THE UNITED REPUBLIC OF TANZANIA

MKUKUTA

NATIONAL STRATEGY FOR GROWTH AND REDUCTION OF POVERTY

STATUS REPORT 2006:

Progress towards the goals for growth, social well-being and governance in Tanzania

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CONTENTS

FOREWORD

The Status Report 2006 is a key output of the monitoring system for MKUKUTA[1], Tanzania's National Strategy for Growth and Reduction of Poverty for the period 2005-2010.It provides a consolidated national view of the strategy's progress based on MKUKUTA's three major clusters of desired outcomes for poverty reduction: growth, social well-being, and governance.

This is the first report to provide an analysis using the national set of indicators revised in 2005/06. It reviews progress relative to the targets set in MKUKUTA, and updates information contained in the Poverty and Human Development Report series, the most recent of which was produced in 2005. The full list of national indicators is provided in the annexes to this report together with time series data.

The Government of Tanzania will issue national reports on MKUKUTA on a regular basis in order to gauge change and assess the progress of the strategy. The intention is to produce reports which are useful for planners and other stakeholders interested in Tanzania's development. The Ministry of Planning, Economy and Empowerment (MPEE) is the office responsible for monitoring MKUKUTA. It coordinates the many stakeholders involved, including the Research and Analysis Working Group of the MKUKUTA Monitoring System which produced this report.

The current report is based on detailed analysis of research commissioned by the RAWG, and on data and information from a wide range of government ministries, departments and agencies as well as non-state actors. The Government wishes to give special recognition to the central role of the National Bureau of Statistics in providing timely data for the analysis of MKUKUTA's progress.

We welcome feedback on this report. Please send any comments and suggestions to the MKUKUTA Secretariat within the Ministry of Planning, Economy and Empowerment, contactable through the following email: secretariat@povertymonitoring.go.tz

Ambassador C. Mutalemwa
Permanent Secretary
Ministry of Planning, Economy and Empowerment

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1   Mkakati wa Kukuza Uchumi na Kuondoa Umaskini Tanzania (MKUKUTA) is the Swahili translation for the National Strategy for Growth and Reduction of Poverty

Acknowledgements

Highlights and Recommendations

This Status Report 2006 is produced in accordance with the MKUKUTA Monitoring Master Plan (MPEE, 2006), which calls for a short report on the status of growth, poverty and governance in Tanzania. The report provides information and analysis for the first year of implementation of MKUKUTA based upon the full revised set of national indicators.

In preparing the report, assessments were made of the indicators themselves and the data required to provide reliable measures. In some cases, alternative indicators are proposed which may provide more precise assessments of strategy goals or which might be more practical for data gathering purposes. In other instances, greater clarity is needed in the definition of the goals. The monitoring system for MKUKUTA encourages such examination and review, not only of real progress in development in Tanzania, but also of the systems by which progress is assessed.

Overall Summary

Clear progress is indicated by the data analysed against the goals of MKUKUTA's three major clusters, but further action is needed in each cluster. Moreover, linkages between the clusters are necessary, as the clusters and goals are mutually reinforcing. These interrelationships were borne in mind when assessing the implications and recommendations emerging from this year's report.

The overall assessment of **Cluster I** indicates progress, but the rate of growth needs to be accelerated, and a more strategic and prioritised approach is required to generate broad-based growth, particularly in agriculture.

In **Cluster II**, indicators for education are generally positive, but issues of educational quality need to be addressed. The most recent survey data for health are generally positive also. However, routine periodic reporting through the Health Management Information System (HMIS) remains problematic thereby limiting the assessment of health indicators. A similar situation faces the assessment of goals for increased access to safe water and sanitation. Given its essential role in improving health and productivity, access to safe water needs higher prioritisation.

For **Cluster III**, this is the first year that a set of governance and accountability indicators are being used in the national monitoring system. Initial results provide a general impression of modest improvement, but efforts need to be sustained and intensified. In many cases, obtaining data was challenging, and stronger links are needed between local government monitoring and evaluation systems and national level MKUKUTA monitoring.

Recommendations

The following recommendations are put forward based on this report's findings:

1. Underlying policy frameworks need to be further strengthened.

Although much effort was invested to identify and choose indicators, the selection in some areas is weak, usually because of the lack of underpinning policy frameworks. This is especially the case in social protection and in several areas of governance.

2. Financing of activities and spending of local government authorities (LGAs) needs special monitoring.

Currently, the information available from LGAs is inadequate, and monitoring systems need further strengthening to assess the finances of, and progress in, local government. To facilitate this, flows of funds and reporting obligations need to be streamlined, consolidated, and transparent. This is recognised as crucial given the responsibilities of local government for the delivery of public services.

3. A clearer growth strategy is needed to provide focus for investment – domestic and foreign – in productive sectors of the economy in which domestic producers and investors play critical roles, especially in agriculture and infant industries.

An 'enabling' approach to growth is necessary, but not sufficient to address the urgent need for development in infrastructure and in the social sectors. High expectations about government obligations – especially in generating employment and reforming public sector salaries, as well as their commitment to improving the quality of public services – will require increasing prioritisation of government spending. A focused growth strategy is needed, accompanied by firmer measures in the legal sector and in economic management to ensure that investment patterns are in accordance with national development priorities.

Greater strategic investment in agriculture is necessary to accelerate the rate of growth to reduce rural poverty. However, foreign investment in agriculture has been limited, and greater investment will be needed for necessary improvements in productivity and marketing. Moreover, the continued high spread on interest rates for domestic currency reflects banks' prioritisations, as well as their perceptions of lending risks due to inadequate legal channels to pursue defaulters. High interest rates deter borrowers, especially the small and medium domestic enterprises who may want to invest. More lending needs to be directed into domestic investment for production to complement the few larger scale enterprises currently able to access capital loans.

4. A strategic approach to energy is required, and efforts to diversify energy supplies need to be continued.

The energy crisis and its impact on the economy, tax revenues, and future government spending is of serious concern to all. Inevitably, demand for electricity will increase with growth in the economy and further urbanisation. In the short term, the reduced supply of hydro-electricity, the mainstay of the national electricity grid, and high oil prices have resulted in higher than budgeted government expenditures and lower than expected tax revenues. Protracted problems with energy supplies may have more severe implications for growth and reduction of poverty, especially in urban areas in 2006, and possibly beyond.

5. More prioritisation of government spending is necessary, which takes into consideration various financing and management options for public service delivery.

Sound management of the government budget depends on raising tax revenues and on increasing the extent to which expenditures are financed and managed. Currently, critical shortages of qualified teachers and health workers exist, compounded by expectations about revisions of salaries and improved conditions of work. Therefore, it may be increasingly important for the government to consider contracting out services which it has provided in the past. For example, some aspects of higher levels of technical or academic education could be increasingly financed through soundly managed loans schemes. Whatever options are considered, the demands on the public budget exceed available resources, and spending plans must be judged against serious prioritisation.

6. Reporting of foreign aid in the national budget needs to be expanded and national management of aid flows should be strengthened.

Sound economic management implies strong management of foreign aid flows to complement national revenues so as to maximise the finance available for Tanzania's development. Currently, some public services are heavily dependent on aid, for example, HIV/AIDS prevention and treatment. In some cases the absolute amounts of financing provided is so large and is off-budget (not reported through the national budget), such that it has a distortionary effect on the national budget and on management of funds. In addition, foreign exchange provided through aid programmes requires sound management.

7. Distribution of subsidised food should be focused on those areas unable to purchase foodstuffs in the market, and improved transportation and marketing systems are needed to facilitate distribution of food from areas with surpluses to those with shortages.

Improved food availability is one of MKUKUTA's goals, and the strategy places particular emphasis on food production and on monitoring conditions in districts with food deficits. This goal should be linked to assessments of consumers' capacity to purchase food sufficient to their needs, as not all households in areas with food deficits require government subsidised foodstuffs. Where market mechanisms work effectively and efficiently they should be allowed to do so, including cross border trade which provides opportunities for food crop producers in border areas to increase their incomes.

8. **The process of birth registration should be made much easier, and consideration should be given to tying birth registration to provision of immunisation services, because immunisation coverage is very high.**

A birth certificate is an important mark of citizenship. Birth registration is needed to enrol in school and to obtain a passport, and is required identification to obtain an ID card in the new ID system, as well as for other aspects of civil life. The percentage of births registered within 90 days of birth is very low, particularly in rural areas. In addition, the costs incurred - expenses as well as time and travel – in registering a birth later are considerable. Speeding up the birth registration process by streamlining it with immunisation services could substantially improve the current situation.

9. **A national framework for social protection is needed together with practical actions to ease the hardship of the most vulnerable: the poor elderly who are sick; young people in trouble with the law; and HIV/AIDs sufferers and their carers, as well as others destitute through no fault of their own, especially children.**

As indicated in MKUKUTA, a national framework for social protection is needed. However, in the short run, efforts are required to ease the hardships for groups of society who are in special need. Possible interventions include exemption from health fees for poor elderly people; alternative strategies for dealing with misdemeanours to lessen overcrowding in prisons; and alternative strategies for young people in trouble with the law so that they are not be imprisoned with adults. In addition, there is a need for faster legislative action on the legal reviews on the laws of marriage and rules of inheritance and more effective coordination of existing programmes to support the most vulnerable children.

INTRODUCTION

The Status Report for 2006 is produced in accordance with the MKUKUTA Monitoring Master Plan which calls for a short report on the status of growth and poverty in Tanzania in those years in which a full Poverty and Human Development Report (PHDR) is not produced. It provides an overview of the most recent data on indicators of progress towards the goals and targets of MKUKUTA's three major clusters of desired outcomes for poverty reduction: growth and reduction of income poverty; improvement of quality of life and social well-being; and governance and accountability.

The report presents information for the first year of implementation of MKUKUTA, based on the full set of MKUKUTA indicators. These indicators were developed in a consultative process based on the goals and targets in the annexed matrix of MKUKUTA (Vice President's Office (VPO), 2005). The process was coordinated by the Poverty Eradication Division, now in the Ministry of Planning, Economy and Empowerment, in close collaboration with other government ministries, departments and agencies (MDAs), and in consultation with representatives of development partners, civil society and other national institutions. See Annex for the list of indicators

Analysis in this report is organised into three sections, one section for each of MKUKUTA's three major clusters of desired outcomes. Each section presents the available data, and points out data gaps, challenges, and adjustments which may be warranted in the indicator set. Some of the indicators for growth and for social well-being were subject to analysis in the PHDRs of 2002, 2003 and 2005 (RAWG, 2002, 2003, 2005). The Status Report updates these data and also includes data for new indicators for governance.

Throughout this report, analysis relies as much as possible on yearly data. However, several indicators rely on survey data that is only available on an irregular basis. Therefore, for some indicators, new data was not available in 2006 but will become available in subsequent years.

MKUKUTA CLUSTER I:
GROWTH AND REDUCTION OF INCOME POVERTY

Assessment of Broad Outcome

The broad outcome for MKUKUTA's first cluster is broad-based and equitable growth that is achieved and sustained. The overall assessment for this cluster indicates progress, but the rate of growth needs to be accelerated, with particular attention to strategies which will generate broad-based growth, especially related to agriculture. Public spending on an enabling environment for growth – such as investments in infrastructure, health and education – is necessary. However, the development of a specific strategy for growth would help focus investment – private as well as public – and assist with the prioritisation of public spending.

Assessment of Cluster-wide Indicators[2]

> **Cluster-wide indicators for MKUKUTA's first cluster are:**
>
> ■ Gross Domestic Product (GDP) growth per annum
> ■ GDP growth of sectors per annum
> ■ Gini co-efficient
> ■ Headcount ratio, basic needs poverty line

Estimates of household income (consumption) poverty – from which the headcount ratio and the Gini coefficient are derived – are calculated every five years in Tanzania from data gathered in the Household Budget Survey (HBS). The next HBS is being developed by the National Bureau of Statistics for 2007. In addition, an Integrated Labour Force Survey (IFLS) is in progress, and information from this survey on employment rates will become available in 2007. The NBS is also actively investigating ways to generate more frequent estimates of household income levels. Until such data is available, GDP indicators are used to assess progress for this cluster.

Table 1: Real GDP Growth in Tanzania 1996-2005

Year	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
% Growth	4.2	3.3	4.0	4.7	4.9	5.7	6.2	5.7	6.7	6.8

Source: URT Economic Surveys, various years

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2   Only MKUKUTA's first cluster has a set of cluster-wide indicators, in addition to indicators for individual cluster goals

The data show growth overall and in several key sectors, as shown in Table 1 and Figure 1. However, the growth rate in agriculture faltered slightly in 2005 as a result of adverse weather conditions. Growth in agriculture has fluctuated around 5 per cent in the past few years and is projected to be 3.8 per cent in 2006. This is lower than growth rates in other sectors – mining, manufacturing, and trade. It is well understood that the growth rate in agriculture must be increased if poverty rates are to be significantly reduced. Poverty disproportionately affects rural areas compared with urban locales, and farmers compared with those employed in other sectors. Consequently, if agricultural growth does not significantly improve, there is a risk that these gaps may widen.

Figure 1: GDP Growth in Tanzania 1996-2005 by Sector
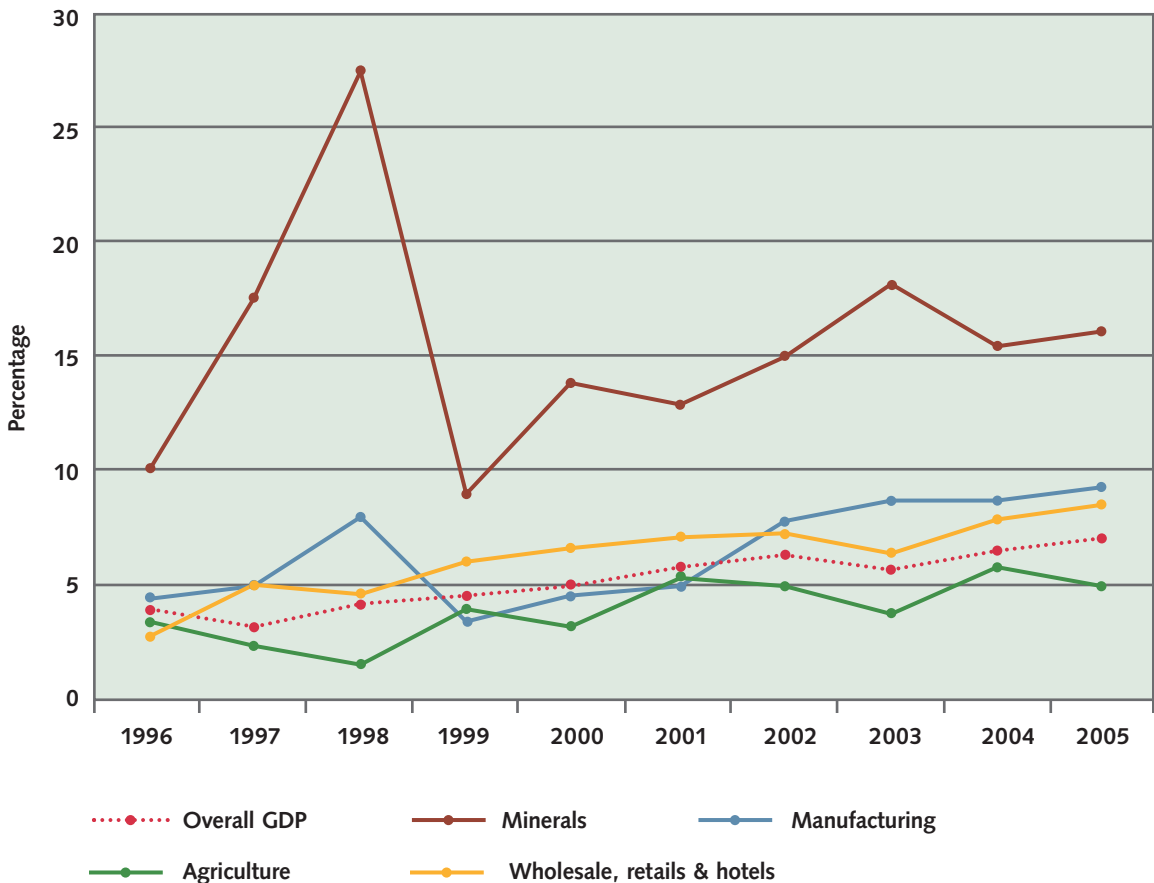
Source: URT Economic Surveys, various years

MKUKUTA indicates that a sustained growth rate of 6-8 per cent is needed to reduce poverty, and estimates of GDP growth are in this range. Projections show rates of growth at the upper end of this range for 2007-2009. See Table 2.

Table 2: Projected Real GDP Growth in Tanzania 2006-2009

Year	2006	2007	2008	2009
% Growth	5.9	7.3	7.7	7.9

Source: Ministry of Planning, Economy and Empowerment, Macroeconomic Policy Framework for the Plan/Budget 2006/07 – 2008/09

The lower projected growth rate in 2006 is the result of adverse weather conditions, which also reduced the supply of hydro-electricity, the mainstay of the national electricity grid. More protracted problems with energy supplies may have further implications for growth and reduction of poverty, especially for urban areas during 2006.

Even with an overall rate of growth close to 8 per cent, the target of the Tanzanian Development Vision 2025 (The President's Office, Planning Commission, 1999) that Tanzania will have a level of income of a middle-income country may not be achieved. The Vision 2025 target requires an annual growth rate of close to 10 per cent.

Assessment of Cluster Goals

The supporting Goals for Cluster I are:

1   Ensuring sound economic management
2   Promoting sustainable and broad-based growth
3   Improving food availability and accessibility at household level in urban and rural areas
4&5 Reducing income poverty of both men and women in urban and rural areas
6   Provision of reliable and affordable energy to consumers

GOAL 1: Ensuring sound economic management

This goal has been highlighted as the necessary foundation of a growth and poverty reduction strategy. Overall, the assessment for 2005 shows continued economic stability, despite higher government expenditures caused by the postponement of elections, adverse weather conditions, and increased oil prices.

GOAL 1

This goal has the following indicators:

●   Annual rate of inflation
●   Central government revenue as a percentage of GDP
●   Fiscal deficit as a percentage of GDP (before and after grants)
●   External debt service as a per cent of exports
●   Exports as a percentage of GDP

MKUKUTA's target for inflation is 4 per cent. In 2005, the average annual rate was 4.3 per cent, compared to 4.2 per cent in 2004. During the last quarter of 2005 and into 2006, sustained drought and higher oil prices caused an increase in inflation. By March 2006, the annual rate was 6.5 per cent. By July 2006 it had dropped, and by June 2007 it is expected to be down to 4 per cent. As the availability of food is the most critical determinant of the level of prices, falls in the inflation rate depend on improved weather conditions and food availability.

Government domestic revenue collection has increased from 12.2 per cent of GDP in 2000/01 to 13.1 per cent in 2004/05. The budget estimate for 2005/06 is 14.2 per cent. In absolute terms, revenue collections have also been higher. However, domestic revenue needs to be increased further to provide sustainable local funding for national development. In the short-run, tax revenues may be affected by the challenges in the energy sector.

The fiscal deficit as a percentage of GDP after grants was estimated at 6.6 per cent in the budget for 2005/06 and is projected to be 5.0 per cent in 2006/07. The deficit was 4.5 per cent in 2004/05. Reducing the deficit will depend on raising tax revenues, the impact of the energy crisis and oil prices, and on the extent to which government expenditures are managed. Higher expenditures will be incurred as more teachers and health staff are recruited, in addition there are expectations of improved conditions of employment. Therefore, further prioritisation of government spending will be important.

External debt service as a per cent of exports has fallen from 17.3 in 2000 to 11.5 in 2005.

Exports as a percentage of GDP increased by 0.6 percentage points, from 23.1 per cent in 2004 to 23.7 per cent in 2005. This rise is the result of increased export earnings – both from traditional agricultural exports, the value of which rose by 19 per cent compared with 2004, and from non-traditional exports, such as gold exports that increased to US$ 655.5 million in 2005. The value of services exports also rose to US$ 1,206.6 in 2005 from US$ 1,149.9 in 2004, largely due to increased earnings from travel and transportation services associated with tourism and improvements in infrastructure. Imports increased over the same period, largely because of higher imports of capital goods and oil.

Sound economic management must examine not only exports, but also the balance of trade, since the negative balance on goods and services is offset to a large extent by foreign aid. This requires the management of aid inflows, the exchange rate and inflation, and the foreign reserve position.

GOAL 2: Promoting sustainable and broad-based growth

This depends on a strategic vision for growth and for the investments needed to generate growth. Investment in infrastructure has been given priority. Data for an indicator to assess growth in infrastructure – access by rural households to all-season passable roads – will be available in the next Household Budget Survey which will be conducted in 2007. Similarly, data on employment and unemployment are expected from the Integrated Labour Force Survey conducted in 2006.

GOAL 2

The following indicators for Goal 2 are analysed:

- Domestic credit to private sector as a percentage of GDP
- Percentage increase in foreign direct investment
- Interest rate spread on lending and deposits
- Percentage of trunk and regional roads in good and fair condition

MKUKUTA aims to increase domestic credit to the private sector by 1 per cent of GDP annually. In 2005, it was 10.3 per cent, an increase from 8.6 per cent in 2004.

Foreign direct investment increased by 7 per cent in 2005, a slower rate than in previous years, largely due to a slow-down in mining sector investments. To date, foreign direct investment has been heavily concentrated in the mining and tourism sectors and geographically. There has been limited foreign investment in agriculture, and this is likely to be required for improvements in this sector's productivity and marketing.

The interest rate spread from commercial banks in domestic currency increased marginally to 11 per cent by December 2005. This continued high spread reflects banks' perceptions of the high risks of lending due to inadequate legal channels to pursue defaulters. The high lending rates deter investments, especially by small scale enterprises. Much of the lending currently targets the formally employed, for example, teachers and police, or is used for agricultural marketing. Relatively little is directed to investment for production, and generally, this reaches only a select number of larger scale enterprises.

The percentage of trunk and regional roads in good and fair condition improved to 84 per cent in 2005 up from 78 per cent in 2004. These roads are under the jurisdiction of TANROADS. However, rural roads under the jurisdiction of local government authorities are generally in poor condition. It is recognised that improving railways could also play an important role in facilitating transportation.

A further indicator to measure sustainable growth concerns environmental impact. The proposed indicator relates to compliance with environmental standards, for which the National Environment Management Council will work with local government to provide data for monitoring purposes.

GOAL 3: Improving food availability and accessibility at household level in urban and rural areas

GOAL 3

The following indicators for this goal are reported:

- Food self sufficiency ratio
- Proportion of districts reported to have food shortages
- Percentage change in production by smallholder households of key staple crops (maize, rice, sorghum)

The food self-sufficiency ratio assesses the volume of domestic food production against the population's requirements for foodstuffs. Estimates of food crop production from the Ministry of Agriculture have been increasing over the past few years, and the estimates for 2005/06 suggest that, on aggregate, the volume of production was sufficient.

However, within the national estimate of food crop production, geographic variations are substantial. In August 2005, the proportion of districts reported to have food shortages was 29 per cent (34 districts). By January 2006, due to prolonged drought conditions, this percentage had risen to 65 per cent (77 districts).

It is important to note that these indicators do not take into account consumers' capacity to purchase food for their requirements. Household level data will be available in the HBS (2007) on the proportion of households who eat no more than one meal a day.

GOALS 4 and 5: Reducing income poverty of both men and women in rural and urban areas

The HBS (2007) will provide new data on income poverty rates, and more information on the characteristics of rural, predominantly agricultural, households will be available from the HBS and periodic agricultural surveys.

Recognising the critical need to address rural poverty and to improve agricultural productivity, the following indicators have been identified for these goals:

The following indicators for Goals 4 & 5 are analysed:

- Percentage of smallholders participating in contracting production and outgrower schemes
- Total smallholder land under irrigation as a per cent of total cultivatable land
- Percentage of smallholders who accessed formal credit for agricultural purposes
- Percentage of smallholder households who have one or more off-farm income generating activities
- Percentage of households whose main income is derived from the harvesting, processing and marketing of natural resource products

There is growing interest in the development of integrated systems of agricultural production, extension and marketing. Outgrower schemes provide one example of this trend. Crops such as tea, sisal, coffee, and pyrethrum are being developed under such schemes. The longest running scheme is in the sugar industry, where outgrowers now produce 55 per cent of total production, 1.3 million tonnes of sugar cane in 2004/05 (URT Economic Survey 2005).

The Agricultural Sample Census Survey 2002/03 (NBS, 2005) provides data for smallholder agriculture. The next survey is planned for 2008. In 2002/03, **only 3 per cent of total smallholder area was under irrigation**, and **only 3 per cent of smallholders accessed formal credit for agricultural purposes**. The majority (58 per cent) of smallholder households had one or more off-farm income generating activities. For the agricultural sector to develop and achieve real increases in farm productivity much greater investment in farming and farm processing will be required.

GOAL 6: Provision of reliable and affordable energy to consumers

This recognises the essential role energy plays in the economy, both for producers as well as domestic households. Electrification is generally low – 10 per cent in urban areas, 1 per cent in rural – and existing electricity capacity is inadequate. Measures are being taken to increase capacity, to develop alternative sources of generation, and to extend the national grid. For 2006, installed capacity is 852MW from hydro and thermal plants, and 13MW of power will be imported – 8MW from Uganda to supply Bukoba, the regional capital for Kagera and 5MW from Zambia to supply Sumbawanga, the regional capital for Rukwa.

The following indicators have been identified for annual reporting:

- Percentage increase in number of customers connected to the national electricity grid and off-grid
- Total electricity generating capacity and utilisation

An additional indicator to assess the reduction in reliance on wood fuel – percentage of households in rural and urban areas using alternative sources of energy to wood fuel (including charcoal) as their main source of energy for cooking – will be reported periodically. This indicator will complement, from a rural perspective, the environmental indicator for Goal 2 above.

MKUKUTA Cluster I: Indicators, available data and targets[3]

Indicator	Baseline		Trends						Targets
	Estimate	Year	2001	2002	2003	2004	2005	2006	MKUKUTA 2010
Cluster-wide indicators									
GDP Growth per annum %	4.9%	2000	5.7	6.2	5.7	6.7	6.8		6 - 8%
GDP growth of sectors per annum									
Agriculture	3.4%	2000	5.5	5.0	4.0	5.8	5.2		10%
Livestock	2.7%	2000	3.3	3.5	5.0	4.8	4.2		9%
Manufacturing	4.8%	2000	5.0	8.0	8.6	8.6	9.0		15%
Wholesale & retail trade	6.5%	2000	6.7	7.0	6.5	7.8	8.2		
Mining	13.9%	2000	13.5	15.0	18.0	15.4	15.7		
Increased export proportion of value added in mining	0.5%	2004							3%
Gini Coefficient	0.35	2001	0.35						To be determined
Headcount ratio – basic needs poverty line	36%	2001	36						Rural: 24% Urban: 12.9%
GOAL 1: Ensuring sound economic management									
Annual rate of inflation	5.2%	2001	5.2	1.0	3.5	4.2	4.3		4%
Central government revenue as % of GDP	12.2%	2000/1	2001/2 12.1	2002/3 12.8	2003/4 13.4	2004/5 13.1	2005/6 14.2		To be determined
Fiscal deficit as % of GDP (before and after grants)		2000/1	2001/2	2002/3	2003/4	2004/5	2005/6		
- before grants			- 5.6	- 8.2	- 11.2	- 11.8	- 13.5		
- after grants	- 1.2%		- 1.1	- 1.7	- 4.0	- 4.5	- 6.6		- 3%
External debt service as % of exports	17.3%	2000	12	13:1	8:3	11:1	11:5		
Exports as % of GDP	15%	2000	15	18.4	16.5	23.1	23.7		To be determined
GOAL 2: Promoting sustainable and broad based growth									
Proportion of working age population not currently employed %	12.9%	2001							6.9% (& address under-emply. in rural areas)

Indicator	Baseline		Trends						Targets
	Estimate	Year	2001	2002	2003	2004	2005	2006	MKUKUTA 2010
Domestic credit to private sector as % of GDP	4.6%	2000	4.9	6.1	7.7	8.6	10.3		Increase by 1% of GDP p/a
% increase in foreign direct investment	25.6%	2000	24.3	11.4	12.5	9.9	7.0		To be determined
Interest rate spread on lending and deposits percentage points	10.7	2003	9.0	10.2	10.7	11.4	12.0		To be determined
% of rural population who live within 2kms of all season passable road		2006/7							To be determined
% of trunk and regional road network in good & fair condition	51%	2000		51	72	78	84		To be determined
good	16%			14	35	43	53		
fair	35%			37	37	35	31		
Proportion of enterprises undertaking Environmental Impact Assessment complying with standards									To be determined

GOAL 3: Improved food availability and accessibility at household level in urban and rural areas

Indicator	Baseline		Trends						Targets
Food self sufficiency ratio (rate)	94	2001/2	2001/2 94	2002/3 102	2003/4 88	2004/5 103	2005/6 103		114
Proportion of districts reported to have food shortages (number)	15	2001/2	2001/2 15	2002/3 13	2003/4 62	2004/5 41	2005/6 41		To be determined
% change in production by smallholder households of key staple crop (maize, rice, sorghum in million tonnes)	9	2003/4							12 million tonnes
Proportion of households who eat no more than one meal per day	1.1	2000/1							To be determined

GOALS 4 & 5: Reducing income poverty of both men and women in rural and urban areas

Indicator	Baseline		Trends						Targets
% of smallholders participating in contracting production and outgrower schemes									To be determined
Total smallholder area under irrigation as % of total cultivatable land	2.7%	2002/3		2.7					
% of smallholders who accessed formal credit for agricultural purposes	3.1%	2002/3		3.1					To be determined
% of smallholders who have one or more income generating activities	58.0%	2002/3		58.0					To be determined

Indicator	Baseline		Trends						Targets
	Estimate	Year	2001	2002	2003	2004	2005	2006	MKUKUTA 2010
% of households whose main income is derived from the harvesting, processing and marketing of natural resource products		2006							To be determined
GOAL 6: Provision of reliable and affordable energy to consumers									
% increase in number of customers connected to national electricity grid and off-grid	Grid: 4% Off-grid: 8%	2000							
% of households in rural and urban areas using alternative sources of energy to wood fuel (including charcoal) as their main sources of energy	21%	2000/1							10%
Total electricity generating capacity and utilisation (% difference between capacity and utilisation)	37%	2000							

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3   Sources as noted in the Ministry of Planning, Economy and Empowerment, MKUKUTA Monitoring Secretariat, Indicators to Monitor National Strategy for Growth and Reduction of Poverty (MKUKUTA), draft 1 July 2006

MKUKUTA CLUSTER II:
IMPROVEMENT OF QUALITY OF LIFE AND SOCIAL WELL-BEING

Assessment of Broad Outcomes

The two broad outcomes for the second cluster of MKUKUTA are:

- Improved quality of life and social well being, with particular focus on the poorest and most vulnerable groups
- Reduced inequalities (e.g. education, survival, health) across geographic, income, age, gender, and other groups

The central role of social service sectors – notably education, health, water and sanitation – is clearly recognised for achieving these outcomes, as is the key role of local government authorities as the primary providers of services at the local level.

This cluster includes sectors that were considered "priority sectors" in Tanzania's first Poverty Reduction Strategy (PRS), and it should be noted that strategies to ensure a well educated and healthy population are critical for promoting growth and for ensuring sound governance, and vice versa. The three clusters of MKUKUTA are thus mutually reinforcing, and despite the wider scope of MKUKUTA, the objectives of Cluster II, are no less important than they were in the PRS.

Assessment of Cluster Goals

MKUKUTA's Cluster II has five supporting goals:

1 Ensuring equitable access to quality primary and secondary education for boys and girls, universal literacy among men and women, and expansion of higher, technical and vocational education
2 Improved survival, health, and well-being of all children and women and especially vulnerable groups
3 Increased access to clean, affordable and safe water, sanitation, decent shelter, and a safe and sustainable environment
4 Adequate social protection and provision of basic needs and services for the vulnerable and needy
5 Effective systems to ensure universal access to quality and affordable public services

The most recent data from national surveys are analysed below for each of Cluster II's goals. However, for some indicators no new data are available since the PHDR 2005, though significant changes would not be expected over this short period of time. For several critical indicators, population based estimates offer a more comprehensive view of service-users' perspectives. Service site information, routinely collected by ministries and local government authorities, supplies useful information about the services provided.

> **Goal 1: Ensuring equitable access to quality primary and secondary education for boys and girls, universal literacy among men and women, and expansion of higher, technical and vocational education**

A well educated population is indispensable for Tanzania's development, and rights to education are legally recognised in the Constitution and in ratified international conventions.

GOAL 1

Educational indicators for Goal 1 are:

- Literacy rate of population aged 15+
- Net enrolment at pre-primary level
- Net primary school enrolment rate
- Percentage of cohort completing Standard VII
- Percentage of students passing the primary school leavers' exam
- Pupil/teacher ratio in primary schools
- Percentage of teachers with relevant qualifications
- Pupil/text book ratio
- Transition rate from Standard VII to Form 1
- Net secondary enrolment
- Percentage of students passing the Form 4 examination
- Enrolment in higher education institutions

Several indicators rely on reported age and population projections for particular age groups. The population projections are provided by the National Bureau of Statistics, based on the Population and Housing Census 2002 (NBS, 2003), and incorporate assumptions about fertility and mortality rates, and the likely impact of HIV/AIDS. Errors in age reporting and uncertainties about projections can lead to estimates of net enrolment that are problematic. This situation is most noticeable in sub-national data, where net enrolment rates of over 100 per cent are reported for some areas.

Overall, the available data sourced from the basic data series of the Ministry of Education and Vocational Training (MoEVT) show positive trends. Net enrolment rates are higher in pre-primary, primary and secondary schools; the pupil:teacher ratio in primary schools is falling; the

percentage of pupils passing the Primary School Leavers' Examination is increasing; and the percentage of Standard VII pupils going on to secondary schools is also rising. However, strong regional differences are apparent from a more detailed examination of the data, similar to those reported in the PHDR 2005. Table 3 summarises the indicators and data for education.

Table 3: MKUKUTA Indicators for Education

Indicator	Baseline		Trends						Targets
	Estimate	Year	2001	2002	2003	2004	2005	2006	MKUKUTA 2010
Literacy rate of population aged 15+ %									
- Total	71%	2000/1	-	69	-	-	-	n/a	80%
- Male	64%		-	62	-	-	-		80%
- Female	80%		-	78	-	-	-		80%
Net enrolment at pre-primary level %	24.6	2004	-	-	-	24.6	25.7	28.5	-
Net primary school enrolment rate %	59%	2000	66.5	80.7	88.5	90.5	94.8	96.1	99%
% of cohort completing Standard VII	70%	2000	62.5	68.1	67.4	72.2	68.7	n/a	90%
% of students passing Primary School Leavers' Exam	22%	2000	28.6	27.1	40.1	48.7	61.8	n/a	60%
Primary pupil/teacher ratio	46:1	2000	-	53:1	57:1	58:1	56:1	52:1	45:1
% of teachers with relevant qualifications	-	-	50	-	-	58[4]	-	69.2	-
Transition rate from Standard VII to Form 1	21%	2002	22.4	21.7	30.0	36.1	48.7	n/a	50%
Net secondary enrolment %	6%	2002	-	5.9	6.3	8.4	10.3	13.4	50%
% of students passing the Form 4 Examination	25.8	2000	28.3	36.2	38.1	37.8	33.6	n/a	70%
Gross enrolment in higher education institutions		2000/1	2001/2	2002/3	2003/4	2004/5			
	22,065		24,302	30,083	39,318	48,236	n/a	n/a	

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4   From PHDR 2005; figure includes diploma and graduate teachers

The 2002 census provides the most recent data for adult literacy. Rates are not expected to achieve MKUKUTA's target of 80 per cent by 2010. Adult literacy programmes face resource constraints, squeezed by priorities accorded programmes for younger learners. However, adult programmes need not consume large resources, and the benefits are well demonstrated. For example, higher rates of female adult education are strongly associated with lower rates of infant and child mortality.

The data for pre-primary enrolment specifically refer to 5 and 6 year-olds enrolled in pre-primary classes associated with primary schools. As a result, the data for pre-primary enrolment do not capture the full range of provision for young children. The proportion of younger children enrolled in early childhood development centres is thought to be much lower than the percentages reported for the pre-primary cohort. Interim arrangements also require parental and community contributions to help resource pre-primary schooling, which may have equity implications.

For primary and secondary education, there are serious shortages of teachers, especially of qualified teachers, and while the primary pupil:teacher ratio is falling, it remains high, compared to MKUKUTA's target of 45:1.

There has been a substantial increase in the proportion of pupils passing the Primary School Leavers' Examination over the past few years. There may be several reasons for this improvement. The Primary Education Development Programme (PEDP) has clearly led to improvements in inputs for teaching and learning. The weighting of subjects has also changed to give Kiswahili greater weight in the examinations, and most pupils get higher grades in this subject than in English and mathematics. Ongoing quality control and monitoring is required to ensure that the demands of the Primary School Leavers' Examination remain constant and that questions in the examination are not getting easier.

Data on the availability of textbooks in primary schools to pupils is being strengthened and its importance as an indicator of quality of education is well recognised. Districts' reports of aggregate numbers of text books may require further study to ensure that pupils actually have access to the books.

The pass rate of secondary students in the Form 4 Examination faltered in 2005. The percentage of students who achieved a pass with division 1 to 3 was 33.6 per cent compared with 38 per cent for the two previous years.

Enrolment in higher education institutions has increased, and the percentage of women enrolled has also increased over the past five years from 23.9 to 32.7 per cent. However, data need further disaggregation. For example, the number of graduates each year disaggregated by subject may provide information about whether skills shortages are being addressed, such as those in the health sector. Efforts to strengthen higher education data have begun.

Additional public funding is required to resource education, including expansion of quality secondary education and provision of greater opportunities for vocational and technical training and higher levels of education. Funds may need to be identified through a re-prioritisation of items in the government budget, not only in the education sector. In addition, alternative financing options, such as the more extensive use of soundly managed loans schemes, need to be examined for those aspects of education and training with high private benefits.

GOAL 2: Improved survival, health and well-being of all children and women and especially vulnerable groups

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A healthy population is more likely to be a productive and civically active population. MKUKUTA's goal for health focuses on those groups who bear a disproportionate burden of disease and have greater need for health care – girls/women of reproductive age and young children. This specific goal is a key component of the broader strategic goal to ensure universal access to quality health services, which is articulated in Goal 5 of this cluster.

GOAL 2

Indicators for health for Goal 2 are:

- Infant mortality rate
- Under-five mortality rate
- Diphtheria, Pertusis, Tetanus and Hepatitis B (DPTHb3) immunisation coverage
- Percentage change in mortality attributable to malaria among children under-five
- Proportion of under-fives moderately or severely stunted (height for age)
- Maternal mortality ratio
- Proportion of births attended by a skilled health worker
- Percentage of persons with advanced HIV infection receiving anti-retroviral (ARV) combination therapy
- HIV prevalence among 15-24 year olds
- Tuberculosis (TB) treatment completion rate

The majority of these indicators are reported periodically; the most recent data are available in the PHDR 2005. New surveys are in progress which will provide further data in the near future. In the interim, reviews of the health sector examine a comprehensive set of indicators for health care delivery. However, the health management information system needs further strengthening to ensure timely data is available to inform planning and budgeting.

The 2002 Census and the Tanzania Demographic and Health Survey (TDHS) 2004/05 (NBS and Macro International, 2005) are the most recent sources of data for estimates of infant and under-five mortality rates. Both surveys showed declining mortality rates, with data from the TDHS suggesting that the decline may be largely attributable to the more effective

prevention and management of malaria. **Estimates for the change in mortality attributable to malaria in young children are not available**, but an alternative indicator – the percentage of young children and pregnant women sleeping under treated mosquito nets – could be valuable as a proxy indicator. The TDHS can report this data periodically, which would provide useful information to monitor the effect of important preventive measures. These measures, in turn, can reduce costs of treatment.

Table 4: MKUKUTA Indicators for Health

Indicator	Baseline		Trends						Targets
	Estimate	Year	2001	2002	2003	2004	2005	2006	MKUKUTA 2010
Infant mortality per 1,000 live births									
- TDHS	99	1999				68		n/a	50
- Census				95					
Under-five mortality per 1,000 live births									
- TDHS	147	1999[5]				112		n/a	79
- Census				162					
% DPTHb3 coverage									
- MoH&SW	78%					80[6]	85	n/a	85%
- TDHS	81%	1999				86			
Proportion of under-fives moderately or severely stunted (height for age)	44%	1999				38		n/a	20%
Proportion of births attended by a skilled health worker	36%	1999				46		n/a	80%
% of persons with advanced HIV infection receiving ARV combination therapy						Start of progr- amme		By August 48% of target	100,000 by Dec 2006
% HIV prevalence among 15-24 year olds									
- THIS					3.5			n/a	5
- Blood donors			9.1	7.4	6.7	7.4			
% TB treatment cure rate	81%	2001			80.9			n/a	

The footnotes for this table are overleaf

There are wide variations in estimates of infant and under-five mortality rates across regions and districts, which were also reported in the PHDR 2005. The high rates of under-five mortality per 1,000 live births in Rwangwa (250), Dodoma Rural (239), and Mtwara Rural (231) imply that 1 child in 4 dies before reaching the age of five years in these districts. In fifteen districts, the majority of which are located in the south-east of the country, under-five mortality rates are 200 or higher. By contrast, several districts in the north-east have under-five mortality rates of around 50, or four times lower than rates in the worst affected areas.

Malnutrition in children under-five years continues at a high rate. The rate of malnutrition has declined in the past few years, but not at the same rate as the reduction in under-five mortality. Nearly 4 children in 10 are stunted for their ages, a reflection of under-nutrition over a long period of time. In Tanzania, stunting typically begins as early as 3 months, continuing to 2-3 years of age, after which children do not continue to lose stature compared to the norm, at these ages low height stabilises. However, it is difficult for children to recover from early stunting and its implications for cognitive development. Of note, the age at which malnutrition sets in coincides with the period that young children and their caregivers have frequent contact with health services. Consequently, the health sector review urged that health services pay closer attention to monitoring and preventing child malnutrition.

Immunisation coverage should be near universal, and coverage has been maintained at a high level. Data on immunisation coverage comes from the TDHS and from routine reporting of the programme of immunisation.[7]

The proportion of births attended by a skilled health worker is an indicator of access to reproductive health care and a proxy indicator for maternal mortality, which is extremely difficult to monitor because of the very large samples needed to generate reliable estimates. The proportion of births attended by a skilled health worker recorded in the TDHS 2004/05 increased to 46 per cent, but is still very low compared to MKUKUTA's target of 80 per cent. Urban women and the least poor are much more likely to give birth with a skilled health worker in attendance. The provision of skilled obstetric care, especially for rural women, requires much greater priority.

The government has set a target of 100,000 people with advanced HIV infection to be provided ARV combination therapy by the end of 2006. As of August 2006, 48 per cent of the targeted number of people was reported to be receiving treatment. Recognising the critical importance of preventing the spread of HIV, the MKUKUTA monitoring system also reports on the HIV prevalence among 15-24 year olds, an indicator used to estimate the rate of newly

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5   Estimates are recorded against the year of data collection, but under-five mortality rates refer to deaths during five year period prior to survey and three year period prior to census, maternal mortality to ten year period prior to survey.

6   Does not include Hb

7   The Health Abstract, covers only DPT3, and shows coverage of 91.3% for 2004. TDHS and the Expanded Programme of Immunisation (EPI) results cannot be compared directly, as TDHS results are population-based and EPI are facility-based. Hepatitis B antigen was introduced recently. Therefore, previous surveys collected DPT3 information only. Late in 2006 a new antigen will be introduced and results in the following year may show a decline until all children are immunized. The new antigen will also cost three times the old one, which will require additional budgetary support to maintain the same level of coverage.

infected people. The initial Tanzania HIV/AIDS Indicator Survey (THIS) 2003/04 (TACAIDS, NBS and ORC Macro, 2005) reported a rate of 3.5 per cent. A second survey is planned for 2007/08, which will provide national trend data.

HIV rates are also assessed through tests of blood from donors. The infection rate derived from this source of data is higher – 6.7 per cent in 2003. This is likely due to the higher urban weighting of this sample. Infection rates are higher in urban locations compared with rural areas, and among girls/women than among boys/men. The blood donor data, which showed a downward trend in new infections from 2001 to 2003, rose slightly to 7.4 per cent in 2004.

The control of HIV/AIDS has attracted high external funding, especially for treatment, and there are concerns about the sustainability of this funding beyond the short term for which it is currently pledged.

> **GOAL 3: Increased access to clean, affordable and safe water, sanitation, decent shelter and a safe and sustainable environment**

Increased access to safe water is one of the most pressing priorities for many communities, especially in rural areas.

> **GOAL 3**
>
> **Indicators identified for this goal are:**
>
> - Proportion of population with access to piped or protected water as their main drinking water source (with a 30 minute timeframe spent on going, collecting and returning to be taken into consideration)
> - Number of reported cholera cases
> - Percentage of households with basic sanitation facilities
> - Percentage of schools having adequate sanitation facilities (as per Ministry of Education and Vocational Training policy)
> - Total area under community based natural resources management

For access to water and basic sanitation, data from the 2002 census and the TDHS 2004/05 shows that less than half of the rural population has access to safe water. This is a priority deserving more resources. Significant differences are also noted between estimates from population-based surveys and routine administrative data from ministries responsible for water and sanitation. The latter do not report on the time taken to reach the water source, collect water, and return home. Instead, they report on the numbers of households connected to, or within a short distance of, water schemes. In addition, the percentage of households with basic sanitation facilities includes all households who reported having any type of toilet or latrine, and does not consider whether such facilities are actually used by all members of the household.

The MoEVT policy for schools' sanitation facilities stipulates ratios of facilities to pupils of 1:20 for girls and 1:25 for boys. The figures reported below relate to sanitation facilities in primary schools that meet the required standards. Schools with 'temporary' facilities are not counted. In terms of infrastructure, the PEDP has focused on building classrooms, although there is increasing recognition that school sanitation must be improved.

Table 5: MKUKUTA Indicators for Water and Sanitation

Indicator	Baseline		Trends						Targets
	Estimate	Year	2001	2002	2003	2004	2005	2006	MKUKUTA 2010
Proportion of population with access to piped or protected water as their main drinking water source (with a 30 minute time to go, collect and return considered)	Urban 73%	2000/1		Urban 85%	Urban 73%				Urban 90%
	Rural 53%			Rural 42%	Rural 53%			n/a	Rural 65%
	Within 200m of water source			from Census	from admin data				
% of households with basic sanitation facilities	91%	2002		91				n/a	95%
% of schools having adequate sanitation facilities (as per MoEVT policy)			35.7	36.2	32.8	36.7		n/a	100% Ratio of 1:20 girls 1:25 boys
Number of reported cholera cases (attack rate per 100,000 people)			6.9	28.5	35	20.9		n/a	Reduce outbreaks by half by 2010

Data show cholera peaked in March, June and December in 2005. Forty per cent of cases were in Tanga, 26 per cent in Kigoma, and 17 per cent in Rukwa. Despite more extensive press coverage, Dar es Salaam accounted for only 5 per cent of cases.

The PHDR 2005 noted progress in developing an indicator for the MKUKUTA operational target of reducing cholera outbreaks by half by 2010, which would recognise the wide

fluctuations from year-to-year and the localised epidemiology of cholera. The report recommended counting 'attack rates' of more than 10 cases per 100,000 people, and to make the operational target a reduction by half in the number of regions experiencing annual attack rates over this level. This new indicator would represent an improvement on the descriptive 'snapshot' data currently provided. Adopting this indicator is recommended.

The indicator for community based natural resource management usefully links issues of environmental protection with economic development, especially given recent studies showing large untapped reserves of natural resources in Tanzania (World Bank, 2005). Acknowledging this link, the indicator might be better placed with goals in MKUKUTA's first cluster, rather than among indicators specifically related to access to water and sanitation. Nonetheless, the essential role of protecting water sources through sound environmental practice is recognised. Broad issues are included for this indicator, including forestry and wildlife as well as marine fisheries and tourism development. Data are scanty. The most detailed information is available for the forestry sub-sector. The estimated area of Tanzania's forests and woodlands is 38.8 million hectares, of which, 15 million hectares are reserves that could directly benefit from better and sustainable management as provided under the Forestry Act 2002. However, only approximately 600,000 hectares were owned and managed by local governments in 2001, and only 1% of the total forest reserve area is currently under community based or joint management arrangements (Tanzania Development Partners' Group, 2006). Procedures and regulations to implement the Act are currently being prepared, but the need exists to improve the monitoring, information and records systems at central government level within the Ministry of Natural Resources and Tourism (MNRT). This would improve oversight of land management and wildlife stocks, as well as promote transparency and accountability in setting and collecting fees and licenses.

GOAL 4: Adequate social protection and provision of basic needs and services for the vulnerable and needy

GOAL 5: Effective systems to ensure universal access to quality and affordable public services

The goals for social protection and access to public services were developed in recognition that vulnerability is widespread in Tanzania, and that principles of equity require that everyone should be able to access public services.

The goal for social protection is new in Tanzania, and MKUKUTA recognises that a comprehensive policy on vulnerability and social protection should be developed and enforced. Until such time, particularly vulnerable groups of people – notably the long-term ill, children and the elderly – are the focus of government action.

Indicators for these two goals are:

- Proportion of children in child labour
- Proportion of children with disability attending primary school
- Proportion of orphaned children attending primary school
- Proportion of eligible elderly accessing medical exemptions at public health facilities
- Proportion of population reporting to be satisfied with health services

These are new indicators, and for most of them the data are not yet available.

Child labour is defined as work performed by children under 18 years of age which is exploitative, hazardous or inappropriate for their age, and which is detrimental to their schooling, or social, mental, spiritual and moral development. While data is available on the proportion of children who are working, no national survey assesses and reports whether the work performed is exploitative or hazardous. Rapid assessments carried out by the International Labour Organization (ILO) in 2002/3 identified commercial agriculture, mining, domestic service, commercial sexual exploitation, and the urban informal sector as the sectors most associated with hazardous and exploitative child labour.

Data from the MoEVT show 18,291 disabled children attending primary schools, which represents 0.25 per cent of the mainstream school population. Clearly, this percentage is much lower than the proportion of disabled children in the population. The variance may be accounted for in part by the significant differences in levels and kinds of disability which determine whether a child enrols and actually attends school. Moreover, the 2002 Census reported that only 2 per cent of the population were disabled, well below the general yardstick of the World Health Organisation of 10 per cent. Recent analysis of census data shows that children with disabilities are less educated than their peers without disabilities. The absolute difference in potential years of primary education missed is 1.9 years for 14-year-old children with a disability, increasing to 2.3 years for 17-year-olds (Lindeboom, et.al., 2006).

The most recent estimate of children under 15 years who have been orphaned (i.e., who have lost one or more parents) is 8.5 per cent of the total population for this age bracket (TDHS 2004/05). **The MoEVT reported in 2006 that 9.4 per cent of children attending primary school were orphans.** The risk of becoming orphaned rises with age, and so these two statistics suggest that orphanhood per se may not be a great barrier to school attendance, especially with community support for school attendance. Analysis of census data similarly indicated little difference in aggregate school attendance between children who had been orphaned and those with both parents. However, this relationship is confounded by the fact that large proportions of children who are orphans have lost their parents due to HIV/AIDS, and that the prevalence of HIV is higher among urban and less poor households. Further disaggregation of data is needed to isolate a more precise indicator of vulnerability. Research shows that maternal

orphans (i.e., children who have lost their mothers) are more vulnerable than others, and orphanhood at an early age leads to greater disadvantage.

Data on the proportion of eligible elderly accessing medical exemptions at public health facilities will be collected for the first time in 2007 via the HBS. The elderly that are eligible for exemption are those deemed by the community as being unable to pay. A clear and comprehensive policy on waivers and exemptions, backed by systematic information dissemination to all stakeholders about entitlements, and financial provisions to ensure that costs incurred by individual health facilities in treating patients with exemptions will be reimbursed by government are required in order to reach the 100 per cent compliance target set in MKUKUTA.

The HBS 2000/01 (NBS, 2002) examined levels of satisfaction with public health services by the following types of facility or practitioner visited: public dispensary/hospital, regional hospital, community health centre, private dispensary/hospital, private doctor/dentist, missionary hospital/dispensary, traditional healer, and pharmacy/chemist. The highest satisfaction overall was with pharmacy/chemist followed by private doctor/dentist; the lowest with regional hospitals and community health centres. The biggest causes for complaint were the cost of regional hospitals and the lack of drugs at community health centres. In total, the proportion expressing satisfaction was 62 per cent. However, this data fails to capture community perspectives on reasons for not seeking health care. The next section of the report on goals for governance and accountability includes further discussion on satisfaction with public services.

MKUKUTA Cluster II: Indicators, available data and targets[8]

Indicator	Baseline		Trends						Targets
	Estimate	Year	2001	2002	2003	2004	2005	2006	MKUKUTA 2010
GOAL 1: Ensure equitable access to quality primary and secondary education for boys and girls, universal literacy and expansion of higher technical and vocational education									
Literacy rate of population aged 15+ %	71%	2000/1		69					80%
- male	64%			62					80%
- female	80%			78					80%
Net enrolment at pre-primary level	24.6%	2004				24.6	25.7	28.5	Increase
Net primary school enrolment rate	59%	2000	66.5	80.7	88.5	90.5	94.8	96.1	99%
% of cohort completing Standard VII	70%	2000	62.5	68.1	67.4	72.2	68.7		90%
% of students passing the Primary School Leavers' Exam	22%	2000	28.6	27.1	40.1	48.7	61.8		60%
Primary pupil/teacher ratio	46:1	2000		53:1	57:1	58:1	56:1	52:1	45:1

8   Sources as noted in the Ministry of Planning, Economy and Empowerment, MKUKUTA Monitoring Secretariat, Indicators to Monitor National Strategy for Growth and Reduction of Poverty (MKUKUTA), draft 1 July 2006

Indicator	Baseline		Trends						Targets
	Estimate	Year	2001	2002	2003	2004	2005	2006	MKUKUTA 2010
% of teachers with relevant qualifications			50			58[9]		69.2	
Pupil/text book ratio	4:1	2000							1:1
% Transition rate from Standard VII to Form 1	21%	2002	22.4	21.7	30.0	36.1	48.7		50%
% Net secondary enrolment	6%	2002		5.9	6.3	8.4	10.3	13.4	50%
% of students passing the Form 4 examination (division 1-3)	25.8%	2000	28.3	36.2	38.1	37.8	33.6		70%
Gross enrolment in higher education institutions	22,065	2000/1	2001/2 24,302	2002/3 30,083	2003/4 39,318	2004/5 48,236			

GOAL 2: Improved survival, health and well-being of all children and women and especially vulnerable groups

Indicator	Baseline		Trends						Targets
Life expectancy at birth	51	2002		51					
Infant mortality rate[10]									
- Census				95					50
- TDHS	99	1999				68			
Under - 5 mortality rate[11]									
- Census				162					79
- TDHS	147	1999				112			
DPTHb3 coverage									
- TDHS	81	1999				86			85
- EPI	78					80[12]	85		
Proportion of under-fives moderately or severely stunted (height for age)	44	1999				38			20
Maternal mortality ratio[13]	529	1996				578			265
Proportion of births attended by a skilled health worker %	36%	1999				46			80%
Number of persons with advanced HIV infection receiving ARV combination therapy		2004				Start of prog-ramme		By Aug 48% of target	100,000 by Dec 2006
HIV prevalence amongst 15-24 year olds %									
- THIS					3.5				5%
- Blood donors	9.1%	2001	9.1	7.4	6.7	7.4			
TB treatment completion rate	81%	2001			80.9				To be determined

9   From PHDR 2005, which covers diploma and graduate teachers.
10 Estimates are recorded against the year of data collection, but infant and under-five mortality rates refer to deaths during five-year period prior to survey and three-year period prior to census, maternal mortality to ten-year period prior to the survey. Infant mortality per 1,000 live births.
11 As per footnote 9 above
12 Does not include Hb
13 As per footnote 9 above. Maternal mortality number of deaths per 100,000 live births.

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Indicator	Baseline		Trends						Targets
	Estimate	Year	2001	2002	2003	2004	2005	2006	MKUKUTA 2010
GOAL 3: Increased access to clean, affordable and safe water, sanitation, decent shelter and a safe and sustainable environment									
Proportion of population with access to piped or protected water as their main drinking water source (with 30 minutes - go, collect, return to be taken into consideration)	Urban: 73% Rural: 53% within 200m of a water source	2000/1		Urban: 85 Rural: 42 from Census	Urban: 73 Rural: 53 from MoW				Urban: 90 Rural: 65 (within 30 minutes to go, collect & return)
% of households with basic sanitation facilities	91%	2002		91					95
% of schools having adequate sanitation facilities (as per policy ratio of toilets to pupils)			35.7	36.2	32.8	36.7			100% with ratios 1:20 for girls 1:25 for boys
Number of reported cholera cases (attack rate per 100,000 people)			6.9	28.5	35.0	20.9			Reduce cholera outbreaks by half by 2010
Total area managed by mandated local institutions for the purposes of community based natural resources management									To be determined
Goal 4: Adequate social protection and rights of the vulnerable and needy groups with basic needs and services									
Goal 5: Systems are in place to ensure universal access to quality public services that are affordable and available									
Proportion of children in child labour			Children working 2000/1 HBS 28.2% 2000/1 ILFS 19% 2001 Census 16%						Below 10%
Proportion of children with disability attending primary school									20%
Proportion of orphaned children attending school									
Proportion of eligible elderly accessing medical exemptions at public health facilities									100%
Proportion of population reporting to be satisfied with health services				62%					To be determined

MKUKUTA CLUSTER III:
GOVERNANCE AND ACCOUNTABILITY

Assessment of Broad Outcomes

MKUKUTA's third cluster has the following four broad outcomes:

- Good governance and the rule of law
- Accountability of leaders and public servants
- Democracy, and political and social tolerance
- Peace, political stability, national unity and social cohesion deepened

This is the first year that a set of governance and accountability indicators are being used in the national monitoring system, and it represents a significant step forward. Initial findings give a general impression of modest improvement, yet efforts need to be sustained, and in some instances, intensified. In many areas, data have been challenging to obtain, but both quantitative and qualitative information has been gathered and analysed as far as possible.

One notable challenge is the lack of data from local government. Although indicators have been agreed and information has been shared, this remains a stumbling block. Data are not yet flowing smoothly between the monitoring and evaluation systems of the Prime Minister's Office – Regional Administration and Local Government (PMO-RALG) and the MKUKUTA monitoring system. Further efforts to strengthen the linkages between these systems are required.

Assessment of Cluster Goals

MKUKUTA's third cluster has the following seven supporting goals:

1 Structures and systems of governance as well as the rule of law to be democratic, participatory, representative, accountable and inclusive
2 Equitable allocation of public resources with corruption effectively addressed
3 Effective public service framework in place to provide foundation for service delivery improvements and poverty reduction
4 Rights of the poor and vulnerable groups to be protected and promoted in the justice system
5 Reduction of political and social exclusion and intolerance
6 Improve personal and material security, reduce crime, and eliminate sexual abuse and domestic violence
7 National cultural identities to be enhanced and promoted

> ## GOAL 1: Structures and systems of governance as well as the rule of law to be democratic, participatory, representative, accountable and inclusive

An overall assessment indicates that much remains to be done to achieve this goal.

GOAL 1

The indicators for this goal are:

- Percentage of population with birth certificates
- Proportion of women among senior civil servants
- Percentage of women representatives (elected) to district council
- Proportion of women among Members of Parliament
- Proportion of villages assemblies holding quarterly meeting with public minutes
- Proportion of LGAs posting public budgets, revenue and actual expenditures on easily accessible public notice boards
- Percentage of females from smallholder households with land ownership or customary land rights

A key indicator is birth registration. Birth registration is a basic right and has the potential to provide fundamental population data for effective government service planning. A birth certificate is an essential document of identification and citizenship, and registration is required for primary school admission. The TDHS 2004/05 indicates that registrations are very low, especially outside Dar es Salaam. Only 5.7 per cent of births are registered; 20 per cent in urban areas, and less than 3 per cent in rural areas. Although notification is free at the time of birth and up to 90 days after birth, few parents register their children early. The TDHS 2004/05 does show slight increases in registrations in both urban and rural areas. However, further awareness raising and improvements in registration services are necessary. It is especially important to ease the hardships of registration by lowering the cost of registration and by improving accessibility to registration offices for rural households. Linking birth registration with immunisation services is one possible strategy.

Cluster III indicators also measure gender equity in public service and political appointments, and in land ownership. **The number of women representatives in Parliament has risen steadily since independence**, reaching 30.4 per cent in 2005. This proportion is much higher than in other East African countries due to the Special Seat System. After the 2005 general election, more female ministers were appointed than at any other time in the country's history – six women among the total of 29 ministers. **In the civil service, gender balance has been improving**, but the distribution across grades/levels is uneven and women continue to be concentrated at the lower and middle hierarchical levels. Furthermore, the new rules stipulating that civil service appointments must be based on merit only may mean that special capacity building efforts are needed for female officials to enable them to compete for posts and promotions on an equal footing.

In Tanzania, 58 per cent of rural households retain their land under customary law; 16 per cent have bought their land; and the remainder rent, lease, or sharecrop (Agricultural Census Survey 2002/03). A very small proportion – five per cent - has official land owner certification. Assessing gender balance in land ownership poses a number of challenges, not least because the concept of 'ownership' is equated most often with user-rights, especially in rural areas. In addition, the Law of Marriage Act (Sec 56) and the Rules of Inheritance (GN.436) limit a female spouse's rights in the event of the death of her husband. These pieces of legislation were meant for review and revision during the period of the Poverty Reduction Strategy from 2000-2004, but there has been little progress.

Finally, countrywide data is not yet available to assess the proportion of local government authorities posting public budgets, revenue and actual expenditure on easily accessible noticeboards. Regulations are in place and LGAs are required to post financial information. However, selective research found little information displayed at village level and the quality and accessibility of information, as well as its timeliness, were problematic. Greater effort by LGAs, PMO-RALG and civil society are required to improve this area of public accountability.

GOAL 2: Equitable allocation of public resources with corruption effectively addressed

Progress is being made towards this goal, and efforts to make further progress are clearly on the right path.

GOAL 2

Indicators are:

- Total revenue collected as a percentage of revenue due at national level
- Percentage of procuring entities complying with the Public Procurement Act
- Percentage of government entities awarded clean audit certificates from the National Audit Office (NAO)
- Number of convictions in corruption cases as a percentage of number of investigated cases sanctioned for prosecution by the Director of Public Prosecutions (DPP)
- Percentage of LGAs that receive the full calculated amount of their annual formula based budget allocation
- Total value of revenue received from concessions and licences for mining, forestry, fishing and wildlife as a percentage of their estimated economic value

Domestic revenue collection shows an overall upward trend, although improvement is slow and levels are below those of comparable countries. The government recognises the need to widen the tax base while minimising leakages and distortions. Nonetheless, a significant challenge remains to implement a systematic approach for estimating revenue due. Current

moves to benchmark the Tanzania Revenue Authority (TRA) against internationally recognised tax administration principles represent positive steps towards achieving this objective.

Significant improvements have been made in recent years in public procurement. The new Procurement Act 2004 has decentralised procurement to MDAs and LGAs. Implementation has been positive overall, but improvements are needed in the performance of tender boards in particular. Moreover, there are significant sums of unaccounted stock in government stores resulting from a lack of proper records, gaps amounted to TSh 3.6 billion in 2004/05. There is also an urgent need to implement regulations for local government procurement that address issues of the functioning, autonomy, and appeals processes for tendering at the LGA level.

The trend overall in audit judgements of MDAs is positive. Clean audits have moved from 24 per cent in 1998/99 to 45 per cent in 2003/04. The trend for local government also shows improvement from 9 per cent with clean audits in 1998/99 to 43 per cent in 2003/04. More stringent efforts are needed at LGA level, especially in light of increased financing through transfers in the grant formula system and the large amounts of financing through donor initiatives. Capacity development grants are intended to facilitate this process.

Given the legal challenges to prove cases beyond a reasonable doubt, the current MKUKUTA indicator, convictions for corruption, may be of limited value. However, tolerance of corruption has been gauged through periodic Afrobarometer studies. The most recent study in 2006[14] revealed that 66 per cent of Tanzanians considered it was wrong for a public official to locate a development project in an area where his/her friends and supporters reside. A marginally higher percentage (69 per cent) thought it was wrong for a government official to give jobs to family members or to those candidates with inadequate qualifications, and 72 per cent viewed it was wrong for a government official to demand a favour or an additional payment for a service that is part of his/her job. Respondents felt that action should be taken in such cases, including prosecution and/or punishment.

High levels of corruption in the public sector are still perceived. Eighty per cent of respondents in the latest Afrobarometer survey perceived corruption in the police force, while 71 per cent perceived corruption in the judiciary. Despite this, the number of corruption cases prosecuted at regional level in 2005 was extremely low. The results of this assessment, combined with the low level of human resources in the legal sector generally, add urgency to the need for speedy implementation of legal sector reform.

Two main weaknesses in combating corruption require mentioning. First, the absence of legal protection for whistle blowers in corruption cases is a major flaw in the legal system. However, the government is considering new legislation to address this problem in the near future. Secondly, limited institutional arrangements exist to facilitate the participation of civil society in the fight against corruption.

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14 Afrobarometer (2006): Briefing Paper No. 33: "Combating Corruption in Tanzania: Perception and Experience".

GOAL 3: Effective public service framework in place to provide foundation for service delivery improvements and poverty reduction

Indicators of progress towards this goal are:

- Percentage of population reporting satisfaction with government services
- Percentage of population who found key service providers absent when they needed a service

Since the mid-1990s, improving public sector performance in service delivery has been a primary focus of the Public Service Reform Programme. Although significant progress has been achieved, pay reform has not been sufficiently addressed, and the public service continues to suffer through the loss of trained professionals, who move to more lucrative opportunities in the private sector. Moreover, many of those who stay do not work to their full potential on account of low wages and poor working conditions. Slow movement on pay reform, continuing poor performance of civil servants, and the human resource challenges in key sectors, such as health, education and water, may make this goal elusive.

To explore strategies to enhance productivity and efficiency in public service and to retain professional staff, the government established a Presidential Commission in mid 2006. In addition, phase II of the public service reform process was launched in September 2006, which will include further restructuring of MDAs to reflect core functions.

Levels of user satisfaction with public services vary widely. In general, lower levels of satisfaction, as well as higher levels of corrupt behaviour, are reported where users come into direct contact with providers, for example, with police, immigration and health services. Between 50 and 75 per cent of respondents reported dissatisfaction with these services. Dissatisfaction with secondary school services was consistently higher than with primary education services, perhaps reflecting recent efforts of the PEDP. Dissatisfaction was lowest with regulatory services.

Users reported some improvements in immunisation, secondary and primary education, tax collection, road maintenance, and services from traditional birth attendants. **Nonetheless, the absence of service personnel is a large problem.** Complaints of absence by service providers ranged from a low of 32 per cent for the Ministry Science and Technology to a high of 72 per cent for the Ministry of Home Affairs.

It is recommended that regular assessments of service satisfaction be linked to planning processes and medium-term expenditure frameworks (MTEFs) for MDAs and LGAs. The role of the President's Office – Public Service Management (PO – PSM) in this process will be important.

GOAL 4: Rights of the poor and vulnerable groups to be protected and promoted in the justice system

Indicators identified so far for this goal are limited in scope, but provide a necessary starting point for assessing progress.

GOAL 4

Indicators are:

- Percentage of court cases outstanding for two or more years
- Percentage of prisoners in remand for two or more years compared to all prisoners in a given year
- Percentage of detained juveniles accommodated in juvenile remand homes
- Percentage of districts with a team of trained paralegals

Administration of justice should be expedited. There is a backlog of unresolved criminal and civil disputes, and the number of trained legal personnel is insufficient. **Data indicates that the percentage of people held in remand for more than two years is 15.7 per cent in 2005.** The target is 7.5%. Given the overcrowding in prisons, reducing this number could help to ease congestion.

Juvenile justice is also lagging due to the lack of appropriate facilities; the central, western and north-western zones do not have separate placements for juvenile offenders.

Possible options include expanding prison facilities, or considering alternative and/or preventive measures. Although recent government efforts are acknowledged, a more strategic approach is recommended which considers innovations for sentencing such as community service. Early implementation of the long awaited Legal Sector Reform Programme is needed to speed up the dispensation of justice.

GOAL 5: Reduction of political and social exclusion and intolerance

GOAL 5

Indicator

- The number of cases filed for infringement of human rights.

In 2005, the Commission for Human Rights and Good Governance received 12,434 complaints, of which, the Commission resolved 7,111. Generally, very few human rights cases reach the courts, yet statistics show that citizens are aware of their right to file complaints. Over time public education on the principles of human rights and good governance may work to reduce intolerance, political and social exclusion.

GOAL 6: Improve personal and material security, reduce crime, and eliminate sexual abuse and domestic violence

The following indicators have been identified:

- Average number of inmates per facility as a percentage of authorised capacity
- Number of cases of crimes reported
- Percentage of cases of sexual abuse reported that resulted in a conviction
- Percentage of surveyed respondents who agree that a husband is justified in hitting or beating his wife for a specific reason

Prison facilities are in a state of poor repair and overcrowded. On average, they are accommodating 96 per cent more prisoners than the facilities were designed for.

Although national data are not available on sexual abuse and domestic violence, the TDHS 2004-05 reports on the attitudes of men and women toward wife beating for specific reasons. A high proportion of respondents (42% of men and 60% of women) agreed that wife beating is acceptable, which indicates that a high proportion of Tanzanians consider violence to be an acceptable aspect of domestic relationships. The high percentage of women who reported that they accept wife beating under certain circumstances is particularly concerning. A World Health Organization study in Dar es Salaam and Mbeya in 2006 further revealed that 41 per cent of "ever partnered" women had experienced physical or sexual violence at the hands of a partner, and this violence was severe in 17 per cent of cases reported in Dar and 25 per cent of those in Mbeya.

GOAL 7: National cultural identities enhanced and promoted

Indicators are yet to be developed for this goal. At present, process indicators will be used, and outcome indicators should evolve from periodic analysis.

MKUKUTA Cluster III: Indicators, available data and targets[15]

Note: Baselines and targets for most indicators in this cluster are still to be agreed

Indicator	Baseline		Trends						Targets
	Estimate	Year	2001	2002	2003	2004	2005	2006	MKUKUTA 2010
GOAL 1: Structure and Systems of governance as well as the rule of law are democratic, participatory, representative, accountable and inclusive									
% of population with birth certificates	6.4%	1999				5.7			
- Urban	(children					17.8			
- Rural	under					2.7			
- Dar es Salaam	5 yrs)					24.8			
Proportion of women among senior civil servants: %									
- Central Government							21.2		
- Local Government							35.0		
- Regional Secretariat							25.0		
- Judiciary							35.0		
% of women representatives elected to district council									
Proportion of women among Members of Parliament %	21%	2000					30.4		
Proportion of village assemblies holding quarterly meeting with public minutes									
Proportion of LGAs posting public budgets, revenue and actual expenditures on easily accessible public noticeboards									
Proportion of women with secure tenure over land or property									
GOAL 2: Equitable allocation of public resources with corruption effectively addressed									
Total revenue collected as % of revenue due at national level **Proxy: total tax revenue collected by TRA, billion TSh**			861	977	1,145	1,319	1,679	1,903	
% of procuring entities complying with the Public Procurement Act and procedures	10%	2005					10%	58.3%	80%
% of government entities awarded clean audit certificate from National Audit Office									
- MDAs:	24%	98/99	41	31	49	45			
- LGAs:	9%		10	17	34	43			

Indicator	Baseline		Trends						Targets
	Estimate	Year	2001	2002	2003	2004	2005	2006	MKUKUTA 2010
Number of corruption cases convicted as % of number of investigated cases sanctioned for prosecution by the Director of Public Prosecutions			38	32	35	57			
% of LGAs that receive the full calculated amount of their annual formula based budget allocation									
Total value of revenue received from concessions and licenses for mining, forestry, fishing and wildlife as % of their estimated economic value									
GOAL 3: Effective public service framework in place to provide foundation for service delivery improvements and poverty reduction									
% of population reporting satisfaction with Government Services									
% of population who found key service providers to be absent when they needed a service						53			
GOAL 4: Rights of the poor and vulnerable groups are protected and promoted in the justice system									
% of court cases outstanding for two or more years	70%	2000							40%
% of prisoners in remand for two or more years compared to all prisoners in a given year	15.7%	2005				6.8	15.7		7.5%
% of detained juveniles accommodated in juvenile remand homes									
% of districts with a team of trained paralegals									
Goal 5: Reduction of political and social exclusion and intolerance									
Number of cases filed on infringement of human rights									

Indicator	Baseline		Trends						Targets
	Estimate	Year	2001	2002	2003	2004	2005	2006	MKUKUTA 2010
GOAL 6: Improved personal and material security, reduced crime, eliminate sexual abuse and domestic violence									
Average number of inmates per facility as % of authorised capacity								96.3%	
Number of cases of crimes reported:									
- Court of Appeal			82	91	160	127	221	222	
- High Court			2,288	2,047	1,863	2,212	3,291	4,344	
- District Courts			39,010	39,167	39,800	8,494	1,998	22,099	
% of cases of sexual abuse reported that resulted in a conviction									
% who agree that a husband is justified in hitting or beating his wife for a specific reason:									
- women							60		
- men							42		
GOAL 7: National cultural identities enhanced and promoted									
Currently no outcome indicators									

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15 Sources as noted in the Ministry of Planning, Economy and Empowerment, MKUKUTA Monitoring Secretariat, Indicators to Monitor National Strategy for Growth and Reduction of Poverty (MKUKUTA), draft 1 July 2006

CONCLUSION:
THE WAY FORWARD FOR THE MONITORING SYSTEM

This conclusion addresses methodological issues regarding this report and the use of data in the reporting system. The earlier chapter "Highlights and Recommendations" provides a conclusion for the findings of the Status Report.

The Status Report is part of the ongoing reporting under the Government led monitoring system for MKUKUTA (the National Strategy for Growth and Reduction of Poverty). This report provides an overview of changes in outcomes, using the newly revised set of more than 80 national indicators, as per the MKUKUTA monitoring framework.

Representatives from both within and outside of Government were involved in the production of this report. A large number of ministries have the responsibility for regularly reporting on specific indicators within the Monitoring System. It is important that these institutions increase their efforts in reporting on these indicators, so that this critical information can assist the move towards using outcome information to assist the prioritisation processes when planning and budgeting.

Although it is important to make an annual assessment of the progress towards achieving the National Strategy (MKUKUTA) each year, this assessment cannot realistically be based on annual data for every indicator. Some indicators change slowly (e.g. maternal mortality), while others require data from large surveys which are expensive to conduct and cannot practically be undertaken on an annual basis (e.g. infant mortality). It is important that stakeholders appreciate that it is not feasible to produce annual outcome reporting for all the indicators every year. The MKUKUTA Monitoring Master Plan and Indicator Report (Ministry of Planning, Economy and Empowerment, 2006) provides details about the frequency of data for each of the national indicators, and this should be used as a guide.

Over time the volume of data in the Status Reports and other reports produced as part of the monitoring system will increase; however, further revision of the national indicator set for the MKUKUTA monitoring system may be desirable in order to ensure that the indicators used are the optimal set for providing a sound overview of the outcomes towards growth and poverty reduction.

In addition, reporting information on such a large set of national indicators is a challenging task, in part because of the large number of institutions involved, but also because of the need to strengthen capacity to undertake the necessary analysis. The requirement for the production outcome reports on an annual basis (Status Report or Poverty and Human Development Report) makes it especially difficult to allow sufficient time for building capacity in this important area. One way to address this issue would be to carefully consider the planned contents of each annual report and agree on a base set of national indicators to be reported on for each report and, in addition, provide analysis of any additional data of national indicators which has become available since publishing the preceding annual report.

ANNEX: MKUKUTA INDICATORS JULY 2006

These indicators represent the agreed consensus for the MKUKUTA period (2005-10). However, stakeholders must appreciate that adjustments may take place during this period as a result of availability of data and emerging priorities.

Key to tables in Annex A:

(i) Sources of Data: Refer to List of Abbreviations

(ii) Frequency: A = Annual, P = Periodic

(iii) Disaggregation: Geo: N = National, R = Regions, D = Districts
U/R = Urban/Rural
Gender = Male/Female, FHH/MHH = Female/Male Headed Households
PQ = Poverty Quintiles
MDAs = Ministries, Departments & Agencies
LGAs = Local Government Authorities

MKUKUTA CLUSTER AND GOAL	Source (i)	Frequency (ii)	Disaggregation (iii)
MKUKUTA CLUSTER I: GROWTH AND REDUCTION OF POVERTY			
Cluster Wide Indicators			
GDP growth per annum	MPEE/Econ Survey	A	Geo (N)
GDP growth of sectors per annum	MPEE/Econ Survey	A	Geo (N), Sectors (Manuf, trade, agric)
Gini coefficient	NBS/HBS	P	Geo (N)
Headcount ratio, basic needs poverty line	NBS/HBS	P	Geo (N/R), R/U, PQ
GOAL 1: Ensuring sound economic management			
Annual rate of inflation	MPEE/Econ Survey	A	Geo (N)
Central Government revenue as % of GDP	MoF	A	Geo (N)
Fiscal deficit as % of GDP (before and after grants)	MoF	A	Geo (N)
External Debt Service as % of Exports	BoT	A	Geo (N)
Export as % of GDP	BoT	A	Geo (N)
GOAL 2: Promoting sustainable and broad-based growth			
Unemployment Rate	NBS/MoLEY/ILFS	P	Geo (N), R/U, Gender, Age (esp.15-24 yrs), Level of education
Domestic credit to private sector as % of GDP	BoT	A	Geo (N)
% increase in foreign direct investment	BoT	A	Geo (N)
Interest rate spread on lending and deposits	BoT	A	Geo (N)

MKUKUTA CLUSTER AND GOAL	Source (i)	Frequency (ii)	Disaggregation (iii)
% of rural population who live within 2 kms of an all season passable road (Rural access indicator)	NBS/HBS	P	Geo (N/R)
% of trunk and regional road network in good and fair condition	MoID	A	Geo
Proportion of enterprises undertaking Environmental Impact Assessments complying with regulations	NEMC	A	Geo (N)
GOAL 3: Improved food availability and accessibility at household level in urban and rural areas			
Food self sufficiency ratio	MAFS - NFS	A	Geo (N/R/D)
Proportion of districts reported to have food shortages	MAFS - NFS	A	Geo (N/R/D)
% change in food crop production	MAFS/Agric Survey	A/P	Geo (N/R/D), Gender (FHH/MHH)
Proportion of households who eat no more than one meal per day	NBS-HBS/Agric Survey	P	Geo (N/R/D), U/R, Gender (FHH/MHH) PQ
GOALS 4 and 5: Reducing income poverty of both men and women in rural and urban areas			
% of smallholders participating in contracting production and outgrowers schemes	NBS-Agric Survey	P	Geo (N/R/D), Gender (FHH/MHH)
% of smallholders using modern methods of farming (irrigation, fertilizers and hybrid seeds)	NBS-Agric Survey	P	Geo (N/R/D), Gender (FHH/MHH)
% of smallholders who accessed formal credit for agricultural purpose	NBS-Agric Survey, HBS	P	Geo (N/R/D), Gender (FHH/MHH)
% of smallholder households who have one or more off-farm income generating activities	NBS-Agric Survey, HBS	P	Geo (N/R/D), Gender (FHH/MHH)
% of households whose main income is derived from the harvesting, processing and marketing of natural resource products	NBS-HBS	P	Geo (N/R), Gender (FHH/MHH)
GOAL 6: Provision of reliable and affordable energy to consumers			
% increase in number of customers connected to the national grid and off-grid sources of electricity	MEM	A	National/Stations
% of households in rural and urban areas using alternative sources of energy to wood fuel (including charcoal) as their main source of energy for cooking	HBS/Census	P	Geo (N/R/D), Gender (FHH/MHH)
Total electricity generating capacity and utilisation	MEM	A	National/Stations

MKUKUTA CLUSTER II: IMPROVEMENT OF QUALITY OF LIFE AND SOCIAL WELL-BEING			
GOAL 1: Ensure equitable access to quality primary and secondary education for boys and girls, universal literacy and expansion of higher, technical and vocational education			
Literacy rate of population aged 15+	NBS-Census, HBS	P	Geo (N/R/D), U/R, Gender, Age (esp.15-24 yrs)
Net enrolment at pre-primary level	MoEVT- MIS, HBS	A	Geo (N/R/D), Gender, Age

MKUKUTA CLUSTER AND GOAL	Source (i)	Frequency (ii)	Disaggregation (iii)
Net primary school enrolment rate	MoEVT/NBS-MIS /HBS/Census	A/P	Geo (N/R/D), Gender, PQ
% of cohort completing Standard VII	MoEVT-MIS	A	Geo (N/R/D), Gender
% ofstudents passing the Primary School Leavers' Exam	MoEVT-MIS	A	Geo (N/R/D), Gender
Pupil/Teacher ratio	MoEVT-MIS	A	Geo (N/R/D)
% of teachers with relevant qualifications	MoEVT-MIS	A	Geo (N/R/D)
Pupil/text book ratio	MoEVT-MIS	A	Geo (N/R/D)
Transition rate from Standard VII to Form 1	MoEVT-MIS	A	Geo (N/R/D), Gender
Net secondary enrolment	MoEVT-MIS	A	Geo (N/R/D), Gender
% of students passing the form four examination Enrolment in higher education Institutions	MoEVT-MIS MSTHE	A A	Geo (N/R/D), Gender Geo (N/R/D), Gender

GOAL 2: Improved survival, health and well-being of all children and women and especially vulnerable groups

Infant mortality rate	MoH/NBS-DHS /Census	P	Geo (N/R/D) PQ
Under-five mortality rate	MoH/NBS-DHS /Census	P	Geo (N/R/D) PQ
DPTHb3 coverage	MoH/NBS-HMIS /DHS	A/P	Geo (N/R/D) PQ
% change in mortality attributable to malaria among children under-five	MoH&SW	A	Geo (N/R/D)
Proportion of under-fives moderately or severely stunted (height for age)	MoH/NBS-DHS	P	Geo (N/R/D) Gender, PQ
Maternal mortality ratio	MoH/NBS-DHS /HMIS	P	Geo (N/R/D) PQ
Proportion of births attended by a skilled health worker	MoH/NBS-DHS /HMIS	P	Geo (N/R/D) PQ
% of persons with advanced HIV infection receiving ARV combination therapy	MoH/NACP	A	Geo (N/R) Gender
HIV prevalence amongst 15 - 24 yrs	MoH/NACP /TACAIDS	A/P	Geo (N/R/D) PQ Blood donors Pregnant women
TB treatment completion rate	MoH/TB Prog	A	Geo (N/R/D)

GOAL 3: Increased access to clean, affordable and safe water, sanitation, decent shelter and a safe and sustainable environment

Proportion of population with access to piped or protected water as their main drinking water source (30 minutes to go, collect, return to be taken into consideration)	MoW/NBS-TDHS /HBS/ILFS/Census	P	Geo (N/R/D) U/R, Gender (FHH/MHH)
Number of reported cholera cases	MoH&SW	A	Geo (N/R/D)
% of households with basic sanitation facilities	NBS-TDHS/HBS /Census	P	Geo (N/R/D), U/R Gender (FHH/MHH)

MKUKUTA CLUSTER AND GOAL	Source (i)	Frequency (ii)	Disaggregation (iii)
% of schools having adequate sanitation facilities (as per Policy)	MoEVT-HMIS, HBS	A	Geo (N/R/D)
Total area under community based natural resources management	MNRT	A	Geo (N/R/D) Ecosystem types
GOAL 4: Adequate social protection and rights of the vulnerable and needy groups with basic needs and services			
GOAL 5: Systems are in place to ensure effective universal access to quality public services that are affordable and available			
Proportion of children in child labour	MoLEY/NBS-ILFS	P	Geo (N/R), U/R Gender (FHH/MHH) PQ
Proportion of children with disability attending primary school	MoEVT/MIS	A	Geo (N/R/D) Gender
Proportion of orphaned children attending primary school	MoH&SW/ NBS-Census	P	Geo (N/R/D) U/R
Proportion of eligible elderly accessing medical exemptions at public health facilities	MoH&SW/NBS-HBS /DHS/PSSS	P	Geo (N/R/D), U/R Gender (FHH/MHH)
Proportion of population reporting to be satisfied with health services	MoH&SW/NBS-HBS /TDHS	P	Geo (N/R/D)

MKUKUTA CLUSTER III: GOVERNANCE AND ACCOUNTABILITY			
GOAL 1: Structure and systems of governance as well as the rule of law to be democratic, participatory, representative, accountable and inclusive			
% of population with birth certificates	DHS/Administrator General/MoJCA	P	Geo (N/R), U/R, Age Gender (FHH/MHH) PQ
Proportion of women among senior civil servants	PO-PSM	A	Geo (N/R/D) Grades X - Y
% of women representatives (elected) to district council	PMO-RALG	A	Geo (N/R/D)
Proportion of women among Members of Parliament	Clerk of National Assembly	P	Geo (N) Elected/nominated /Ministers
Proportion of village assemblies holding quarterly meeting with public minutes	PMO-RALG/ Civil Society	A	Geo (N/R/D)
Proportion of LGAs posting public budgets, revenue and actual expenditures on easily accessible public noticeboards	PMO-RALG/ Civil Society	A	Geo (N)
% of female from smallholder households with land ownership or customary land rights	Agric Survey/NBS/ Ministry of Lands	P	Geo (N/R/D) Gender (FHH/MHH)

MKUKUTA CLUSTER AND GOAL	Source (i)	Frequency (ii)	Disaggregation (iii)
GOAL 2: Equitable allocation of public resources with corruption effectively addressed			
Total revenue collected as % of revenue due at national level	TRA/MoF	A	Geo (N)
% of procuring entities complying with the public procurement act and procedures	NAO/MoF	A	Geo (N) MDAs/LGAs
% of government entities awarded clean audit certificate from the National Audit Office	NAO	A	Geo (N) MDAs/LGAs
Number of corruption cases convicted as % of number of investigated cases sanctioned for prosecution by the Director of Public Prosecutions	DPP/PCB	A	Geo (N)
% of LGAs that receive the full calculated amount of their annual formula based budget allocation	MoF/LGRT	A	Geo (N)
Total value of revenue received from concessions and licenses for mining, forestry, fishing and wildlife as % of their estimated economic value	MoF/TRA	A	Geo (N)
GOAL 3: Effective public service framework in place to provide foundation for service delivery improvements and poverty reduction			
% of population reporting satisfaction with government services	PO-PSM/RAWG	P	Geo (N/R/D) U/R, Local/Central Govt, Service
% of population who found key service providers to be absent when they needed a service	PO-PSM/RAWG	P	Geo (N/R/D) U/R, Service
GOAL 4: Rights of the poor and vulnerable groups to be protected and promoted in the justice system			
% of court cases outstanding for two or more years	MoHA, MoJCA	A	Geo (N)
% of prisoners in remand for two or more years compared to all prisoners in a given year	MoHA, MoJCA	A	Geo (N)
% of detained juveniles accommodated in juvenile remand homes	MoHA	A	Geo (N)
% of districts with a team of trained paralegals	MoJCA	A	Geo (N)
GOAL 5: Reduction of political and social exclusion and intolerance			
Number of cases filed on infringement of human rights	MoHA, MoJCA	A	Geo (N/R/D), U/R
GOAL 6: Improved personal and material security, reduced crime, eliminate sexual abuse and domestic violence			
Average number of inmates per facility as % of authorised capacity	MoHA	A	Geo (N)
Number of cases of crimes reported	Public Safety and Security	A	Geo (N/R/D) U/R, Categories

MKUKUTA CLUSTER AND GOAL	Source (i)	Frequency (ii)	Disaggregation (iii)
% of cases of sexual abuse reported that resulted in a conviction	Public Safety and Security	A	Geo (N/R/D) U/R
% who agree that a husband is justified in hitting or beating his wife for a specific reason	NBS/DHS	P	Geo (N/R) U/R, Gender, PQ
GOAL 7: National cultural identities enhanced and promoted			
At present, process indicators will be used which follow the MKUKUTA Annex. Outcome indicators should evolve from periodic analysis.			

References

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ABBREVIATIONS

AIDS	Acquired Immune Deficiency Syndrome
ARV	Anti-Retro Viral (therapy)
BoT	Bank of Tanzania
DPP	Director of Public Prosecutions
DPTHb3	Diphtheria, Pertusis, Tetanus and Hepatitis B
EPI	Expanded Programme of Immunisation
ESRF	Economic and Social Research Foundation
GDP	Gross Domestic Product
GN	Government Notice
ha	hectare
HBS	Household Budget Survey
HIV	Human Immunodeficiency Virus
HMIS	Health Management Information System
ILFS	Integrated Labour Force Survey
ILO	International Labour Organisation
LGA	Local Government Authority
MAFS	Ministry of Agriculture and Food Security
MDAs	Ministries, Departments and Agencies (of the Government of Tanzania)
MEM	Ministry of Energy and Minerals
MIS	Management Information System
MKUKUTA	Mkakati wa Kukuza Uchumi na Kuondoa Umaskini Tanzania
	(Swahili for the National Strategy for Growth and Reduction of Poverty)
MNRT	Ministry of Natural Resources and Tourism
MoEVT	Ministry of Education and Vocational Training
MoF	Ministry of Finance
MoH&SW	Ministry of Health and Social Welfare
MoHA	Ministry of Home Affairs
MoID	Ministry of Infrastructure Development
MoJCA	Ministry of Justice and Constitutional Affairs
MoLEY	Ministry of Labour, Employment and Youth Development
MoW	Ministry of Works
MPEE	Ministry of Planning, Economy and Empowerment
MSTHE	Ministry of Science, Technology and Higher Education
MTEF	Medium-Term Expenditure Framework
MW	Megawatt
NACP	National AIDS Control Programme
NAO	National Audit Office
NBS	National Bureau of Statistics
NEMC	National Environment Management Council
NFS	National Food Security (Ministry of Agriculture and Food Security)

PCB	Prevention of Corruption Bureau
PEDP	Primary Education Development Programme
PHDR	Poverty and Human Development Report
PMO-RALG	Prime Minister's Office – Regional Administration and Local Government
PO-PSM	President's Office – Public Service Management
PRS	Poverty Reduction Strategy
PSSS	Policy and Service Satisfaction Survey
RAWG	Research and Analysis Working Group
REPOA	Research on Poverty Alleviation
TACAIDS	Tanzania Commission for AIDS
TANROADS	Tanzania Roads Authority
TB	Tuberculosis
TDHS	Tanzania Demographic and Health Survey
THIS	Tanzania HIV/AIDS Indicator Survey
TSh	Tanzanian Shillings
TRA	Tanzania Revenue Authority
URT	United Republic of Tanzania
VPO	Vice President's Office
WHO	World Health Organisation

The Status Report 2006 provides an overview of the latest data available about indicators of progress towards the goals and targets of MKUKUTA's desired outcomes for poverty reduction in Tanzania:
Cluster I: Growth and reduction of income poverty;
Cluster II: Improvement of quality of life and social well-being; and
Cluster III: Governance and accountability.

Broadly, the areas covered in this report include:
Cluster I -   Economic management, growth, agriculture, food availability and accessibility, reduction of poverty and energy

Cluster II -   Education, health and well-being, water and sanitation, social protection and service provision

Cluster III - Governmental structures and systems, public resources, public services, and human rights

As well as presenting the data available, the report comments on gaps in data and adjustments which may need to be made to the indicator set.

This report is a reference document which complements the series of Tanzanian Poverty and Human Development Reports. It was produced in accordance with the MKUKUTA Monitoring Master Plan and is published by the Research and Analysis Working Group, which is part of the MKUKUTA Monitoring System within the Ministry of Planning, Economy and Empowerment.