AMP to line ministries not in place.</p>
DPs.	<p>Motivation: • Inadequate capacity to understand the local context • absence of incentives to drive all DPs towards prioritization, coordination, alignment and harmonization • Despite an improvement in the reporting and quality of data submitted to AMP, weak ODA forecasts that are aligned to local details and MTEF time horizon persist.</p>

Civil societies	Skills/knowledge: • Weak project implementation capacity.
	Resources and motivation: • A financially and technically weak civil society with weak horizontal bonds and low capacity for collective action.

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Annexes

Annex 1: Aid effectiveness – the case of GBS and SBS

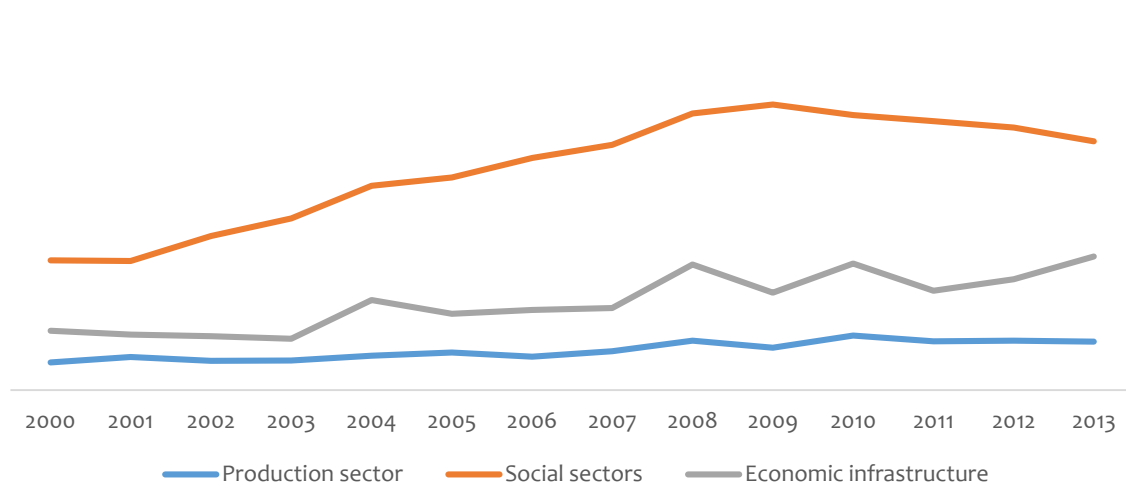
The 2014 independent evaluation of the GBS and SBS made three major conclusions on the effectiveness of the GBS instrument (i) budget support does deliver tangible development results (growth and improvement in non-income poverty outcomes) by allowing the government to spend more on health, education, water and infrastructure. GBS resources did stimulate the economy, potentially because of abundant supply of underutilized labor and consequently resulted into strong uninterrupted growth over the evaluation period (ii) GBS resources assisted the government in scaling up spending in the priority sectors without recourse to excessive borrowing (iii) GBS significantly lead to reduced transaction cost and improved effectiveness and sustainability of financing than could have been the case with other modalities.

The volume of GBS resource envelope, for instance, would have been equivalent to some 200 additional projects with prohibitive transaction costs. Such instruments would have not provided the government the same flexibility as GBS, for example, a financial muscle to hire teachers and medical personnel (iv) combination of GBS with targeted project support to institutions of accountability such as the NAO, the parliament, CSOs, media and LGAs raised transparency in the operations of such entities.

Without claim to direct causality, GBS and SBS is attributed to growth the net enrolment rate in primary school with the transition rates from primary to secondary expanding from 20% in 2006 to 54% in 2012. Sectors such as infrastructure saw sharply increased public investment resulting into a 14% expansion of the national roads network over 2008 to 2011. Outcomes in non-income poverty was evidenced by the Tanzania's Human Development Index (HDI) shifting above the SSA average from 0.364 to 0.466 between 2000 and 2011.

However, because of the methodological differences and the statistical results falling within the boundaries of statistical error, the report gives cautious reading to the trends in income poverty as demonstrated by the past three waves of the HBS. Even if the trends are considered as they are, the general consensus is limited progress on income poverty relative to the experience of rapid growth for over 10 years. It therefore beg a question on whether the government is undertaking the rights reforms and whether the reforms are trickling down to he intended beneficiaries rather than benefiting the few. The following are areas ae expected to characterize the donor – recipient relationships in the medium term: -

Annex 2: Global trends in the total allocations of ODA across the three sectors



Source: OECD (2015)

Annex 3: Terms of Reference

Project Title: UN Development Assistance Plan (UNDAP) II Tanzania - Situation Analysis

I) Project description

In preparation for the formulation of the Tanzania UN Development Assistance Plan (UNDAP) II, the UN Country Team requires a Situation Analysis (SitAn) which defines both the current and projected (seven year forecast) priority development challenges alongside their underlying causes in-country, with due reference to regional dimensions where relevant.

The SitAn has three key objectives:

- 1) To define the priority development challenges for the United Republic of Tanzania (URT) based on an assessment of the current and anticipated shortfall, referencing patterns of discrimination and/or inequality, of:
 - a. the URT's progress towards the standards set in:
 - The eight Millennium Development Goals
 - The ten core international human rights instruments, including optional protocols
 - Beijing Declaration and Platform for Action
 - The MKUKUTA II and MKUZA II goals
 - Five Year Development Plan 2011/2012-2015/2016
 - b. the current status of the URT in terms of the:
 - The proposed Sustainable Development Goals
 - The Tanzania Development Vision 2025 and Zanzibar Vision 2020
 - The risk and influence of conflict, domestic and regional
 - The risk of humanitarian crises and natural disasters
- 2) To pinpoint the environmental, organizational and individual capacity gaps of both duty bearers and rights holders across political, economic, social and cultural factors which hinder effective redress of the development challenges identified.
- 3) To map the current and forecasted development priorities of traditional and non-traditional Development Partners in Tanzania, with a maximum seven year trajectory. This will include analysis of the evolution of aid modalities and patterns, in particular the impact of the changing economic environment (domestic, regional and global) on donor preferences.

The SitAn will draw upon and complement government-led analytical work, from a Human Rights Based Approach. It will utilise a range of currently available studies, surveys and assessments which measure the United Republic of Tanzania's progress towards Internationally Agreed Development Goals, international human rights standards, as well as nationally defined Development Visions. The SitAn will also incorporate assessments regarding the strengths and weaknesses of existing national systems and processes across a number of areas from public financial management to planning, monitoring and evaluation.

The data and analysis generated within the SitAn, alongside complementary studies such as the UNDAP I Evaluation, will inform decision-making regarding UN Tanzania programming content and intervention modality for the next five-year Programme of Cooperation. As such, the primary users will be the UN Country Team (resident and non-resident, management and technical level staff), the Government and Non-State Actors as well as Development Partners.

II) Scope and methodology

The SitAn should be centered on a desk review of key documents provided. In particular, the SitAn must encompass the thematic areas listed in the following texts:

- 1) The 17 Sustainable Development Goals, as defined at the time of contracting
- 2) The 8 Millennium Development Goals
- 3) The ten core international human rights instruments, including optional protocols
- 4) Beijing Declaration and Platform for Action
- 5) The Tanzania Development Vision 2025 and Zanzibar Vision 2020
- 6) MKUKUTA II and MKUZA II
- 7) The Five Year Development Plan 2011/2012-2015/2016

It is anticipated that the analysis provided will identify potential for synergies and complementarity across these areas of concern. Additional sources may therefore be consulted and a limited number of semi-structured stakeholder interviews, surveys and focus group discussions undertaken to complement the depth and range of the SitAn. The latter should be identified based upon availability, logistical constraints (travel, costs, time, etc.) and ethical considerations. Data should be systematically disaggregated by sex and age and, to the extent possible, by geographical region, ethnicity, disability, migratory status and other contextually-relevant markers of equity. Information sources and findings should be triangulated where possible for validation purposes.

It is expected that at least some of the consultancy will be undertaken in Dar es Salaam, with potential for visits to Zanzibar and the wider mainland.

III) Process and key deliverables

The consultants must first prepare an Inception Report that operationalizes the design elements of the ToR, including a matrix linking the SitAn's objectives to key questions and data collection methods. In particular, the Inception Report must incorporate the results of a preliminary desk review, description of methodological approach, data collection plan and tools, key informants, issues to be studied, work plan and reporting requirements. The report must also include foreseen limitations and risks, resource requirements and logistic support.

On approval of the report, the consultants must then proceed with data collection and analysis. This process should be undertaken in close consultation with the Office of the Resident Coordinator who will ensure coordination with the UNCT and external stakeholders.

The draft report will be presented to the UNCT and identified stakeholders to validate preliminary findings and correct any inaccuracies. A final report must then be produced which integrates their feedback. Once approved, the report will be made publicly available on the UN Development Group and UN Country Team websites.

The Report should maintain the following structure:

1. Title
2. Inside cover - acknowledgment, disclaimer, management
3. Table of Contents
4. Executive summary
5. Background / context of the SitAn, including purpose and scope
6. Methodology
7. Principal Findings, encompassing but not limited to the following thematic areas:
 - poverty reduction
 - food security, nutrition and agriculture

- health, HIV/AIDS, education and life-long learning, water and sanitation
 - inequality and social exclusion, in particular related to gender equality and empowerment of women and girls
 - economic growth including tourism, employment and decent work
 - cultural heritage
 - demographic profile, patterns of human settlements, consumption and production including industrialization.
 - climate change, including environmental degradation and depletion of natural resources, and its impacts
 - use of oceans, seas, marine and terrestrial ecosystem resources and access to energy
 - peace, good governance and access to justice
 - humanitarian crises and natural disasters
 - aid effectiveness
8. Conclusions
9. Annexes, including but not limited to:
- TOR
 - Bibliography
 - Acronyms