THE UNITED REPUBLIC OF TANZANIA

THE ECONOMIC SURVEY 2017

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LIST OF TABLES

ABBREVIATIONS AND ACRONYMS

ASDP	-	Agricultural Sector Development Programme
AfDB	-	African Development Bank
AIDS		- Acquired Immune Deficiency Syndrome
ARVs	-	Anti-retrovirals
ATCL	-	Air Tanzania Company Limited
AU	-	African Union
BASA		Bilateral Air Servises Agreement
BoT	-	Bank of Tanzania
CCM	-	Chama cha Mapinduzi
Cif	-	Cost, insurance and freight
CPI	-	Consumer Price Index
CHF	-	Community Health Fund
CUHAS	-	Catholic University of Health and Allied Sciences
DSE	-	Dar es Salaam Stock Exchange
ECA	-	Economic Commission for Africa
EAC	-	East African Community
EPOCA	-	Electronic and Postal Communications
EPZs	-	Export Processing Zones
EWURA	-	Energy and Water Utilities Regulatory Authority
EFD	-	Electronic Fiscal Devices Machines
f.o.b	-	free on board
FDI	-	Foreign Direct Investment
GEPF	-	Government Retirement Benefits Fund
GBS	-	General Budget Support
GDP	-	Gross Domestic Product
HBS	-	Household Budget Survey
HDI	-	Human Development Index
HIV		- Human Immunodefiency Virus
IFMS	-	Integrated Financial Management System
IHI	-	Ifakara Health Institute
IMF	-	International Monetary Fund
LAPF	-	Local Authorities Pensions Fund
M_1	-	Narrow Money Supply
M_2	-	Broad Money Supply
M_3	-	Extended Broad Money Supply
ILO	-	International Labour Organisation
KCMUCo	-	Kilimanjaro Christian Medical University College
MUHAS	-	Muhimbili University of Health and Allied Sciences
IMF	-	International Monetary Fund

MSCL	-	Marine Services Company Ltd
MSD	-	Medical Stores Department
MW	-	Mega Watts
NIMR	-	National Institute for Medical Research
NSSF	-	National Social Security Fund
NGO's	-	Non-Governmental Organisations
NHIF	-	National Health Insurance Fund
NIC	-	National Insurance Corporation
NIDA	-	National Identification Authority
NMB	-	National Microfinance Bank
PSPF	-	Public Service Pensions Fund
PPF	-	Parastatal Pensions Fund
RITA	-	Registration, Insolvency and Trusteeship Agency
SIDO	-	Small Industries Development Organization
SACCOS	-	Savings and Credit Cooperative Societies
SADC	-	Southern Africa Development Community
SELF	-	Small Enterpreneurs Loan Facility
SSRA	-	Social Security Regulatory Authority
SUMATRA	-	Surface and Marine Transport Regulatory Authority
TAA		Tanzania Airpots Authority
TaESA	-	Tanzania Employment Service Agency
TANESCO	-	Tanzania Electricity Supply Company
TANROADS	-	Tanzania Roads Agency
TAWA	-	Tanzania Wildlife Authority
TAZARA	-	Tanzania Zambia Railways Authority
TIRA		Tanzania Insurance Regulatory Authority
TICTS	-	Tanzania International Container Terminal Services
TCAA	-	Tanzania Civil Aviation Authority
TCRA	-	Tanzania Communications Regulatory Authority
TDHS	-	Tanzania Demographic and Health Survey
TMA	-	Tanzania Meteorology Agency
TMRC		Tanzania Mortgage Refinance Company
TPA		Tanzania Ports Authority
TRL	-	Tanzania Railways Company Limited
TTCL	-	Tanzania Telecomunications Company Limited
UAE	-	United Arab Emirates
UNDP	-	United Nations Development Programme
UNIDO	-	United Nations Industrial Development Organization
WCF	-	Workers Compensation Fund
WHC		Watumishi Housing Company
WTO	-	World Trade Organisation

IMPORTANT ECONOMIC EVENTS IN 2017

Date	Month	Events
20	March	H.E President Dr.John Pombe Magufuli and Dr Jim Yong Kim, President of the World Bank, laid a foundation stone at the inaugural of the Ubungo Interchange.
12	April	H.E President Dr.John Pombe Magufuli inaugurated the first phase of construction of the Standard Gauge Railway of 256 Kilometers connecting Dar es Salaam, Mwanza, Kigoma and neighbouring countries of Rwanda and Burundi.
30	June	H.E President Dr.John Pombe Magufuli gave instructions on the Development of a Hydropower Project in the Rufiji river Basin.
25	November	H.E President Dr.John Pombe Magufuli officially opened the Mloganzila MUHAS Kibamba Campus.

Table A **BASIC ECONOMIC STATISTICS - TANZANIA MAINLAND**

Details	2012	2013	2014	2015	2016	2017p	% Change 2016/17
Population (millions)	43.6	44.8	46.1	47.4	48.7	51.0	4.8
Gross Domestic Product, at current prices (Shs. millio	61434213.9	70953227.3	79718416.1	90863827.0	103168611.0	116101908.0	12.5
Gross Domestic Product, at constant 2007 prices (Sh	35936459.1	38546545.7	41231364.5	44100809.0	47174902.0	50525087.0	7.1
GDP per capita, at current prices (Shs.)	1408222.7	1582796.7	1730404.8	1918930.9	2119466.1	2276508.0	7.4
GDP per capita, at constant 2007 prices (Shs.)	823751.7	859881.2	894987.1	931354.2	969147.5	990688.0	2.2
Consumer Price Index (%)	16.0	7.9	6.1	5.6	5.2	5.3	2.4
Balance of merchandise trade (US$ million)	-4429.9	-5771.1	-5596.3	-4440.7	-2945.0	-	-
Current Account balance (US$ million)	-3768.9	-4988.0	-5017.5	-3557.9	-4561.6	-	-
Consumption of cement ('000 Tons)	2581.4	2369.8	2795.7	3273.0	4916.4	4222.8	-14.1
Electricity sold (KWH million)	5855.7	5997.3	5051.5	5297.1	5871.5	5956.2	1.4
Tourist earnings (US$ million)	1712.8	1853.3	1983.0	1901.9	2073.1	2199.8	6.1
Railways: Cargo transportation ('000 Tons)	413	430	160	364	198	341.0	72.2
Education: Students in Primary Schools ('000)*	8247.2	8231.9	8222.7	8298.3	8639.2	9317.8	7.9
Education: Students in Secondary Schools ('000)*	1884.3	1804.1	1947.3	1774.4	1807.0	1908.9	5.6
Education: Students in Higher Learning Institutions (	47484	70906	50670	-	59757		-100.0
Hospitals: Number of beds	47484	70906	50670	-	59757	60952.0	2.0
Doctors (number)	-	-	-	-	-	-	-
Exports of Cash Crops (Mill.US$)							-
Traditional Commodities							-
Coffee	186.6	171.0	121.5	162.2	154.2	127.2	-17.5
Cotton	164.9	111.7	54.7	30.2	46.8	36.0	-23.2
Sisal	18.4	16.9	16.8	26.5	17.2	25.8	49.7
Tea	56.1	56.9	45.7	44.0	44.7	49.0	9.5
Tobacco	350.1	307.0	315.0	287.6	312.7	195.8	-37.4
Cashewnuts	142.6	162.4	222.2	218.8	270.6	541.8	100.2
Cloves	38.1	43.0	52.9	24.1	39.3	54.4	38.4
Non-Traditional Commodities							
Minerals	2197.8	1782.1	1469.2	1285.4	1574.5	1629.5	3.5
Manufactured goods	1037.3	1072.1	1239.6	1364.5	1092.1	819.6	-25.0
Fish and fish Products	160.6	130.6	195.0	173.5	142.5	192.8	35.3
Vegetables and Flowers	31.3	28.1	30.5	24.4	24.8	27.1	9.3
Re-export	181.7	172.8	177.0	385.8	480.0	237.6	-50.5
Other exports	555.7	517.6	687.2	884.3	972.2	486.1	-50.0
Monetary Aggregates							
Money supply (Shs. billion)[2]	14647.1	16106.8	18614.2	22115.3	22760.4	24711.3	8.6
Net domestic credit (Shs. billion)	13719.0	16293.0	18863.7	22505.5	23775.8	24949.7	4.9
	2012/13	**2013/14**	**2014/15**	**2015/16**	**2016/17p**	**2017/18p**	**2017/18**
Government Finance							
Government Recurrent Revenue (Shs. billion)	8442611	10182455	10957765	14048034	16639832	19977001	20.1
Government Recurrent Expenditure (Shs. billion)	9043323	10032120	10893486	13420045	11625866	13581514	16.8
Government Development Expenditure (Shs. billion)	4499695.2	3926042.2	3710228.0	4339553.0	7272824.3	11999591.6	65.0

Source: Ministry of Finance and Planning

* For Government and Private Schools

[1] Academic year ending in the respective years

[2] Extended Broad Money (M3)

\- Not available

p - Provisional Data

TABLE No. B: TREND OF KEY MACROECONOMIC INDICATORS (2009 - 2017)

Calendar Year	2009	2010	2011	2012	2013	2014	2015	2016	2017
GOWTH DOMESTIC PRODUCT									
Real GDP (mp)	5.4%	6.4%	7.9%	5.1%	7.3%	7.0%	7.0%	7.0%	7.1%
Nominal GDP (mp)	15.1%	16.2%	20.4%	16.4%	15.5%	12.4%	14.0%	13.6%	12.5%
Investment to GDP ratio	28.8%	28.7%	32.8%	30.6%	30.5%	32.5%	34.5%	33.9%	23.0%
Savings to GDP ratio	9.4%	13.1%	13.9%	12.4%	8.2%	15.3%	17.8%	15.8%	18.1%
PRICES AND INTEREST RATE									
CPI Inflation (end of period)	12.2%	5.6%	19.8%	12.1%	5.6%	4.8%	6.8%	6.5%	4.0%
CPI Inflation (period average)	12.1%	7.4%	12.6%	16.1%	7.9%	6.1%	5.6%	5.2%	5.3%
GDP deflator Inflation (bp)	9.9%	9.2%	12.2%	10.2%	8.2%	3.1%	7.1%	6.4%	2.7%
GDP deflator Inflation (MP)	9.3%	9.2%	11.5%	10.7%	7.7%	5.0%	6.6%	6.2%	2.7%
Short term lending rate (up to one year)	13.8%	14.2%	14.6%	14.2%	14.0%	14.7%	14.2%	13.7%	18.1%
Short term deposit rate (12 months)	8.9%	8.0%	8.0%	11.3%	11.6%	10.8%	10.8%	11.5%	11.7%
Interest rate spread (one year)	4.9%	6.2%	6.6%	2.9%	2.4%	3.9%	3.4%	2.2%	6.4%
Exchange rate (Tsh/USD) Annual average	1306.0	1395.7	1557.4	1571.7	1598.7	1652.5	1985.4	2177.1	2228.9
MONEY									
M3 Growth rate	17.7%	25.4%	18.2%	12.5%	10.0%	15.6%	18.8%	3.4%	8.0%
M2 growth rate	20.8%	21.8%	15.0%	16.0%	10.9%	17.0%	13.4%	5.3%	10.4%
Growth of credit to private sector	9.6%	20.0%	27.2%	18.2%	15.3%	19.4%	24.8%	7.2%	1.7%
BALANCE OF PAYMENTS									
Export of goods to GDP ratio	11.4%	13.9%	15.1%	15.1%	11.9%	10.8%	11.6%	11.9%	9.4%
Export of goods and services to GDP ratio	17.8%	20.4%	21.9%	22.2%	19.1%	17.8%	19.1%	19.6%	17.0%
Import of Goods to GDP ratio	20.2%	22.9%	29.2%	26.4%	24.9%	22.6%	21.4%	17.9%	13.9%
Import of good and services to GDP ratio	26.1%	28.9%	35.7%	32.4%	30.5%	28.2%	27.2%	22.6%	17.7%
Current Account to GDP ratio	-6.2%	-6.9%	-13.0%	-9.6%	-11.2%	-10.0%	-7.9%	-4.5%	-2.3%
Reserves months of imports	6.3	6.2	4.1	4.3	4.7	4.7	5.1	6.3	6.0
Government Finance Statistics (ratio to GDP)									
Fiscal Year	**2008/09**	**2009/10**	**2010/11**	**2011/12**	**2012/13**	**2013/14**	**2014/15**	**2015/16**	2016/17
Domestic Revenue	12.1%	11.4%	11.8%	12.6%	12.8%	13.5%	12.8%	14.5%	15.2%
Tax revenue	11.4%	10.8%	10.9%	11.3%	11.7%	12.3%	11.6%	12.8%	12.8%
Total Expenditure (Net lending)	19.0%	19.9%	19.4%	18.9%	19.2%	18.5%	17.1%	18.3%	17.2%
Recurent expenditure	13.2%	13.6%	13.8%	12.2%	13.7%	13.3%	12.8%	13.8%	10.6%
Development Expenditure	5.8%	6.4%	5.7%	6.6%	5.5%	5.2%	4.4%	4.5%	6.6%
Offical Grants	3.3%	3.4%	3.3%	3.2%	2.1%	2.1%	1.2%	0.5%	1.0%
Deficit (excluding grants)	-6.9%	-8.1%	-7.5%	-6.8%	-6.3%	-5.4%	-4.5%	-4.0%	-2.5%
Deficit (including grants)	-3.6%	-4.7%	-4.2%	-3.6%	-4.2%	-3.3%	-3.3%	-3.5%	-1.5%
Foreign borrowing	2.7%	3.4%	2.4%	3.0%	2.6%	3.0%	2.4%	1.2%	1.6%
Domestic bank borrowing	0.8%	1.4%	1.9%	0.0%	1.0%	1.3%	0.6%	1.6%	-1.0%

Source: Ministry of Finance and Planning

PART I
GENERAL ECONOMIC REVIEW

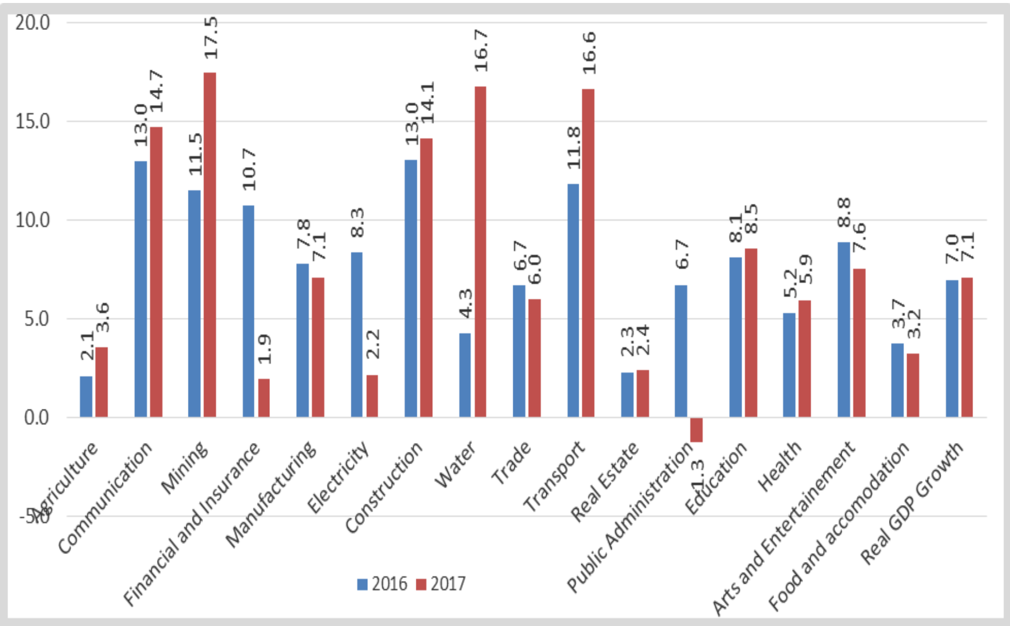
CHAPTER 1

THE DOMESTIC ECONOMY

GDP Growth

1. In 2017, real GDP grew by an average of 7.1 compared to a growth of 7.0 registered in 2016. The growth was attributed to the implementation of infrastructure projects including water, energy, road, railway and airport infrastructures in conjunction with the increase in production of some minerals such as diamond and coal and improved agriculture sector performance. Economic activities which recorded highest growth during the period under review include: mining and quarrying (17.5 percent); water supply (16.7 percent); transport and storage (16.6 percent); information and communication (14.7 percent); and construction 14.1 percent. In addition, the rate of growth of agriculture sector which employs about 66.3 percent of the population and account for 20 percent of export earnings increased by 3.6 percent in 2017 compared to 2.1 percent recorded in 2016. However, the rate of growth of some economic activities decelerated such as financial and insurance services and public administration.

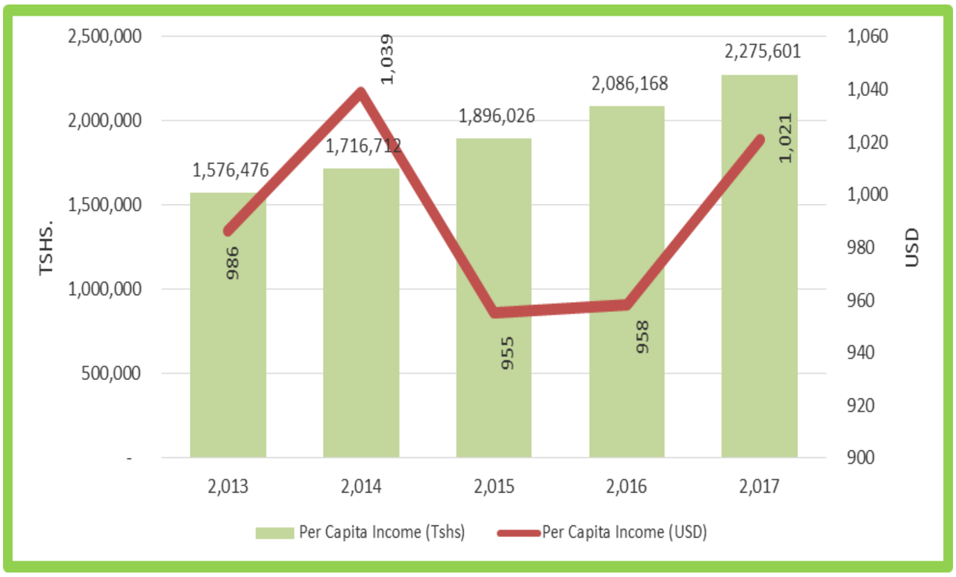
Chart No.1.1: The Trend of Growth in Selected Economic Activities (Percent)



2. In 2017, GDP at current prices was shillings 116,101,908 million compared to shillings 103,168,611 million in 2016. Further, the population of Tanzania Mainland was estimated at 51,020,337 in 2017, resulting into per capita income of shillings 2,275,601 compared to shillings 2,086,168 in 2016, equivalent to an

increase of 9.1 percent. The per capita income in 2017 was equivalent to US Dollar 1,021 compared to US Dollar 958 in 2016, equivalent to an increase of 6.5 percent.

Chart No. 1.2: The Trend of Per Capita Income



3. GDP is classified into three main categories of economic activities, namely: agriculture, forestry and fishing; industries and construction; and services. Agriculture economic activities which include crops, livestock, forestry and fishing grew by 3.6 percent in 2017 compared to 2.1 percent growth recorded in 2016. The good performance emanated from availability of sufficient rainfall in crop producing areas and adequate pastures and water for livestock. Crop sub-activity grew by 3.7 percent in 2017 compared to 1.4 percent in 2016 and accounted for 17 percent in the overall GDP. In addition, the growth rate of livestock sub-activity was 2.8 percent in 2017 compared to 2.6 percent recorded in 2016 and contributed 6.9 percent in the overall GDP.

4. Forestry and hunting sub-activity grew by 6.3 percent in 2017 compared to 3.4 percent in 2016. In addition, the share of forestry and hunting sub-activity to GDP increased to 4.0 percent in 2017 from 3.9 percent in 2016. On the other hand, the growth of fishing sub-activity decelerated to 2.7 percent in 2017 compared to 4.2 percent recorded in 2016. This was due to decrease in quantity of fish following destruction of fish hatcheries. Nevertheless, the share of fishing sub activity to GDP increased to 2.2 percent in 2017 from 2.0 percent in 2016.

5. The growth rate of monetary agriculture activity was 3.5 percent in 2017 compared to 1.9 percent in 2016. Similarly, the growth rate of non-monetary agriculture increased by 3.7 percent compared to 2.4 percent recorded in 2016. The growth rate of monetary crops and forestry sub activities increased by 3.4 percent and 7.5 percent in 2017 compared to the growth rate of 0.6 percent and 3.6 percent in 2016 respectively. This trend of increase in the growth of monetary crops and forestry sub activities was also mirrored in non-monetary. In contrast, monetary fishing and livestock sub activities recorded lower growth of 2.7 percent and 2.6 percent in 2017 compared with 4.2 percent and 2.8 percent in 2016 respectively. With regard to non-monetary livestock sub-activity, the growth rate increased by 3.0 percent compared to 2.2 percent in 2016 while non-monetary fishing sub-activity grew at a lower rate of 2.0 percent compared to 2.7 percent registered in 2016. In totality, the share of agriculture to GDP increased to 30.1 percent in 2017 from 29.2 percent in 2016.

6. Mining and quarrying incorporate extraction of solid minerals found on the earth surface such as coal and iron, liquid and natural gas. In 2017, mining and quarrying economic activities grew by 17.5 percent, which is the highest growth registered compared to other economic activities during that period. Such high growth was a result of increased production of diamond, coal and other minerals. Coal production increased more than double to 558,553 tons in 2017 from 275,307 tons in 2016 following commencement of production in Edenville International (T) Ltd and Kabulo mines which are owned by STAMICO; and improved domestic market as Government imposed restriction on the importation of coal. The share of mining and quarrying activity to GDP was maintained at 4.8 percent in 2017 as it was in 2016.

7. In 2017, the growth rate of manufacturing activity was 7.1 percent compared to 7.8 percent registered in 2016. The pace of growth declined due to slowdown in demand for manufactured goods particularly beverages, cement, iron and tobacco following change in expenditure behaviour of consumers to meet basic needs. Such situation compelled industries to reduce production consistent with the real market demand. Notwithstanding the slowdown in the rate of growth, the share of manufacturing activity to GDP increased to 5.5 percent in 2017 compared with 4.9 percent in 2016.

8. The growth rate of electricity generation, transmission and distribution activities was 2.2 percent in 2017 compared to 8.3 percent in 2016. This was due to suspension of electricity generation through IPTL Company and expired licenses of some independent power producers (IPPs). However, the

Government continued to manage the maximum electricity demand following increase in electricity generation from gas and hydropower sources. In general, electricity generation increased by 0.3 percent in 2017. Electricity supply activities accounted for 0.5 percent to GDP in 2017 compared to 0.8 percent in 2016.

9. Water supply, sewerage and waste management activity grew by 16.7 percent in 2017 compared to 4.3 percent in 2016. This growth, which was the second highest in 2017, was attributed to Government efforts towards "unloading canister from mother's head" through stretching water services closer to people's residency. This went along with drilling of dams and wells, improved water supply infrastructures in urban and rural areas and increase in the number of customers connected with clean and safe water services. The share of water supply activity to GDP increased to 0.5 percent in 2017 compared to 0.4 percent in 2016. Monetary water supply, sewerage and waste management activity grew by 22.3 while non-monetary grew by 4.0 percent compared to 4.8 percent and 3.0 percent in 2016 respectively.

10. Construction activity grew by 14.1 percent in 2017 compared to 13.0 percent in 2016. This growth was attributed to increase in the construction of commercial, residential and Government office buildings and construction of various infrastructures including energy, water, and transport (roads, bridges, airports and railway) infrastructures. In addition, monetary construction activity grew by 14.8 percent in 2017 compared to 14.1 in 2016 whereby non-monetary grew by 10.2 percent in 2017. The share of construction activity to GDP increased to 15.0 percent in 2017 from 14.0 percent in 2016.

11. Trade and repair activity recorded lower growth rate of 6.0 percent in 2017 compared to 6.7 percent in 2016. The slowdown in growth was caused by marginal increase in various trading activities including agriculture, livestock, forestry and some manufactured products. Despite the decrease in the rate of growth, this is the third largest activity in terms of share to GDP and accounted for 11.0 percent share to GDP in 2017 compared to 10.8 percent in 2016.

12. The rate of growth of accommodation and food services activity declined to 3.2 percent in 2017 compared to 3.7 percent in 2016. This was caused by decline in the number of domestic visitors and corresponding expenditures on accommodation, food and beverage services although the number of tourists and income from tourism increased. The sector accounted for 0.9 percent to GDP in 2017 the same as in 2016.

13. In 2017, transport and storage activity continued to record a higher growth rate of 16.6 percent compared to 11.8 percent in 2016. The growth was attributed to increase in natural gas transportation as well as increase of cargo and passenger transportation services by air, railway and road. The share of transport and storage activity to GDP remained at 4.3 percent for four years consecutively.

14. Information and communication activity which includes services related to production, printing and dissemination of various information through media such as radio, newspapers, television, website as well as telephone communication services grew by 14.7 percent in 2017 compared to 13.0 percent in 2016. The growth was largely on account of expansion of the use of mobile phone services, an increase in airtime sales and expansion of broadcasting and internet services. The share of information and communication services to GDP remained at 2.0 percent for three years consecutively.

15. Financial and insurance services grew by 1.9 percent in 2017 compared to 10.7 percent in 2016. The slowdown in the rate of growth was associated with decline in banks' liquidity and credit to private sector. The growth rate of credit to private sector slowed down to an average of 1.7 percent in 2017 compared to the growth of 7.2 percent in 2016 mainly due to cautious measures taken by banks following the increase in non-performing loans. In addition, contribution of financial and insurance services to GDP decreased from 3.6 percent in 2016 to 3.3 percent in 2017.

16. In 2017, real estate activity grew by 2.4 percent compared to 2.3 percent in 2016. The growth was attributed to increase in the demand for housing especially in urban areas and increase in residential and commercial building investment by Tanzania Building Agency (TBA); National Housing Corporation (NHC); private sector; institutions and other players. In addition, the growth rate of monetary and non-monetary real estate activities increased from 2.3 percent and 1.7 percent in 2016 to 2.4 percent and 1.8 percent in 20117 respectively. However, the share of real estate activity to GDP decreased to 2.7 percent in 2017 from 3.0 percent in 2016.

17. The growth rate of human health and social work activity increased by 5.9 percent in 2017 compared to 5.2 percent in 2016. The growth was attributed to the on-going Government initiatives to improve the sector including construction and rehabilitation of dispensaries and health centres; ensure availability of medicines, medical personnel, and medical equipment; and

increase in health insurance services. The share of human health and social work activity to GDP was maintained at 1.4 percent in 2017.

18. In 2017, education activity recorded a growth rate of 8.5 percent compared to 8.1 percent in 2016. The growth was on account of increase in enrolment of students in primary and secondary schools as well as at higher learning institutions. In addition, implementation of the Government fee free basic education policy also accounted significantly for the increase in enrolment. Education activity share to GDP decreased from 2.4 percent in 2016 to 2.2 percent in 2017.

19. In 2017, arts, entertainment and recreation activity grew by 7.6 percent compared to 8.8 percent recorded in 2016. The growth was on account of Government efforts to formalize and improve arts and entertainment industry through strengthening monitoring, inspection, and protecting the rights of artists. The sector continued to account for an average of 0.3 percent to GDP as it was in 2016.

20. The growth rate of activities of households as employers was 2.7 percent in 2017 compared to 3.0 percent in 2016. These are subsistence activities, which are done by households as employers including gatekeepers, cooks, maids, and drivers. Activities of households as employers account for an average of 0.2 percent as share to GDP.

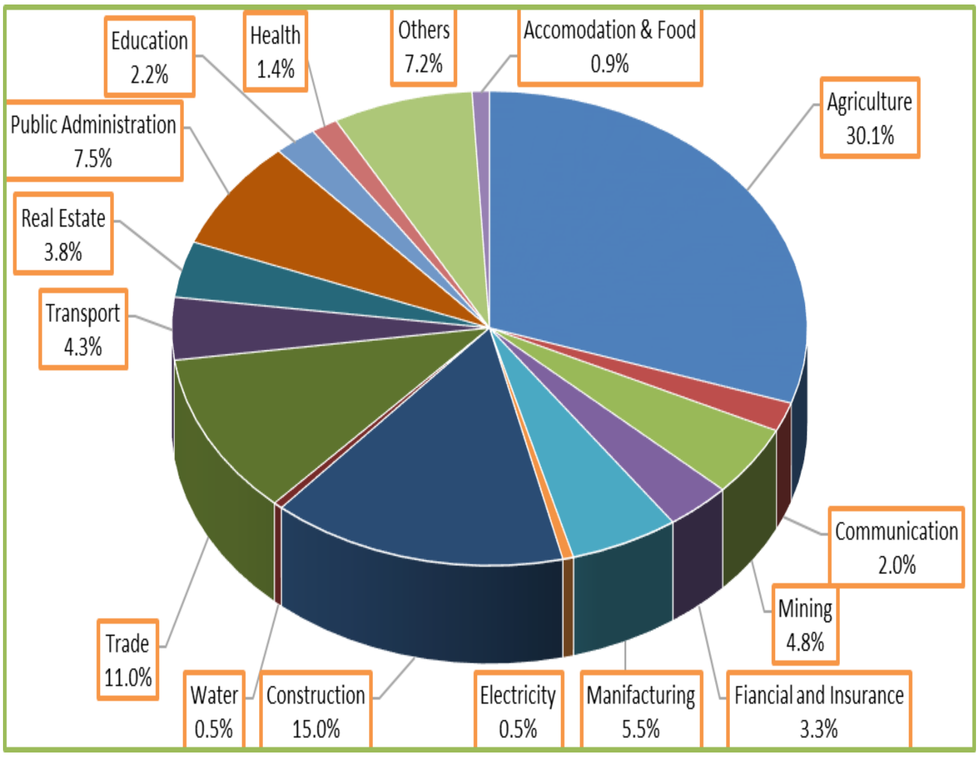
21. The growth rate of professional, scientific and technical activities was 6.0 percent in 2017 compared to 6.3 percent in 2016. The growth was on account of marginal increase in Research and Development (R&D) activities; professional consultancy services, legal, accountancy and technical. These economic activities contributed 1.1 percent to GDP in 2017 compared to 1.2 percent in 2016.

22. Public administration and defence activity includes general public administrations, judiciary, immigration, foreign affairs, defence and security as well as management of public reform programs. Public administration and defence activity recorded a negative growth of 1.3 percent in 2017 compared to 6.7 percent in 2016. The adverse growth was on account of Government effort to reduce operational costs and cut down unproductive expenditures. Measures taken in this respect include rationalization of salaries for parastatals and public institutions; removal of employees with counterfeit secondary education certificates; ghost workers, and other workers with ethical misconduct, thus

leading to the reduction of overall wage bill. The share of this activity to GDP declined to 5.4 percent in 2017 from 6.3 percent in 2016.

23. The growth rate of other administrative and support service activities increased from 2.1 percent in 2016 to 3.7 percent in 2017. These activities include leasing of tools, machinery and equipment; job searching; tourist services; protection of people and property; general office services; and the right to use research reports. In addition, the share of administrative and support service activities to GDP declined to 2.1 percent in 2017 from 2.2 percent in 2016.

Chart No. 1.3: Sectoral Contribution to GDP (2017)



Price Trends

24. The headline inflation continued to maintain single digit for five years consecutively since 2013. In 2017, the headline inflation averaged at 5.3 percent compared to 5.2 percent in 2016. The marginal increase was a result of decrease in the supply of food in the domestic market particularly in the first half of 2017 which compelled the Government to impose restriction on food exports. Nonetheless, effective implementation of fiscal and monetary policies and stability of the shilling against the US Dollar attributed for the low level of inflation, particularly core inflation, which account for 54.3 percent in the basket of consumer goods and services.

25. The analysis of price trend for the main groups of goods and services revealed that some groups recorded lower rates of inflation while others had higher rates in 2017 compared to 2016.

Nonetheless, contrary to other groups, communication services recorded a decelerated inflation. The price trend of this group was in the deceleration for two years consecutively, whereby in 2017 it recorded a deflation of 0.9 percent. This was on account of change in consumer behaviour as well as measures taken by service providers to reduce the price or provide incentive to customers including lower-cost airtime bundles so as to attract customers and to cope with the competition in the industry. The price index and inflation for various goods and services is as indicated in **table 1.1**

Table No. 1.1: Price Indices and Inflation

Year	Description	Food & Beverages	Alcoholic Drinks and Cigarettes	Clothing and Footwear	Electricity, Household and Water	Furnuture, Household Untensils and House Repairs	Health Services	Transport	Communi cation	Recreation and Entertain ment	Education	Hotel and restaurant	Other goods and Services	Overall Price Index/ Inflation
2013	PRICE INDEX	82.9	90.4	91.7	89.7	94.9	91.6	95.8	98.8	96.1	91.9	92.3	90.1	87.3
2014		89.1	95.8	94.5	99.3	96.7	95.0	99.4	99.6	96.8	96.8	94.7	95.6	92.7
2015		96.8	99.2	98.4	100.9	98.2	97.9	98.8	99.8	98.4	99.6	99.1	98.4	97.9
2026		103.8	103.2	102.2	107.3	101.7	103.4	99.5	99.1	101.1	102.3	103.1	101.7	102.9
2017		113.3	106.6	105.8	115.4	104.7	106.0	99.9	98.2	102.3	103.2	104.4	105.0	108.4
2014	INFLATION	7.4%	5.9%	3.0%	10.7%	1.9%	3.6%	3.8%	0.7%	0.7%	5.3%	2.7%	6.1%	6.1%
2015		8.7%	3.6%	4.1%	1.6%	1.6%	3.0%	-0.6%	0.3%	1.6%	2.9%	4.6%	2.9%	5.6%
2026		7.2%	4.0%	3.9%	6.3%	3.6%	5.6%	0.6%	-0.7%	2.7%	2.7%	4.1%	3.4%	5.2%
2017		9.1%	3.3%	3.5%	7.6%	2.9%	2.6%	0.5%	-0.9%	1.3%	0.9%	1.2%	3.2%	5.3%

Source: National Bureau of Statistics

26. Analytical results in other selected groups revealed that annual food inflation was 9.6 percent in 2017 compared to 7.6 percent in 2016. This group consists of food consumed at home and restaurants. This increase in food inflation was a result of shortage of food supply in the domestic market particularly in the first half of 2017 following increase in demand in the neighbouring countries markets. In addition, non-food inflation increased by 3.2 percent in 2017 compared to 3.1 percent in 2016. Energy inflation also increased by 10.5 percent in 2017 compared to 6.3 percent in 2016. This group consist of electricity and other fuels for households including petrol and diesel, whose price movement to a great extent is beyond the Government control. Core inflation decelerated to 2.0 percent in 2017 compared to 2.6 percent in 2016 following effective implementation of the monetary policy. This group account for 54.3 percent of the basket of goods and services and can be easily managed through Central Bank monetary policy instruments.

27. In 2017, the price indices in all categories of income strata continued to decelerate in two years consecutively. This was attributed to slowdown in the general price of communication, health and alcoholic drinks and cigarettes in all groups. The overall price index for higher, middle and lower income groups was 4.2 percent, 2.6 percent, and 1.9 percent in 2017 compared to 4.8 percent, 4.5 percent and 4.3 percent in 2016 respectively. The price index for other goods and services experienced a trend that reflects the needs of the respective group as indicated in **Table 1.2**. Further, **Table No. 8 – 16** indicates the general price index for different groups and categories.

Table No. 1.2: Inflation Trend for Different Income Strata

Year	Income Level	Food & Beverages	Alcoholic Drinks and Cigarettes	Clothing and Footwear	Electricity, Household and Water	Furnuture, Household Untensils and House Repairs	Health Services	Transport	Communi cation	Recreation and Entertain ment	Education	Hotel and restaurant	Other goods and Services	Overall Price Index
2014	HIGH INCOME	6.7%	8.1%	2.1%	7.5%	1.3%	2.4%	5.3%	0.0%	3.8%	15.9%	4.5%	3.2%	6.0%
2015		8.8%	6.5%	0.9%	7.1%	0.7%	1.2%	3.6%	2.9%	0.8%	2.1%	8.4%	-0.7%	6.5%
2026		8.6%	3.3%	1.8%	8.8%	3.3%	14.1%	-2.3%	2.4%	1.1%	-1.6%	5.1%	3.5%	4.8%
2017		9.2%	2.1%	1.8%	1.3%	5.4%	2.5%	4.9%	0.6%	-1.2%	-0.1%	0.8%	3.2%	4.2%
2014	MIDDLE INCOME	3.9%	8.1%	2.1%	13.9%	5.1%	5.2%	12.5%	0.7%	3.7%	11.0%	7.1%	6.2%	6.2%
2015		2.9%	7.4%	2.1%	14.6%	4.5%	3.1%	4.4%	0.5%	3.9%	5.5%	11.4%	5.0%	5.6%
2016		3.3%	2.5%	1.1%	12.4%	1.4%	13.4%	0.3%	0.6%	2.9%	-2.3%	8.3%	5.4%	4.5%
2017		4.6%	2.3%	1.4%	2.2%	3.3%	2.4%	0.7%	0.5%	0.5%	-0.1%	1.2%	1.1%	2.6%
2014	LOWER INCOME	7.3%	8.4%	9.2%	7.0%	4.0%	0.7%	15.9%	0.0%	4.3%	0.0%	7.8%	11.5%	7.7%
2015		5.9%	14.2%	9.0%	3.4%	6.0%	5.6%	-0.2%	0.0%	5.6%	-0.3%	7.1%	2.7%	5.4%
2026		3.6%	8.2%	-2.4%	7.1%	2.7%	12.1%	0.9%	0.6%	1.2%	-5.2%	6.8%	6.0%	4.3%
2017		3.4%	2.9%	1.3%	0.9%	3.1%	1.6%	-0.1%	0.4%	1.7%	3.9%	0.5%	0.9%	1.9%

Source: National Bureau of Statistics

Capital Formation

28. In 2017, capital formation at current prices increased by 17.4 percent to shillings 30,350,457 million from shillings 25,842,956 million in 2016. In addition, capital formation at 2007 constant prices increased from shillings 13,301,873 in 2016 to shillings 15,900,084 million in 2017, equivalent to an increase of 19.5 percent. The ratio of capital formation to GDP at current prices was 26.1 percent in 2017 compared to 25.0 percent in 2016.

29. Fixed capital formation which includes buildings, transport equipment; machinery and equipment; other machinery and equipment; animal resources; intellectual property products, R&D and professional services increased by 9.2 percent at 2007 constant prices from shillings 19,047,077 million in 2016 to shillings 20,802,637 million in 2017. In addition, fixed capital formation at current prices increased from shillings 35,003,221 million in 2016 to shillings 38,439,622 million in 2017, equivalent to an increase of 9.8 percent. The value of change in inventories at 2007 constant prices decreased by shillings 4,902,553 million in 2017 compared to a decrease of shillings 5,745,204 in 2016. Similarly, the value of change in inventories at current prices decreased by shillings 8,089,165 million in 2017 compared to a decrease of shillings 9,160,265 million in 2016.

30. Capital formation in building activities at 2007 constant prices was shillings 13,932,643 million in 2017 compared to shillings 12,325,619 million in 2016, equivalent to an increase of 13.0 percent. Likewise, capital formation in building activities at current prices increased by 13.1 percent to shillings 27,260,277 million in 2017. The growth was attributed to the increase in construction of residential and commercial buildings. The value of imported transport equipment decreased by 1.7 percent in 2017 to shillings 677,331 million at 2007 constant prices whereas at current prices, the value decreased by 1.6 percent to shillings 824,170 million. On the other hand, the value of imported machinery and equipment at current prices decreased by 3.3 percent to shillings 3,634,736 million from shillings 3,758,110 million in 2016. Similarly, the value of imported machinery and equipment at 2007 constant prices decreased by 3.9 percent in 2017 to shillings 2,336,101 million from shillings 2,431,680 million in 2016.

31. In 2017, capital formation in the public sector at current prices increased by 10.1 percent to shillings 9,638,906 million in 2017 from shillings 8,750,805 million in 2016. Capital formation in public sector includes central government, institutions and public corporations. Moreover,

capital formation in the private sector at current prices increased to shillings 28,800,717 million in 2017 compared to shillings 26,252,415 million in 2016, equivalent to an increase of 9.7 percent. The share of capital formation in the public sector to fixed capital formation in 2017 was 25.1 percent while for private sector accounted for 74.9 percent.

GROSS DOMESTIC PRODUCT BY KIND OF ECONOMIC ACTIVITY
(At current prices)

Table No. 1 Shs. million

	ECONOMIC ACTIVITY	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
A	***Agriculture, Livestock, Forestry and I***	**9432725**	**11407717**	**13110123**	**15488232**	**19095551**	**22129214**	**22969225**	**26346673**	**30160064**	**34984237**
	Crops	5013561	6036056	7285021	8686663	11035044	12413982	12851664	14193178	16100130	19736453
	Livestock	3062768	3643718	3968924	4572949	5194037	5839240	5843715	7135172	7962471	8019826
	Forestry	752278	881217	956104	1146811	1507793	2167981	2492043	3146646	4041455	4651478
	Fishing	604118	846726	900074	1081809	1358678	1708011	1781803	1871677	2056008	2576480
	Industry and Construction	**6700408**	**7018516**	**8900127**	**12026624**	**13393627**	**16108617**	**18516194**	**22093974**	**25722681**	**30616524**
B	Mining and quarrying	991017	1073019	1779711	2688584	3001179	2986466	2923420	3659599	4975991	5560120
C	Manufactruring	2283594	2597316	3021536	4031541	4599919	4575334	4445568	4768917	5070871	6412042
D	Electricity	306628	354862	406272	303444	533283	546670	874306	898712	775321	636183
E	Water supply	247646	264520	261294	247825	275053	325969	373549	392557	422698	541797
F	Construction	2871523	2728799	3431314	4755231	4984193	7674179	9899350	12374188	14477799	17466382
	Services	**14748265**	**17147365**	**19386862**	**22544171**	**25712641**	**29102168**	**32605809**	**36334586**	**40454788**	**43542049**
G	Trade and repairs	3193697	3744883	4426467	5571372	6389279	7271716	8378449	9714665	11091210	12784878
H	Transport and storage	1969499	2320841	2537407	2728970	2733618	2986347	3438077	3864156	4480106	4941814
I	Accommodation and Food Services	559793	680669	720772	733958	887972	902810	872341	947944	969172	1024164
J	Information and communication	722548	912732	1151748	1244894	1454665	1624384	1700411	1809897	2025901	2309630
K	Financial and insurance activities	959279	1178853	1408477	1772783	2070163	2308705	2694444	3254440	3731191	3846713
L	Real estate	1716408	1921328	2036908	2277778	2612765	2672147	2955417	2932490	3062480	3160944
M	Professional, scientific and technical a	450188	552630	728207	813502	810126	902695	1003126	1103124	1228052	1285562
N	Administrative and support service act	850083	895051	978846	1098620	1427909	1711730	2003202	2160207	2289112	2439613
O	Public administration and defence	2282704	2511953	2668756	3338192	4017280	4936071	5227502	5852605	6499975	6289763
P	Education	1007308	1193228	1380170	1463767	1607317	1893665	2172080	2309345	2425025	2529286
Q	Human health and social work activitie	532163	663618	735665	820894	919307	1019987	1151978	1275702	1429962	1577956
R	Arts, entertainment and recreation	105579	114977	125499	144046	169112	188996	221912	241508	275199	303968
S	Other service activities	294114	344078	366539	406498	472947	534380	619835	690814	762419	847000
T	Activities of households as employers;	104904	112524	121402	128896	140180	148536	167035	177691	184984	200759
	FISIM, unallocated	-289027	-327342	-376200	-557921	-638332	-867157	-826396	-1037814	-1082044	-1073750
	All economic activities	**30592371**	**35246256**	**41020912**	**49501106**	**57563488**	**66472842**	**73264831**	**83737418**	**95255489**	**108069061**
	Taxes on products	2172568	2480568	2815106	3261475	3870726	4480385	6453585	7116789	7913122	8032846
	GDP at market prices	**32764940**	**37726824**	**43836018**	**52762581**	**61434214**	**70953227**	**79718416**	**90854208**	**103168611**	**116101908**

Source: National Bureau of Statistics

GROSS DOMESTIC PRODUCT (MONETARY AND NON-MONETARY) BY KIND OF ECONOMIC ACTIVITY

(At current prices)

Table No. 1A — Shs. million

	ECONOMIC ACTIVITY	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
	A: Monetary										
	Gross Domestic Product at market price	**28604090**	**33070963**	**38502579**	**46458468**	**54048498**	**62664164**	**70541393**	**80538773**	**91945273**	**103336385**
A	***Agriculture, forestry and fishing***	**5820186**	**7282504**	**8346157**	**9869070**	**12422453**	**14678539**	**14663740**	**17132499**	**20049615**	**23390740**
	Crops	2813995	3387898	4088913	4875621	6395435	7330008	7117935	8090112	9355050	11856159
	Livestock	1950951	2526106	2787330	3228196	3738520	4204253	4124744	5137324	6079921	6039626
	Forestry	467159	547229	593733	712161	965141	1487508	1699651	2108253	2653614	3022002
	Fishing	588082	821271	876181	1053092	1323358	1656771	1721410	1796810	1961029	2472954
	Industry and Construction	**6260761**	**6593837**	**8441110**	**11465514**	**12813072**	**15421036**	**17790823**	**21110013**	**24740581**	**29583828**
B	Mining and quarrying	991017	1073019	1779711	2688584	3001179	2986466	2923420	3659599	4975991	5560120
C	Manufacturing	2283594	2597316	3021536	4031541	4599919	4575334	4445568	4768917	5070871	6412042
D	Electricity supply	306628	354862	406272	303444	533283	546670	874306	898712	775321	636183
E	Water supply; sewerage, waste management	168482	179961	177767	168603	189885	224918	263472	274789	291387	393921
F	Construction	2511041	2388679	3055825	4273342	4488806	7087648	9284056	11507995	13627011	16581562
	Services	**14639601**	**17041396**	**19276406**	**22420330**	**25580579**	**28951361**	**32459641**	**36217286**	**40323999**	**43402721**
G	Wholesale and retail trade; repairs	3193697	3744883	4426467	5571372	6389279	7271716	8378449	9714665	11091210	12784878
H	Transport and storage	1969499	2320841	2537407	2728970	2733618	2986347	3438077	3864156	4480106	4941814
I	Accommodation and Food Services	559793	680669	720772	733958	887972	902810	872341	947944	969172	1024164
J	Information and communication	722548	912732	1151748	1244894	1454665	1624384	1700411	1809897	2025901	2309630
K	Financial and insurance activities	959279	1178853	1408477	1772783	2070163	2308705	2694444	3254440	3731191	3846713
L	Real estate	1607744	1815360	1926451	2153937	2480703	2521340	2809249	2815190	2931691	3021615
M	Professional, scientific and technical activitie	450188	552630	728207	813502	810126	902695	1003126	1103124	1228052	1285562
N	Administrative and support service activities	850083	895051	978846	1098620	1427909	1711730	2003202	2160207	2289112	2439613
O	Public administration and defence	2282704	2511953	2668756	3338192	4017280	4936071	5227502	5852605	6499975	6289763
P	Education	1007308	1193228	1380170	1463767	1607317	1893665	2172080	2309345	2425025	2529286
Q	Human health and social work activities	532163	663618	735665	820894	919307	1019987	1151978	1275702	1429962	1577956
R	Arts, entertainment and recreation	105579	114977	125499	144046	169112	188996	221912	241508	275199	303968
S	Other service activities	294114	344078	366539	406498	472947	534380	619835	690814	762419	847000
T	Activities of households as employers;	104904	112524	121402	128896	140180	148536	167035	177691	184984	200759
X	FISIM	-289027	-327342	-376200	-557921	-638332	-867157	-826396	-1037814	-1082044	-1073750
	All economic activities	**26431521**	**30590395**	**35687473**	**43196993**	**50177772**	**58183778**	**64087808**	**73421984**	**84032151**	**95303539**
	Taxes on products	2172568	2480568	2815106	3261475	3870726	4480385	6453585	7116789	7913122	8032846
	B: Non- Monetary										
	Gross Domestic Product at market price	**4160850**	**4655861**	**5333439**	**6304113**	**7385715**	**8289064**	**9177024**	**10315434**	**11223338**	**12765523**
A	***Agriculture, forestry and fishing***	***3612539***	***4125214***	***4763966***	***5619162***	***6673099***	***7450675***	***8305485***	***9214174***	***10110449***	***11593497***
	Crops	2199566	2648158	3196109	3811041	4639609	5083974	5733729	6103066	6745080	7880294
	Livestock	1111818	1117612	1181594	1344754	1455518	1634987	1718971	1997848	1882549	1980200
	Forestry	285119	333988	362371	434650	542652	680473	792392	1038392	1387841	1629477
	Fishing	16036	25455	23893	28717	35320	51240	60393	74867	94978	103526
	Industry and Construction	***439647***	***424678***	***459017***	***561110***	***580555***	***687581***	***725371***	***983961***	***982100***	***1032697***
E	Water supply; sewerage, waste management	79165	84559	83527	79222	85168	101050	110077	117768	131311	147877
F	Construction	360482	340120	375489	481888	495387	586531	615294	866193	850788	884820
	Services	***108664***	***105968***	***110456***	***123841***	***132062***	***150808***	***146168***	***117300***	***130789***	***139328***
L	Real estate	108664	105968	110456	123841	132062	150808	146168	117300	130789	139328
	GDP at market prices	**32764940**	**37726824**	**43836018**	**52762581**	**61434214**	**70953227**	**79718416**	**90854208**	**103168611**	**116101908**

Source: National Bureau of Statistics

PERCENTAGE SHARES OF GROSS DOMESTIC PRODUCT BY KIND OF ECONOMIC ACTIVITY

(At current prices)

Table No. 2 | Percentage

	ECONOMIC ACTIVITY	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
A	Agriculture, forestry and fishing	28.8	30.2	29.9	29.4	31.1	31.2	28.8	29.0	29.2	30.1
	Crops	15.3	16.0	16.6	16.5	18.0	17.5	16.1	15.6	15.6	17.0
	Livestock	9.3	9.7	9.1	8.7	8.5	8.2	7.3	7.9	7.7	6.9
	Forestry	2.3	2.3	2.2	2.2	2.5	3.1	3.1	3.5	3.9	4.0
	Fishing	1.8	2.2	2.1	2.1	2.2	2.4	2.2	2.1	2.0	2.2
B	Mining and quarrying	3.0	2.8	4.1	5.1	4.9	4.2	3.7	4.0	4.8	4.8
C	Manufacturing	7.0	6.9	6.9	7.6	7.5	6.4	5.6	5.2	4.9	5.5
D	Electricity supply	0.9	0.9	0.9	0.6	0.9	0.8	1.1	1.0	0.8	0.5
E	Water supply; sewerage, waste management	0.8	0.7	0.6	0.5	0.4	0.5	0.5	0.4	0.4	0.5
F	Construction	8.8	7.2	7.8	9.0	8.1	10.8	12.4	13.6	14.0	15.0
G	Wholesale and retail trade; repairs	9.7	9.9	10.1	10.6	10.4	10.2	10.5	10.7	10.8	11.0
H	Transport and storage	6.0	6.2	5.8	5.2	4.4	4.2	4.3	4.3	4.3	4.3
I	Accommodation and Food Services	1.7	1.8	1.6	1.4	1.4	1.3	1.1	1.0	0.9	0.9
J	Information and communication	2.2	2.4	2.6	2.4	2.4	2.3	2.1	2.0	2.0	2.0
K	Financial and insurance activities	2.9	3.1	3.2	3.4	3.4	3.3	3.4	3.6	3.6	3.3
L	Real estate	5.2	5.1	4.6	4.3	4.3	3.8	3.7	3.2	3.0	2.7
M	Professional, scientific and technical activities	1.4	1.5	1.7	1.5	1.3	1.3	1.3	1.2	1.2	1.1
N	Administrative and support service activities	2.6	2.4	2.2	2.1	2.3	2.4	2.5	2.4	2.2	2.1
O	Public administration and defence	7.0	6.7	6.1	6.3	6.5	7.0	6.6	6.4	6.3	5.4
P	Education	3.1	3.2	3.1	2.8	2.6	2.7	2.7	2.5	2.4	2.2
Q	Human health and social work activities	1.6	1.8	1.7	1.6	1.5	1.4	1.4	1.4	1.4	1.4
R	Arts, entertainment and recreation	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
S	Other service activities	0.9	0.9	0.8	0.8	0.8	0.8	0.8	0.8	0.7	0.7
T	Activities of households as employers;	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2
X	FISIM	-0.9	-0.9	-0.9	-1.1	-1.0	-1.2	-1.0	-1.1	-1.0	-0.9
	All economic activities	**93.4**	**93.4**	**93.6**	**93.8**	**93.7**	**93.7**	**91.9**	**92.2**	**92.3**	**93.1**
	Taxes on products	6.6	6.6	6.4	6.2	6.3	6.3	8.1	7.8	7.7	6.9
	GDP at market prices	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**

Source: National Bureau of Statistics

EXPENDITURE ON GROSS DOMESTIC PRODUCT AT CURRENT PRICES

Table No. 2A — Shs. million

ECONOMIC ACTIVITY	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
GDP at market prices	**32,764,940**	**37,726,824**	**43,836,018**	**52,762,581**	**61,434,214**	**70,953,266**	**79,718,416**	**90,863,827**	**103,168,611**	**116,101,908**
Final Consumption	**26,193,622**	**31,537,868**	**35,083,358**	**41,841,724**	**49,878,463**	**60,582,187**	**62,153,531**	**67,407,385**	**78,013,173**	**88,588,320**
Government final consumption	5,275,677	6,599,152	6,451,836	7,293,792	9,055,182	11,580,484	10,996,641	12,454,217	13,224,814	15,859,157
Household final consumption	20,826,214	24,829,200	28,512,137	34,415,269	40,669,370	48,835,596	50,968,192	54,747,020	64,520,542	72,469,742
Non Profit Institutions Serving Households	91,730	109,516	119,385	132,664	153,911	166,107	188,697	206,148	267,817	259,421
Capital Formation	**10,509,733**	**9,478,925**	**11,965,491**	**17,538,474**	**17,510,517**	**21,516,104**	**24,019,720**	**24,717,206**	**25,793,360**	**30,350,457**
Gross fixed capital formation	11,030,529	10,883,740	12,572,205	17,324,767	18,786,138	21,625,370	25,968,851	31,122,533	35,003,221	38,439,622
Changes in inventories	(520,796)	(1,404,814)	(606,714)	213,708	(1,275,622)	(109,266)	(1,949,131)	(6,405,326)	(9,209,861)	(8,089,165)
Exports of goods and services	**6,110,226**	**6,554,600**	**8,217,681**	**10,951,622**	**13,076,463**	**12,524,115**	**15,476,677**	**19,645,876**	**20,213,109**	**17,559,681**
Export of goods	3,694,632	4,108,282	5,343,694	7,331,021	8,653,332	7,436,719	9,424,890	12,193,230	12,383,399	8,924,522
Export of services	2,415,594	2,446,318	2,873,987	3,620,601	4,423,131	5,087,395	6,051,787	7,452,646	7,829,710	8,635,159
Imports of goods and services	**(10,088,034)**	**(9,913,855)**	**(12,769,425)**	**(19,014,968)**	**(20,341,955)**	**22,044,763**	**(23,746,791)**	**(22,510,717)**	**(23,459,238)**	**(21,906,564)**
Import of goods	(8,257,337)	(7,662,104)	(10,130,044)	(15,572,614)	(16,631,037)	18,113,063	(19,084,787)	(16,803,635)	(18,797,460)	(17,408,952)
Import of services	(1,830,697)	(2,251,751)	(2,639,381)	(3,442,354)	(3,710,919)	3,931,700	(4,662,003)	(5,707,082)	(4,661,778)	(4,497,612)
Errors and Omissions	39,393	69,285	1,338,912	1,445,728	1,310,726	(1,624,377)	1,815,278	1,604,076	2,608,207	1,510,013

Source: National Bureau of Statistics

GROSS DOMESTIC PRODUCT BY KIND OF ECONOMIC ACTIVITY
(At constant 2007 prices)

Table No. 3 | Shs. million

	ECONOMIC ACTIVITY	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
A	***Agriculture, Livestock, Forestry and Fishing***	***7720033***	***8113750***	***8332436***	***8621829***	***8901917***	***9186731***	***9497469***	***9719965***	***9924182***	***10276557***
	Crops	3884784	4098750	4248443	4454219	4640787	4801783	4993855	5106027	5175489	5365377
	Livestock	2715826	2859665	2900642	2948017	3001944	3062481	3129647	3204928	3287499	3378129
	Forestry	663869	697692	721555	745684	771590	808231	849445	871448	901161	957830
	Fishing	455555	457643	461796	473910	487597	514235	524521	537562	560033	575222
	Industry and Construction	***5759171***	***5949363***	***6489910***	***7271804***	***7566057***	***8287309***	***9144464***	***10174156***	***11265362***	***12626539***
B	Mining and quarrying	843949	1001653	1074285	1141798	1217823	1264845	1383349	1508923	1682719	1976961
C	Manufactruring	2094035	2192207	2388391	2554119	2659200	2831400	3024323	3222077	3472664	3718853
D	Electricity	251361	262100	297238	284394	293804	332080	363110	384271	416376	425339
E	Water supply	246507	257755	263336	260050	267407	274507	284755	285003	297151	346851
F	Construction	2323320	2235648	2466660	3031443	3127824	3584477	4088927	4773882	5396450	6158535
	Services	***13225206***	***13989391***	***15076525***	***16341278***	***17520835***	***18767585***	***20119051***	***21511358***	***23137889***	***24667595***
G	Trade and repairs	2817146	2893444	3181783	3541265	3675197	3839852	4223837	4552422	4855513	5144531
H	Transport and storage	1601242	1712475	1896112	1980177	2062518	2314221	2603499	2810378	3141660	3664258
I	Accommodation and Food Services	497897	502992	521540	543173	579598	595724	609111	622966	646197	667007
J	Information and communication	688106	871411	1084423	1177462	1439326	1631263	1762116	1974819	2231111	2558975
K	Financial and insurance activities	898007	1062921	1197164	1374537	1445140	1534231	1699700	1900297	2103991	2145013
L	Real estate	1628117	1656750	1687264	1719706	1754126	1790574	1829107	1869782	1912659	1957802
M	Professional, scientific and technical activities	416091	481737	625810	655947	617853	651358	654930	699556	743797	788057
N	Administrative and support service activities	778586	781579	849168	892397	1104372	1239495	1313618	1375562	1404965	1457480
O	Public administration and defence	2042643	2027532	1926209	2231564	2435459	2625280	2728183	2854132	3045808	3006479
P	Education	932429	1017818	1082540	1143385	1228099	1280673	1341507	1425992	1541076	1672411
Q	Human health and social work activities	462620	497047	513696	541093	602632	655861	709310	742629	781589	828030
R	Arts, entertainment and recreation	97422	100381	107674	116005	128764	136162	143933	152891	166415	178986
S	Other service activities	269097	284963	302194	320944	341382	363702	388120	414881	444610	476925
T	Activities of households as employers;	95802	98341	100947	103623	106369	109188	112082	115052	118500	121641
X	FISIM, unallocated	-353602	-424177	-457867	-561275	-568183	-568580	-623558	-696521	-810063	-722061
	All economic activities	**26350808**	**27628327**	**29441005**	**31673636**	**33420626**	**35673045**	**38137426**	**40708959**	**43517370**	**46848630**
	Taxes on products	1909825	2153392	2234499	2505661	2515833	2873500	3093939	3391850	3656415	3676457
	GDP at market prices	**28260633**	**29781719**	**31675504**	**34179297**	**35936459**	**38546546**	**41231365**	**44100809**	**47173785**	**50525087**

GROSS DOMESTIC PRODUCT (MONETARY AND NON-MONETARY) BY KIND OF ECONOMIC ACTIVITY

Table No. 3A (At constant 2007 prices) Shs. million

	ECONOMIC ACTIVITY	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
	A: Monetary										
	Gross Domestic Product at market price	**25006410**	**26359287**	**28178750**	**30388101**	**32023357**	**34483854**	**37025043**	**39763781**	**42699312**	**45836855**
A	***Agriculture, forestry and fishing***	**4991151**	**5201900**	**5380854**	**5481431**	**5655620**	**5884506**	**6083930**	**6280859**	**6402712**	**6625019**
	Crops	2284931	2376307	2513255	2583447	2691656	2827400	2917070	3012556	3031774	3135914
	Livestock	1824568	1921203	1943430	1945691	1981283	2024300	2096864	2179351	2239359	2298545
	Forestry	437658	460476	476226	492151	509249	533433	560634	566441	587004	631107
	Fishing	443994	443914	447942	460142	473432	499373	509362	522510	544575	559454
	Industry and Construction	**5324353**	**5529339**	**6035420**	**6711901**	**6990448**	**7618426**	**8443744**	**9369723**	**10407436**	**11686628**
B	Mining and quarrying	843949	1001653	1074285	1141798	1217823	1264845	1383349	1508923	1682719	1976961
C	Manufacturing	2094035	2192207	2388391	2554119	2659200	2831400	3024323	3222077	3472664	3718853
D	Electricity supply	251361	262100	297238	284394	293804	332080	363110	384271	416376	425339
E	Water supply; sewerage, waste management	172171	177851	184336	182035	187185	192155	199329	196652	206150	252210
F	Construction	1962838	1895528	2091171	2549555	2632437	2997947	3473634	4057799	4629526	5313265
	Services	**13134684**	**13898833**	**14985843**	**16250383**	**17429639**	**18676000**	**20026989**	**21417869**	**23042811**	**24570812**
G	Wholesale and retail trade; repairs	2817146	2893444	3181783	3541265	3675197	3839852	4223837	4552422	4855513	5144531
H	Transport and storage	1601242	1712475	1896112	1980177	2062518	2314221	2603499	2810378	3141660	3664258
I	Accommodation and Food Services	497897	502992	521540	543173	579598	595724	609111	622966	646197	667007
J	Information and communication	688106	871411	1084423	1177462	1439326	1631263	1762116	1974819	2231111	2558975
K	Financial and insurance activities	898007	1062921	1197164	1374537	1445140	1534231	1699700	1900297	2103991	2145013
L	Real estate	1537595	1566192	1596582	1628811	1662930	1698989	1737045	1776293	1817580	1861019
M	Professional, scientific and technical activities	416091	481737	625810	655947	617853	651358	654930	699556	743797	788057
N	Administrative and support service activities	778586	781579	849168	892397	1104372	1239495	1313618	1375562	1404965	1457480
O	Public administration and defence	2042643	2027532	1926209	2231564	2435459	2625280	2728183	2854132	3045808	3006479
P	Education	932429	1017818	1082540	1143385	1228099	1280673	1341507	1425992	1541076	1672411
Q	Human health and social work activities	462620	497047	513696	541093	602632	655861	709310	742629	781589	828030
R	Arts, entertainment and recreation	97422	100381	107674	116005	128764	136162	143933	152891	166415	178986
S	Other service activities	269097	284963	302194	320944	341382	363702	388120	414881	444610	476925
T	Activities of households as employers;	95802	98341	100947	103623	106369	109188	112082	115052	118500	121641
X	FISIM	-353602	-424177	-457867	-561275	-568183	-568580	-623558	-696521	-810063	-722061
	All economic activities	**23096585**	**24205895**	**25944250**	**27882440**	**29507525**	**31610353**	**33931104**	**36371930**	**39042897**	**42160397**
	Taxes on products	1909825	2153392	2234499	2505661	2515833	2873500	3093939	3391850	3656415	3676457
	B: Non- Monetary										
	Gross Domestic Product at market price	**3254223**	**3422432**	**3496754**	**3791196**	**3913102**	**4062692**	**4206322**	**4337029**	**4474473**	**4688232**
A	***Agriculture, forestry and fishing***	**2728883**	**2911850**	**2951582**	**3140398**	**3246297**	**3302224**	**3413539**	**3439107**	**3521469**	**3651537**
	Crops	1599852	1722443	1735188	1870772	1949130	1974383	2076785	2093471	2143714	2229463
	Livestock	891258	938462	957212	1002326	1020661	1038181	1032784	1025577	1048140	1079584
	Forestry	226210	237215	245329	253532	262340	274799	288811	305007	314157	326723
	Fishing	11561	13729	13854	13768	14165	14861	15159	15052	15458	15767
	Industry and Construction	**434818**	**420024**	**454490**	**559903**	**575609**	**668883**	**700720**	**804433**	**857925**	**939912**
E	Water supply; sewerage, waste management	74336	79904	79001	78015	80222	82352	85427	88351	91001	94641
F	Construction	360482	340120	375489	481888	495387	586531	615294	716082	766924	845270
	Services	**90523**	**90558**	**90682**	**90895**	**91196**	**91585**	**92063**	**93489**	**95078**	**96783**
L	Real estate	90523	90558	90682	90895	91196	91585	92063	93489	95078	96783
	GDP at market prices	**28260633**	**29781719**	**31675504**	**34179297**	**35936459**	**38546546**	**41231365**	**44100809**	**47173785**	**50525087**

Source: National Bureau of Statistics

GROSS DOMESTIC PRODUCT BY KIND OF ECONOMIC ACTIVITY - PERCENTAGE GROWTH RATES
(At constant 2007 prices)

Table No. 4 Percentages

	ECONOMIC ACTIVITY	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
A	Agriculture, forestry and fishing	2.4	7.5	5.1	2.7	3.5	3.2	3.2	3.4	2.3	2.1	3.6
	Crops	-1.5	7.8	5.5	3.7	4.8	4.2	3.5	4.0	2.2	1.4	3.7
	Livestock	7.8	8.1	5.3	1.4	1.6	1.8	2.0	2.2	2.4	2.6	2.8
	Forestry	6.0	3.8	5.1	3.4	3.3	3.5	4.7	5.1	2.6	3.4	6.3
	Fishing	0.9	7.2	0.5	0.9	2.6	2.9	5.5	2.0	2.5	4.2	2.7
B	Mining and quarrying	9.2	-9.8	18.7	7.3	6.3	6.7	3.9	9.4	9.1	11.5	17.5
C	Manufacturing	11.5	11.4	4.7	8.9	6.9	4.1	6.5	6.8	6.5	7.8	7.1
D	Electricity supply	18.7	8.1	4.3	13.4	-4.3	3.3	13.0	9.3	5.8	8.3	2.2
E	Water supply; sewerage, waste management	-7.3	2.3	4.6	2.2	-1.2	2.8	2.7	3.7	0.1	4.3	16.7
F	Construction	13.1	9.7	-3.8	10.3	22.9	3.2	14.6	14.1	16.8	13.0	14.1
G	Wholesale and retail trade; repairs	12.9	6.5	2.7	10.0	11.3	3.8	4.5	10.0	7.8	6.7	6.0
H	Transport and storage	2.0	1.8	6.9	10.7	4.4	4.2	12.2	12.5	7.9	11.8	16.6
I	Accommodation and Food Services	4.5	3.3	1.0	3.7	4.1	6.7	2.8	2.2	2.3	3.7	3.2
J	Information and communication	17.7	11.9	26.6	24.4	8.6	22.2	13.3	8.0	12.1	13.0	14.7
K	Financial and insurance activities	21.7	18.8	18.4	12.6	14.8	5.1	6.2	10.8	11.8	10.7	1.9
L	Real estate	1.6	1.7	1.8	1.8	1.9	2.0	2.1	2.2	2.2	2.3	2.4
M	Professional, scientific and technical activities	12.1	30.6	15.8	29.9	4.8	-5.8	5.4	0.5	6.8	6.3	6.0
N	Administrative and support service activities	2.1	-1.8	0.4	8.6	5.1	23.8	12.2	6.0	4.7	2.1	3.7
O	Public administration and defence	9.1	-6.3	-0.7	-5.0	15.9	9.1	7.8	3.9	4.6	6.7	-1.3
P	Education	13.2	9.5	9.2	6.4	5.6	7.4	4.3	4.8	6.3	8.1	8.5
Q	Human health and social work activities	7.0	5.5	7.4	3.3	5.3	11.4	8.8	8.1	4.7	5.2	5.9
R	Arts, entertainment and recreation	7.5	6.4	3.0	7.3	7.7	11.0	5.7	5.7	6.2	8.8	7.6
S	Other service activities	5.7	5.8	5.9	6.0	6.2	6.4	6.5	6.7	6.9	7.2	7.3
T	Activities of households as employers	2.7	2.7	2.7	2.7	2.7	2.7	2.7	2.7	2.7	3.0	2.7
X	FISIM	11.7	6.8	20.0	7.9	22.6	1.2	0.1	9.7	11.7	16.3	-10.9
	All economic activities	**7.1**	**5.6**	**4.8**	**6.6**	**7.6**	**5.5**	**6.7**	**6.9**	**6.7**	**6.9**	**7.7**
	Taxes on products	31.0	4.8	12.8	3.8	12.1	0.4	14.2	7.7	9.6	7.8	0.5
	GDP at market prices	**8.5**	**5.6**	**5.4**	**6.4**	**7.9**	**5.1**	**7.3**	**7.0**	**7.0**	**7.0**	**7.1**

Source: National Bureau of Statistics

GROSS DOMESTIC PRODUCT (MONETARY AND NON-MONETARY) BY KIND OF ECONOMIC ACTIVITY - PERCENTAGE GROWTH RATES

Table No.4A (At constant 2007 prices) Percetages

	ECONOMIC ACTIVITY	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
	A: Monetary											
	Gross Domestic Product at market price											
A	Agriculture, forestry and fishing	2.9	7.3	4.2	3.4	1.9	3.2	4.0	3.4	3.2	1.9	3.5
	Crops	-1.6	7.8	4.0	5.8	2.8	4.2	5.0	3.2	3.3	0.6	3.4
	Livestock	8.7	7.6	5.3	1.2	0.1	1.8	2.2	3.6	3.9	2.8	2.6
	Forestry	6.4	3.6	5.2	3.4	3.3	3.5	4.7	5.1	1.0	3.6	7.5
	Fishing	0.9	7.2	0.0	0.9	2.7	2.9	5.5	2.0	2.6	4.2	2.7
B	Mining and quarrying	9.2	-9.8	18.7	7.3	6.3	6.7	3.9	9.4	9.1	11.5	17.5
C	Manufacturing	11.5	11.4	4.7	8.9	6.9	4.1	6.5	6.8	6.5	7.8	7.1
D	Electricity supply	18.7	8.1	4.3	13.4	-4.3	3.3	13.0	9.3	5.8	8.3	2.2
E	Water supply; sewerage, waste management	-6.3	2.3	3.3	3.6	-1.2	2.8	2.7	3.7	-1.3	4.8	22.3
F	Construction	13.1	9.6	-3.4	10.3	21.9	3.3	13.9	15.9	16.8	14.1	14.8
G	Wholesale and retail trade; repairs	12.9	6.5	2.7	10.0	11.3	3.8	4.5	10.0	7.8	6.7	6.0
H	Transport and storage	2.0	1.8	6.9	10.7	4.4	4.2	12.2	12.5	7.9	11.8	16.6
I	Accommodation and Food Services	4.5	3.3	1.0	3.7	4.1	6.7	2.8	2.2	2.3	3.7	3.2
J	Information and communication	17.7	11.9	26.6	24.4	8.6	22.2	13.3	8.0	12.1	13.0	14.7
K	Financial and insurance activities	21.7	18.8	18.4	12.6	14.8	5.1	6.2	10.8	11.8	10.7	1.9
L	Real estate	1.7	1.8	1.9	1.9	2.0	2.1	2.2	2.2	2.3	2.3	2.4
M	Professional, scientific and technical activities	12.1	30.6	15.8	29.9	4.8	-5.8	5.4	0.5	6.8	6.3	6.0
N	Administrative and support service activities	2.1	-1.8	0.4	8.6	5.1	23.8	12.2	6.0	4.7	2.1	3.7
O	Public administration and defence	9.1	-6.3	-0.7	-5.0	15.9	9.1	7.8	3.9	4.6	6.7	-1.3
P	Education	13.2	9.5	9.2	6.4	5.6	7.4	4.3	4.8	6.3	8.1	8.5
Q	Human health and social work activities	7.0	5.5	7.4	3.3	5.3	11.4	8.8	8.1	4.7	5.2	5.9
R	Arts, entertainment and recreation	7.5	6.4	3.0	7.3	7.7	11.0	5.7	5.7	6.2	8.8	7.6
S	Other service activities	5.7	5.8	5.9	6.0	6.2	6.4	6.5	6.7	6.9	7.2	7.3
T	Activities of households as employers;	2.7	2.7	2.7	2.7	2.7	2.7	2.7	2.7	2.7	3.0	2.7
X	FISIM	11.7	6.8	20.0	7.9	22.6	1.2	0.1	9.7	11.7	16.3	-10.9
	All economic activities	7.8	5.3	4.8	7.2	7.5	5.8	7.1	7.3	7.2	7.3	8.0
	Taxes on products	31.0	4.8	12.8	3.8	12.1	0.4	14.2	7.7	9.6	7.8	0.5
	B: Non- Monetary											
	Gross Domestic Product at market price	**2.2**	**7.8**	**5.2**	**2.2**	**8.4**	**3.2**	**3.8**	**3.5**	**3.1**	**3.2**	**4.8**
A	Agriculture, forestry and fishing	1.4	7.9	6.7	1.4	6.4	3.4	1.7	3.4	0.7	2.4	3.7
	Crops	-1.4	7.8	7.7	0.7	7.8	4.2	1.3	5.2	0.8	2.4	4.0
	Livestock	5.9	9.0	5.3	2.0	4.7	1.8	1.7	-0.5	-0.7	2.2	3.0
	Forestry	5.1	4.2	4.9	3.4	3.3	3.5	4.7	5.1	5.6	3.0	4.0
	Fishing	0.9	7.2	18.8	0.9	-0.6	2.9	4.9	2.0	-0.7	2.7	2.0
E	Water supply; sewerage, waste management	-9.4	2.3	7.5	-1.1	-1.2	2.8	2.7	3.7	3.4	3.0	4.0
F	Construction	13.4	10.6	-5.6	10.4	28.3	2.8	18.4	4.9	16.4	7.1	10.2
L	Real estate	-0.1	-0.1	0.0	0.1	0.2	0.3	0.4	0.5	1.5	1.7	1.8
	GDP at market prices	**8.5**	**5.6**	**5.4**	**6.4**	**7.9**	**5.1**	**7.3**	**7.0**	**7.0**	**7.0**	**7.1**

Source: National Bureau of Statistics

GDP Growth Rate at constant 2007 Prices
9.0
8.0
7.0
6.0
5.0
4.0
3.0
2.0
1.0
0.0
Percent
5.4
6.4
7.9
5.1
7.3
7.0
7.0
7.0
7.1
2009
2010
2011
2012
2013
2014
2015
2016
2017
Year

GROSS DOMESTIC PRODUCT AND EXPENDITURE

(At constant 2007 prices)

Table No. 4B								Shs. million
Economic Activity	**2007**	**2008**	**2009**	**2010**	**2011**	**2015**	**2016**	**2017**
Gross Domestic Product (GDPbp)	24948888	26350808	27628327	29441005	31673636	40708959	43517370	46848630
Taxes on products	1821544	1909825	2153392	2234499	2505661	3391850	3656415	3676457
Gross Domestic Product (GDPmp)	26770432	28260633	29781719	31675504	34179297	44100809	47173785	50525087
				EXPENDITURE ON GROSS DOMESTIC PRODUCT				
Gross Domestic Product (GDPmp)	**26770432**	**28260633**	**29781719**	**31675504**	**34179297**	**44100809**	**47173785**	**50525087**
Final consumption	**21393840**	**22706012**	**24295407**	**25027803**	**26905659**	**32356974**	**35358293**	**36902771**
Government	4968234	4699279	5300030	4783899	5037638	6438922	6655541	7650707
Households	16348965	17923139	18902730	20145771	21763218	25780940	28547893	29088074
Non-profit Institutions serving households	76642	83594	92648	98133	104803	137112	154859	163989
Capital Formation	**8793915**	**9097588**	**8205467**	**10058938**	**13050736**	**13733585**	**13301873**	**15900084**
Gross Fixed Capital Formation	8427687	9485695	9410248	10491670	12770844	16816044	19047077	20802637
Changes in Inventories	366228	-388106	-1204781	-432731	279891	-3082459	-5745204	-4902553
Exports	**5064729**	**5396769**	**5586651**	**5965581**	**6568665**	**11135270**	**9828015**	**9066340**
Goods - fob	2691889	3136102	3431601	3579243	3829149	6100737	5567005	4026412
Services	2372840	2260668	2155050	2386338	2739516	5034533	4261010	5039927
Imports	**-8482053**	**-8643421**	**-8432918**	**9674397**	**-12176077**	**12973879**	**13184584**	**11057567**
Goods - fob	-7190625	-7044465	-6588008	7657947	-9829831	9080895	10602332	8628367
Services	-1291428	-1598956	-1844910	2016450	-2346245	3892984	2582252	2429200
Errors and omissions	0	-296316	127111	297579	-169687	-151142	1870187	-286541

Source: National Bureau of Statistics

CAPITAL FORMATION BY TYPE OF ASSETS

(At current prices)

Table No. 5 Shs. millions

Type of Asset	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**
Building and structures	4412818	5994649	5459585	6398105	9020030	9749137	13003643	16427077	21462589	24105151	27260277
Transport equipment	839147	614938	321560	540326	714739	973039	756503	864771	810637	837704	824170
Machinery and equipment	1320318	2138307	2501175	2693112	4062855	3925903	3226518	3664483	3452169	3758110	3634736
Other Machinery and equipments	1465476	1774695	1988127	2223366	2649631	3202977	3607045	3868854	4090285	4877860	5241092
Animal resources yielding repeat products	126173	123473	113057	30806	105573	177509	197084	207372	253298	293731	301642
Intellectual property products/ R&D/ profes	263754	384468	500236	686489	771939	757573	834576	936295	1053555	1130664	1177705
Gross Fixed Capital Formation	**8427687**	**11030529**	**10883740**	**12572205**	**17324767**	**18786138**	**21625370**	**25968851**	**31122533**	**35003221**	**38439622**
Changes in Inventories	366228	-520796	-1404814	-606714	213708	-1275622	-109266	-1949131	-6405326	-9209861	-8089165
Capital Formation	**8793915**	**10509733**	**9478925**	**11965491**	**17538474**	**17510517**	**21516104**	**24019720**	**24717206**	**25793360**	**30350457**

Source: National Bureau of Statistics

CAPITAL FORMATION BY TYPE OF ASSETS

(At constant prices)

Table No. 6 Shs. Million

Type of Asset	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Building and structures	4412818	4894892	4674153	5214691	6551560	6768270	7844184	9034959	10657278	12325619	13932643
Transport equipment	839147	627860	303351	498395	623353	802462	620454	711458	665956	688707	677331
Machinery and equipment	1320318	1898040	2222709	2275096	2983425	2640466	2109731	2426691	2258437	2431680	2336101
Other Machinery and equipments	1465476	1603604	1687027	1821530	1916871	2007048	2188044	2306933	2447994	2790653	3013831
Animal resources yielding repeat products	126173	105968	87016	91924	73262	102345	107907	107907	119910	126397	133255
Intellectual property products/ R&D/ professional services	263754	355331	435992	590034	622374	577669	601768	610628	666468	684020	709476
Gross Fixed Capital Formation	**8427687**	**9485695**	**9410248**	**10491670**	**12770844**	**12898260**	**13472088**	**15198577**	**16816044**	**19047077**	**20802637**
Changes in Inventories	366228	-388106	-1204781	-432731	279891	-621443	-36418	-1057799	-3082459	-5745204	-4902553
Capital Formation	**8793915**	**9097588**	**8205467**	**10058938**	**13050736**	**12276817**	**13435670**	**14140777**	**13733585**	**13301873**	**15900084**

Source: National Bureau of Statistics

SHARES OF CAPITAL FORMATION BY TYPE OF ASSET
(At current prices)

Table No. 7a Percentages

Type of Asset	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Building and structures	50.2	57.0	57.6	53.5	51.4	55.7	60.4	68.4	86.8	93.5	89.8
Transport equipment	9.5	5.9	3.4	4.5	4.1	5.6	3.5	3.6	3.3	3.2	2.7
Machinery and equipment	15.0	20.3	26.4	22.5	23.2	22.4	15.0	15.3	14.0	14.6	12.0
Other Machinery and equipments	16.7	16.9	21.0	18.6	15.1	18.3	16.8	16.1	16.5	18.9	17.3
Animal resources yielding repeat products	1.4	1.2	1.2	0.3	0.6	1.0	0.9	0.9	1.0	1.1	1.0
Intellectual property products/ R&D/ professional services	3.0	3.7	5.3	5.7	4.4	4.3	3.9	3.9	4.3	4.4	3.9
Gross Fixed Capital Formation	95.8	105.0	114.8	105.1	98.8	107.3	100.5	108.1	125.9	135.7	126.7
Changes in Inventories	4.2	-5.0	-14.8	-5.1	1.2	-7.3	-0.5	-8.1	-25.9	-35.7	-26.7
Capital Formation	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: National Bureau of Statistics

CAPITAL FORMATION BY PUBLIC AND PRIVATE SECTORS

(At current prices)

Table No.7b

Shs. Million

Sekta	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
A. Gross Fixed Capital Formation	**8427687**	**11030529**	**10883740**	**12572205**	**17324767**	**18786138**	**21625370**	**25968851**	**31122533**	**35003221**	**38439622**
1. Central Government	1975450	2614235	2590330	3017329	4175269	4184586	4274463	5226945	6262280	8050741	8870113
2. Parastatals	218277	286794	290596	326877	415794	307566	282222	310014	388417	385035	420836
Institutions	241875	318782	314540	339450	462571	320857	296085	327083	377101	315029	347957
Private sector	5992085	7810718	7688274	8888549	12271132	13973130	16772600	20104809	24094735	26252415	28800717
B. Changes in Inventories	**366228**	**-520796**	**-1404814**	**-606714**	**213708**	**-1275622**	**-109266**	**-1949131**	**-6405326**	**-9160265**	**-8089165**
C. Capital Formation	**8793915**	**10509733**	**9478925**	**11965491**	**17538474**	**17510517**	**21516104**	**24019721**	**24717206**	**25842956**	**30350457**

Source: National Bureau of Statistics

INDEX OF RETAIL PRICES OF GOODS CONSUMED BY MINIMUM WAGE EARNERS IN DAR ES SALAAM (Dec. 2015=100)

Table No. 8

YEAR	ALL ITEMS		FOOD	
	INDEX	% CHANGE	INDEX	% CHANGE
2000	23.8	1.7	22.0	-2.0
2001	25.9	8.5	24.0	8.9
2002	26.9	3.8	24.9	4.0
2003	28.4	5.8	26.3	5.4
2004	30.2	6.4	28.1	6.8
2005	32.7	8.3	30.1	7.3
2006	36.49	11.5	33.24	10.3
2007	39.89	9.3	36.34	9.3
2008	46.80	17.3	41.87	15.2
2009	54.66	16.8	50.01	19.4
2010	61.89	13.2	58.99	18.0
2011	66.48	7.4	63.16	7.1
2012	78.96	18.8	77.83	23.2
2013	86.34	9.3	85.98	10.5
2014	92.95	7.7	92.22	7.3
2015*	97.97	5.4	97.67	5.9
2016	102.21	4.3	101.19	3.6
2017	104.10	1.9	104.67	3.4

Source: National Bureau of Statistics

*The reference period has been changed from Dec. 2015=100

CONSUMER PRICE INDEX FOR MINIMUM WAGE EARNERS IN DAR ES SALAAM
(2001= 100)

Table No. 9

YEAR	Food	Beverages and Cigarettes	Rent	Electricity Kerosene and Water	Clothing and Footwear	Furniture and Household Utensils	Services and other Household Requirements	Health Services	Recreation and Entertainment	Transport	Education	Others	OVERALL PRICE INDEX
2005 First Quarter	124.1	120.3	113.6	149.0	107.5	119.2	109.3	110.2	108.2	103.4	118.0	112.8	123.3
Second Quarter	123.2	119.7	113.6	163.4	109.6	115.3	109.4	111.0	110.0	108.4	116.7	114.5	124.7
Third Quarter	125.7	119.9	113.6	165.9	108.9	114.5	110.2	113.8	111.7	110.4	105.3	119.9	126.8
Fourth Quarter	129.9	119.9	113.6	170.9	108.8	113.7	111.3	119.2	111.6	116.8	120.1	137.3	131.0
2006 First Quarter	135.2	130.2	129.9	179.6	107.7	114.4	108.4	119.8	117.6	133.0	98.0	149.7	137.0
Second Quarter	139.7	137.6	132.8	195.0	106.1	114.6	108.9	119.9	114.1	133.8	89.9	148.4	141.7
Third Quarter	137.4	148.6	134.3	199.1	106.8	116.3	110.0	117.8	112.9	134.5	91.2	129.0	140.9
Fourth Quarter	142.0	150.9	134.3	201.1	111.4	116.3	111.0	117.8	109.7	134.7	94.1	130.1	144.6
2007 First Quarter	150.0	156.6	146.1	203.1	117.0	122.7	112.9	117.7	110.3	135.6	99.7	125.9	150.8
Second Quarter	150.1	158.4	146.1	199.8	124.0	133.6	112.6	117.0	115.7	135.7	105.2	128.8	151.1
Third Quarter	148.3	159.3	146.1	217.1	124.2	133.5	123.7	110.6	118.1	156.2	107.3	130.4	153.6
Fourth Quarter	157.7	163.8	146.1	216.5	131.2	137.0	127.4	113.9	115.4	166.4	103.6	128.6	161.2
2008 First Quarter	167.2	169.9	195.1	252.7	143.5	154.7	122.2	126.1	103.4	166.5	96.5	129.9	172.5
Second Quarter	172.6	171.2	195.1	262.7	143.2	155.6	134.0	132.3	107.8	166.4	96.5	135.3	177.5
Third Quarter	173.1	178.0	203.5	283.5	136.2	163.4	146.7	136.1	112.1	187.4	102.2	141.3	182.2
Fourth Quarter	185.4	181.0	203.5	280.4	134.4	168.2	150.6	141.7	120.1	197.9	101.8	142.5	191.4
2009 First Quarter	198.3	200.2	206.6	267.8	142.7	171.8	168.6	152.3	121.7	219.0	109.0	147.3	202.0
Second Quarter	202.6	205.8	206.6	264.4	145.8	171.8	170.2	157.3	121.7	229.6	109.5	148.2	205.9
Third Quarter	210.3	216.1	206.6	284.2	156.3	174.9	170.7	171.4	126.7	230.1	112.6	147.3	214.1
Fourth Quarter	222.9	220.9	206.6	289.9	166.5	174.9	158.7	174.3	128.6	225.2	114.0	148.1	223.2
2003	114.2	120.0	100.0	123.1	87.9	114.6	74.3	71.9	96.2	104.8	180.2	150.3	112.7
2004	123.5	122.9	100.0	142.0	97.2	137.4	80.5	85.1	99.4	104.1	191.1	123.0	121.9
2005	125.7	120.0	113.6	162.3	108.7	115.7	110.0	113.6	110.4	109.8	115.0	121.1	126.5
2006	138.6	141.8	132.8	193.7	108.0	115.4	109.6	118.8	113.5	134.0	93.3	139.3	141.1
2007	151.5	159.5	146.1	209.1	124.1	131.7	119.1	114.8	148.5	114.9	104.0	128.4	154.2
2008	174.6	175.1	199.3	269.8	139.3	160.5	138.4	134.0	110.8	179.5	99.2	137.2	180.9
2009	208.5	210.8	206.6	276.6	152.8	173.3	167.1	163.8	124.7	225.9	111.3	147.7	211.3

CONSUMER PRICE INDEX FOR MINIMUM WAGE EARNERS IN DAR ES SALAAM (Dec. 2015 = 100)

YEAR	Food and Beverages	Alcoholic Drinks and Cigarettes	Clothing and Footwear	Electricity, Water and Dwelling	Furniture and Household Utensils	Health Services	Transport	Communicatio n	Recreation and Entertainme nt	Education	Hotel and Restaurants	Others	OVERAL L PRICE INDEX
2010	58.99	58.09	58.47	68.80	77.22	79.73	63.60	99.68	68.72	102.48	63.66	63.22	61.89
2011	63.16	61.31	68.58	73.79	83.74	82.85	73.17	99.72	68.03	102.59	67.21	69.09	66.48
2012	77.83	66.34	75.61	86.46	86.26	88.38	83.22	100.00	81.74	103.20	73.61	76.41	78.96
2013	85.98	75.34	85.60	88.69	88.81	90.62	86.32	100.00	90.84	102.73	85.16	84.36	86.34
2014	92.22	81.64	93.45	94.93	92.39	91.24	100.08	100.00	94.70	102.72	91.76	94.05	92.95
2015*	97.67	93.26	101.90	98.12	97.91	96.35	99.91	100.00	100.00	102.40	98.24	96.61	97.97
2016	101.19	100.89	99.41	105.13	100.55	108.05	100.84	100.57	101.22	97.07	104.92	102.41	102.21
2017	104.67	103.85	100.71	106.08	103.70	109.73	100.74	100.95	102.92	100.84	105.48	103.38	104.10

Source: National Bureau of Statistics

NB: Monthly consumer price index has been released for all 12 months since 2003

*The reference period has been changed from Dec. 2015=100

Consumer price index from 2005 to 2009 was classfied based on National Classification while consumer price index starting from 2010 followed Classification of Individual Consumption by Purpose (COICOP)

COST OF LIVING INDEX OF GOODS AND SERVICES CONSUMED BY MIDDLE GROUP WAGE EARNERS IN DAR ES SALAAM (Dec.2015=100)

Table No. 10

YEAR	MONTHS				Change %
	March	June	September	December	
2000	27.0	28.1	27.2	29.4	2.5
2001	30.5	28.9	28.7	28.4	4.5
2002	30.0	30.0	30.2	30.4	3.5
2003	30.4	30.4	30.9	31.7	2.3
2004	32.8	33.1	33.5	34.2	8.2
2005	34.9	35.3	36.7	37.3	7.9
2006	38.3	39.4	39.5	40.2	9.2
2007	41.7	43.3	44.4	46.0	11.5
2008	48.5	49.9	51.2	52.7	15.3
2009	55.7	57.3	60.3	62.3	16.4
2010	63.9	64.6	65.1	65.6	10.0
2011	67.9	69.3	70.3	72.1	7.9
2012	78.4	81.6	82.7	83.4	16.6
2013	87.6	88.6	88.5	88.4	8.3
2014	92.8	94.2	94.5	93.5	6.2
2015*	96.5	98.9	100.6	100.0	5.6
2016	102.05	104.35	103.81	103.79	4.5
2017	104.48	106.72	106.65	107.02	2.6

Source: National Bureau of Statistics

*The reference period has been changed from Dec. 2015=100

COST OF LIVING INDEX OF GOODS AND SERVICES CONSUMED BY MIDDLE GROUP WAGE EARNERS IN DAR ES SALAAM (2001=100)

Table No. 11

YEAR	Health Services	Recreation and Entertainment	Transport	Education	Others	OVERALL PRICE INDEX
2008 First Quarter	125.9	124.2	161.4	168.4	103.9	166.5
Second Quarter	128.2	129.0	162.1	168.4	104.0	171.4
Third Quarter	132.2	129.5	176.7	182.7	106.9	175.7
Fourth Quarter	137.5	130.6	183.9	179.4	107.8	180.8
2009 First Quarter	155.5	132.1	192.1	183.1	109.4	191.1
Second Quarter	156.2	135.1	196.5	184.9	109.3	196.7
Third Quarter	170.3	131.5	195.1	203.3	114.4	206.9
Fourth Quarter	187.4	129.7	193.8	217.2	118.9	213.8
CONSUMER PRICE INDEX FOR MIDDLE GROUP WAGE EARNERS IN DAR ES SALAAM (Dec. 2015 = 100)						
YEAR	Communication	Recreation and Entertainment	Education	Hotel and Restaurants	Others	OVERALL PRICE INDEX
2010 First Quarter	96.9	73.3	67.4	68.5	69.7	63.9
Second Quarter	96.8	73.0	67.4	68.6	69.4	64.6
Third Quarter	97.3	75.4	67.4	69.2	69.5	65.1
Fourth Quarter	97.3	75.2	67.4	69.4	69.1	65.6
2011 First Quarter	97.3	75.8	67.1	68.6	70.9	67.9
Second Quarter	97.3	76.8	67.0	69.5	73.4	69.3
Third Quarter	97.4	77.0	67.2	70.0	75.1	70.3
Fourth Quarter	97.6	77.7	67.3	70.0	75.9	72.1
2012 First Quarter	97.9	81.3	73.8	74.4	79.5	78.4
Second Quarter	98.3	86.3	79.1	77.0	81.9	81.6
Third Quarter	98.4	89.2	81.3	78.6	83.1	82.7
Fourth Quarter	98.5	89.4	82.7	79.5	84.6	83.4
2013 First Quarter	98.7	90.0	83.5	80.0	85.4	87.6
Second Quarter	99.0	90.8	84.2	80.7	86.0	88.6
Third Quarter	99.2	91.5	85.9	81.6	88.2	88.5
Fourth Quarter	99.2	92.2	86.8	82.5	88.8	88.4
2014 First Quarter	99.3	92.6	91.8	83.5	90.2	92.8
Second Quarter	99.5	93.2	94.3	85.8	90.6	94.2
Third Quarter	100.0	95.0	95.9	88.0	93.6	94.5
Fourth Quarter	100.0	97.2	95.9	90.5	95.7	93.5
2015* First Quarter	100.2	97.2	99.0	93.8	96.0	96.5
Second Quarter	100.3	97.3	99.9	96.4	96.6	98.9
Third Quarter	100.2	98.2	100.0	98.0	96.7	100.6
Fourth Quarter	100.0	100.1	100.0	99.0	99.2	100.0
2016 First Quarter	100.00	100.34	97.77	100.70	101.37	102.05
Second Quarter	100.65	100.98	97.34	105.93	102.20	104.35
Third Quarter	101.22	101.05	97.34	106.92	102.16	103.81
Fourth Quarter	101.34	101.94	97.34	105.83	103.52	103.79
2017 First Quarter	101.35	101.16	97.34	106.10	102.99	104.48
Second Quarter	101.35	101.70	97.34	105.91	103.44	106.72
Third Quarter	101.34	101.41	97.34	106.27	103.89	106.65
Fourth Quarter	101.28	101.91	97.34	106.27	103.25	107.02

Source: National Bureau of Statistics

*The reference period has been changed from Dec. 2015=100

Consumer price index from 2004 to 2009 were classified based on National Classification, it is therefore difficult to link to consumer price index starting from 2010 as this followed Classification of Individual Consumption by Purpose (COICOP)

COST OF LIVING INDEX OF GOODS AND SERVICES CONSUMED BY HIGH INCOME GROUP IN DAR ES SALAAM (2001=100)

Table No.12

YEAR	Food	Beverages and Cigarettes	Rent	Electricity Kerosene and Water	Clothing and Footwear	Furniture and Household Utensils	Services and other Household Requirements	Health Services	Recreation and Entertainment	Transport	Education	Others	OVERALL PRICE INDEX
2008 First Quarter	177.3	172.0	160.0	253.9	135.2	130.2	142.4	125.8	124.5	178.7	185.1	79.3	174.6
Second Quarter	184.2	171.4	173.3	260.0	135.3	133.8	146.7	128.2	129.5	181.5	185.1	86.1	179.1
Third Quarter	191.6	182.0	180.0	270.7	128.8	140.5	155.8	131.3	131.8	217.1	188.9	91.1	192.6
Fourth Quarter	198.3	192.3	186.7	301.4	130.9	149.4	164.2	135.8	135.4	214.2	190.9	91.8	198.0
2009 First Quarter	219.8	198.3	200.0	275.0	130.0	157.4	169.0	149.3	191.2	212.7	193.0	92.0	206.3
Second Quarter	225.3	199.3	200.0	275.2	134.5	163.9	170.7	155.0	193.1	210.2	193.3	93.0	208.7
Third Quarter	237.8	237.8	200.0	293.0	139.7	176.4	180.1	172.5	190.8	225.0	193.5	94.9	220.2
Fourth Quarter	247.4	207.4	200.0	305.1	147.2	137.0	163.7	185.5	189.4	228.1	195.9	94.7	225.9

COST OF LIVING INDEX OF GOODS AND SERVICES CONSUMED BY HIGH INCOME GROUP IN DAR ES SALAAM (2015=100)

YEAR	Food and Beverages	Alcoholic Drinks and Cigarettes	Clothing and Footwear	Electricity, Water and Dwelling	Furniture and Household Utensils	Health Services	Transport	Communication	Recreation and Entertainment	Education	Hotel and Restaurants	Others	OVERALL PRICE INDEX
2010 First Quarter	54.8	68.9	75.2	63.9	82.3	84.4	67.3	94.3	82.5	82.1	65.4	83.0	63.4
Second Quarter	57.0	72.3	74.7	65.1	82.8	84.4	67.8	94.7	84.8	82.1	65.7	85.2	64.9
Third Quarter	56.8	72.4	78.6	68.2	85.5	84.4	68.5	94.9	87.1	82.1	66.3	86.7	65.8
Fourth Quarter	57.7	72.6	81.1	67.7	84.6	84.4	69.1	94.9	88.2	82.1	65.9	87.1	66.3
2011 First Quarter	61.1	73.8	80.7	70.9	86.7	85.2	70.8	94.9	89.3	82.1	67.5	83.9	68.7
Second Quarter	62.4	74.8	83.8	72.0	89.5	87.7	77.2	94.9	91.2	82.1	72.2	85.6	70.8
Third Quarter	64.5	76.7	84.2	74.4	88.9	87.7	80.5	95.2	91.8	82.5	76.4	86.9	72.8
Fourth Quarter	68.8	77.3	85.7	76.4	90.3	89.5	82.9	95.4	92.0	82.7	77.2	88.4	75.7
2012 First Quarter	72.8	78.2	88.7	77.3	92.9	91.5	82.4	95.4	92.8	82.7	78.7	91.3	78.0
Second Quarter	74.2	78.6	89.2	79.8	94.2	91.9	83.3	95.4	93.0	82.7	79.6	95.4	79.5
Third Quarter	74.9	80.5	91.0	81.8	95.0	92.0	83.3	95.5	93.3	82.7	81.5	95.7	80.4
Fourth Quarter	77.3	81.4	93.0	83.1	95.7	93.3	85.2	95.6	93.4	82.7	82.9	96.1	82.2
2013 First Quarter	83.1	81.4	93.8	83.9	96.1	94.8	86.4	95.5	93.9	84.4	84.9	96.4	85.5
Second Quarter	81.7	82.1	95.2	83.4	96.3	94.8	94.1	95.7	96.1	84.4	85.3	96.8	85.6
Third Quarter	82.8	87.7	96.3	84.3	97.1	94.8	95.6	95.7	96.3	84.4	85.8	97.2	86.6
Fourth Quarter	84.2	90.4	96.4	86.4	97.7	94.8	96.2	95.7	96.0	84.7	87.4	97.2	87.9
2014 First Quarter	88.5	90.4	97.5	87.6	97.7	95.5	96.6	95.7	98.8	95.7	87.9	99.0	90.6
Second Quarter	87.9	90.4	97.6	88.1	98.5	97.7	97.6	95.7	98.9	98.6	88.0	99.8	90.7
Third Quarter	88.0	92.9	97.5	92.7	97.8	97.5	98.7	95.7	99.3	98.6	90.4	101.2	91.8
Fourth Quarter	89.7	95.6	97.3	95.1	98.2	97.3	99.3	95.6	99.8	98.6	92.5	99.9	93.3
2015* First Quarter	92.5	96.7	97.8	95.2	98.3	97.5	101.2	97.6	99.7	100.0	95.4	100.2	95.1
Second Quarter	95.1	98.1	97.8	96.0	98.2	97.5	102.5	97.7	100.0	100.0	97.5	98.6	96.8
Third Quarter	97.6	99.0	98.5	97.1	98.7	98.4	102.6	98.5	100.2	100.0	97.5	98.7	98.3
Fourth Quarter	100.0	99.6	99.3	101.1	99.6	99.3	99.9	100.0	100.1	100.0	98.4	99.6	100.0
2016 First Quarter	102.6	100.4	99.8	105.2	100.2	107.3	98.6	100.0	100.4	98.6	100.4	101.4	101.0
Second Quarter	105.3	100.9	100.7	107.2	103.0	111.9	98.9	100.6	101.3	98.4	103.1	102.0	102.5
Third Quarter	106.0	102.3	99.7	104.3	100.1	114.0	99.7	101.2	101.0	98.4	102.9	102.7	102.4
Fourth Quarter	104.4	102.8	100.2	106.9	104.4	115.0	99.8	101.3	101.9	98.4	102.4	105.0	102.8
2017 First Quarter	107.4	102.9	101.3	105.5	107.3	115.2	101.7	101.3	100.1	98.4	102.5	105.3	104.0
Second Quarter	112.6	103.8	102.0	105.8	107.7	114.7	103.2	101.3	100.6	98.4	103.1	105.4	105.8
Third Quarter	116.9	104.1	102.1	107.7	107.3	114.2	104.8	101.3	99.4	98.4	103.4	106.3	107.4
Fourth Quarter	119.9	104.1	102.4	110.0	107.2	115.2	106.8	101.5	99.8	98.4	103.0	107.3	108.9

Source: National Bureau of Statistics

*The reference period has been changed from Dec. 2015=100

Consumer price index from 2004 to 2009 were classified based on National Classification, it is therefore difficult to link to consumer price index starting from 2010 as this followed Classification of Individual Consumption by Purpose (COICOP)

COST OF LIVING INDEX FOR HIGH INCOME GROUP IN DAR-ES-SALAAM (Dec. 2015=100)

Table No. 13

YEAR	MONTHS				Change
	March	June	Sept.	December	%
2000	24.18	24.18	25.27	25.83	6.2
2001	30.87	28.15	27.03	25.83	12.5
2002	28.96	28.88	28.93	28.89	6.6
2003	29.92	30.22	30.19	30.24	4.2
2004	30.98	31.77	32.30	33.02	6.2
2005	33.62	33.88	34.76	36.80	8.6
2006	37.88	38.51	38.90	40.13	11.8
2007	42.19	43.45	44.68	45.76	13.3
2008	48.86	50.13	53.91	55.41	18.3
2009	57.72	58.40	61.62	63.21	15.7
2010	63.41	64.89	65.82	66.29	8.1
2011	68.73	70.77	72.83	75.67	10.6
2012	78.04	79.50	80.40	82.20	11.2
2013	85.48	85.58	86.64	87.93	8.0
2014	90.61	90.68	91.84	93.27	6.0
2015*	95.14	96.78	98.27	100.00	6.5
2016	101.02	102.52	102.43	102.81	4.8
2017	104.01	105.76	107.37	108.93	4.2

Source: National Bureau of Statistics

*The reference period has been changed from Dec. 2015=100

COST OF LIVING INDEX OF GOODS AND SERVICES CONSUMED BY URBAN RESIDENTS IN TANZANIA MAINLAND (2001=100)

Table No.14

YEAR	Food	Beverages and Cigarettes	Rent	Electricity Kerosene and Water	Clothing and Footwear	Furniture and Household Utensils	Services and other Household Requirements	Health Services	Recreation and Entertainment	Transport	Education	Others	OVERALL PRICE INDEX
2008 First Quarter	163.4	146.8	138.9	161.6	105.3	116.6	115.1	113.6	110.0	132.9	106.2	103.4	149.2
Second Quarter	165.1	148.5	139.5	172.0	106.4	118.1	117.1	114.7	111.4	136.5	107.8	103.9	151.7
Third Quarter	164.5	149.7	141.6	179.2	106.4	120.1	116.8	117.4	114.5	141.0	110.8	104.2	152.8
Fourth Quarter	175.0	152.1	141.6	172.5	108.6	122.1	119.1	120.3	117.6	139.6	112.7	105.2	158.4
2009 First Quarter	193.5	154.8	156.4	164.5	109.7	124.8	120.7	122.3	121.4	137.7	116.9	106.9	168.7
Second Quarter	194.0	158.2	156.5	158.7	112.5	126.1	122.7	125.9	121.4	135.3	122.4	108.6	168.9
Third Quarter	193.6	165.7	159.4	168.9	115.7	128.0	123.0	126.1	124.6	140.3	122.4	108.3	170.6
Fourth Quarter	203.8	170.9	159.6	181.7	115.6	127.1	126.0	126.1	127.6	140.3	122.7	106.3	178.2

COST OF LIVING INDEX OF GOODS AND SERVICES CONSUMED BY URBAN RESIDENTS IN TANZANIA MAINLAND (2015=100)

YEAR	Food and Beverages	Alcoholic Drinks and Cigarettes	Clothing and Footwear	Electricity, Water and Dwelling	Furniture and Household Utensils	Health Services	Transport	Communication	Recreation and Entertainment	Education	Hotel and Restaurants	Others	OVERALL PRICE INDEX
2010 First Quarter	54.4	66.1	68.2	54.3	72.0	84.6	79.4	101.3	81.7	83.4	69.5	72.4	61.3
Second Quarter	55.2	64.8	68.4	57.2	72.9	84.8	79.2	102.0	82.7	83.4	69.5	72.9	62.1
Third Quarter	54.2	66.2	70.2	58.1	74.1	84.9	78.9	102.2	84.2	81.9	69.8	74.6	61.9
Fourth Quarter	54.9	66.6	71.7	58.1	74.8	84.6	78.9	102.3	83.9	81.3	68.9	74.5	62.4
2011 First Quarter	59.0	67.7	73.6	61.9	80.5	85.7	80.4	100.2	84.7	85.6	72.4	74.6	65.8
Second Quarter	61.2	68.7	75.0	66.2	83.1	86.2	84.5	99.9	85.2	85.9	73.9	75.4	68.2
Third Quarter	64.4	69.7	76.9	70.3	84.6	86.5	86.6	100.7	86.1	85.9	75.9	77.9	71.0
Fourth Quarter	69.0	70.3	79.5	71.8	86.1	87.6	88.1	100.7	86.3	85.9	78.0	80.3	74.2
2012 First Quarter	74.7	73.1	83.8	73.4	88.9	88.2	88.8	99.6	90.9	89.2	83.7	82.9	78.6
Second Quarter	76.3	75.5	86.5	76.3	90.7	89.0	90.4	99.1	93.7	90.0	87.3	85.2	80.5
Third Quarter	76.3	83.3	87.8	80.4	91.8	89.4	90.5	99.1	96.0	90.0	88.5	85.9	81.4
Fourth Quarter	78.5	85.4	89.0	84.1	93.1	90.1	90.5	98.9	95.7	90.0	90.5	87.1	83.4
2013 First Quarter	83.4	87.6	90.5	86.1	94.4	91.0	90.7	98.7	95.6	91.7	91.8	88.6	86.7
Second Quarter	82.9	88.3	91.2	90.1	94.6	91.7	96.1	98.5	96.0	91.9	92.2	89.4	87.3
Third Quarter	81.6	92.4	92.3	90.7	95.0	91.9	97.8	99.0	96.4	92.1	92.3	90.9	86.9
Fourth Quarter	83.7	93.5	92.8	92.0	95.6	92.0	98.4	99.1	96.4	92.1	92.9	91.7	88.4
2014 First Quarter	88.9	93.8	93.8	96.8	96.1	92.8	98.8	99.2	96.6	96.8	93.3	92.6	91.9
Second Quarter	89.7	93.8	94.1	98.7	96.8	95.2	99.4	99.5	96.7	96.8	94.5	96.6	92.9
Third Quarter	88.6	96.8	94.5	100.5	96.9	95.8	100.0	99.9	96.9	96.8	95.2	96.6	92.7
Fourth Quarter	89.2	98.6	95.5	101.1	96.9	96.2	99.6	99.7	97.0	96.8	96.1	96.7	93.3
2015* First Quarter	93.5	98.8	97.0	101.6	97.4	96.6	97.5	99.8	97.1	98.6	97.6	97.4	95.7
Second Quarter	97.3	98.8	97.8	99.8	97.4	97.1	97.6	99.8	97.5	100.0	98.9	97.8	97.8
Third Quarter	97.5	99.4	99.1	101.1	98.7	98.4	100.3	99.7	98.9	100.0	99.8	98.5	98.5
Fourth Quarter	98.9	99.8	99.7	100.9	99.3	99.5	99.8	100.0	100.1	100.0	100.0	99.8	99.4
2016 First Quarter	102.1	100.4	101.0	103.8	100.5	101.6	99.1	99.5	100.4	101.8	100.5	100.8	101.4
Second Quarter	104.2	103.2	101.9	107.3	101.5	103.2	98.9	98.8	100.9	102.3	103.6	101.4	103.0
Third Quarter	103.9	104.4	102.8	107.8	101.9	104.0	99.8	99.1	101.2	102.6	104.4	101.9	103.3
Fourth Quarter	105.1	104.9	103.3	110.1	103.1	104.6	100.0	99.1	101.7	102.6	104.1	102.6	104.2
2017 First Quarter	111.4	105.5	104.4	112.5	104.2	105.3	100.0	98.7	101.5	102.9	104.3	103.4	107.1
Second Quarter	115.7	106.5	105.8	113.6	104.7	105.8	100.1	98.1	102.0	103.1	104.4	105.5	109.1
Third Quarter	113.2	107.0	106.4	116.7	104.8	106.2	99.5	98.1	102.7	103.4	104.4	105.7	108.6
Fourth Quarter	112.9	107.5	106.5	118.8	105.1	106.7	100.1	98.1	103.2	103.5	104.5	105.4	108.9

Source: National Bureau of Statistics

*The reference period has been changed from Dec. 2015=100

Consumer price index from 2004 to 2009 were classified based on National Classification, it is therefore difficult to link to consumer price index starting from 2010 as this followed Classification of Individual Consumption by Purpose (COICOP)

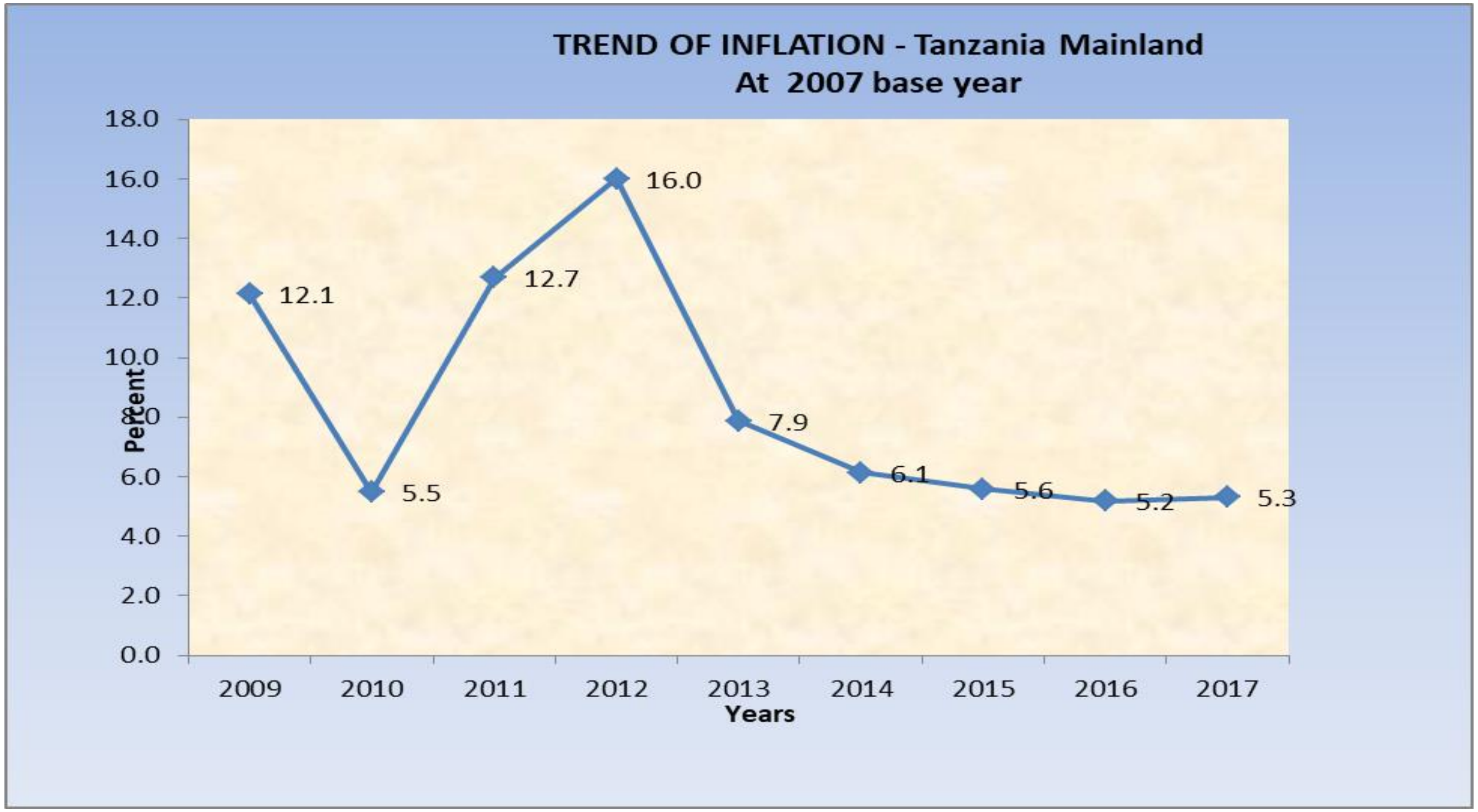
COST OF LIVING INDEX OF GOODS AND SERVICES CONSUMED BY URBAN RESIDENTS IN TANZANIA MAILAND (Dec 2015=100)

Table No.15

YEAR	Period				Average	Change
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter		%
2000	33.2	33.0	31.8	32.3	32.6	6.0
2001	35.0	34.7	33.4	33.8	34.2	5.1
2002	35.4	35.6	35.5	36.3	35.7	4.3
2003	37.1	37.6	37.4	38.3	37.6	5.3
2004	39.0	39.0	39.1	40.4	39.4	4.7
2005	40.6	41.2	41.3	42.4	41.4	5.0
2006	43.8	44.9	43.7	45.1	44.4	7.3
2007	46.9	47.5	47.4	48.2	47.5	7.0
2008	51.1	51.9	52.3	54.2	52.4	10.3
2009	57.7	57.8	58.4	61.0	58.7	12.1
2010	61.3	62.1	61.9	62.4	61.9	5.5
2011	65.8	68.2	71.0	74.2	69.8	12.7
2012	78.6	80.5	81.4	83.4	81.0	16.0
2013	86.7	87.3	86.9	88.4	87.3	7.9
2014	91.9	92.9	92.7	93.3	92.7	6.1
2015*	95.7	97.8	98.5	99.4	97.9	5.6
2016	101.4	103.0	103.3	104.2	102.9	5.2
2017	107.1	109.1	108.6	108.9	108.4	5.3

Source: National Bureau (Source: National B Source: Nationa Source: National Bureau of Statistics

*The reference period has *The reference per *The reference] *The reference period has been changed from Dec. 2015=100


TREND OF INFLATION - Tanzania Mainland
At 2007 base year
18.0
16.0
14.0
12.0
10.0
8.0
6.0
4.0
2.0
0.0
Percent
12.1
5.5
12.7
16.0
7.9
6.1
5.6
5.2
5.3
2009
2010
2011
2012
2013
2014
2015
2016
2017
Years

DIFFERENT INDICES OF GOODS AND SERVICES CONSUMED
BY URBAN RESIDENTS IN TANZANIA MAINLAND (Dec.2015=100)

Table No.16

YEAR	Index			Urban Residents Tanzania Mainland	Index (%)			Urban Residents Tanzania Mainland
	INCOME				INCOME			
	Minimum	Middle	High		Minimum	Middle	High	
2000	23.8	27.9	24.9	32.6	1.7	2.5	6.2	6.0
2001	25.9	29.1	28.0	34.2	8.5	4.5	12.5	5.1
2002	26.9	30.2	28.9	35.7	3.8	3.5	3.3	4.3
2003	28.4	30.8	30.1	37.6	5.8	2.3	4.3	5.3
2004	30.2	33.4	32.0	39.4	6.4	8.2	6.2	4.7
2005	32.7	36.0	34.8	41.4	8.3	7.9	8.6	5.0
2006	36.5	39.3	38.9	44.4	11.5	9.2	11.8	7.3
2007	39.9	43.9	44.0	47.5	9.3	11.5	13.3	7.0
2008	46.8	50.6	52.1	52.4	17.3	15.3	18.3	10.3
2009	54.7	58.9	60.2	58.7	16.8	16.4	15.7	12.1
2010*	61.9	64.8	65.1	61.9	13.2	10.0	8.1	5.5
2011	66.5	69.9	72.0	69.8	7.4	7.9	10.6	12.7
2012	79.0	81.5	80.0	81.0	18.8	16.6	11.2	16.0
2013	86.3	88.3	86.4	87.3	9.3	8.3	8.0	7.9
2014	93.0	93.7	91.6	92.7	7.7	6.2	6.0	6.1
2015*	98.0	99.0	97.5	97.9	5.4	5.6	6.5	5.6
2016	102.2	103.5	102.2	102.9	4.3	4.5	4.8	5.2
2017	104.1	106.2	106.5	108.4	1.9	2.6	4.2	5.3

Source: National Bureau of Statistics

*The reference period has been changed from Dec. 2015=100

CHAPTER 2

MONEY AND FINANCIAL INSTITUTIONS

Money Supply

32. In 2017, the Bank of Tanzania pursued monetary policy aimed at increasing liquidity to enhance provision of credit to the private sector and growth of various economic activities. During the period under review, several efforts were taken to improve liquidity conditions such as lowering the Statutory Minimum Reserve (SMR) requirements, reducing the discount rate, purchase of foreign exchange from the domestic market and provision of short term loans to banks. These measures helped to improve banks' liquidity and softened money market interest rates.

33. By December 2017, the narrow money supply (M1) increased by 10.6 percent to shillings 11,155.5 billion from shillings 10,083.8 billion. Similarly, the broad money supply (M2) increased from shillings 16,620.3 billion in 2016 to shillings 18,346.9 billion in 2017, equivalent to an increase of 10.4 percent. The extended broad money supply (M3) increased to shillings 24,711.3 billion in 2017 from shillings 22,877.9 billion in 2016, equivalent to an increase of 8.0 percent, compared with the growth of 3.4 percent recorded in 2016. The growth of M2 and M3 was below the target set by the Bank of 12.0 and 10.7 percent respectively. The trend was highly attributed to the growth of net foreign assets that outpaced the growth of credit to government and private sector by the banking system. In 2017, the net foreign assets increased by 41.7 percent compared to a decline of 0.7 percent recorded in 2016. The increase was attributed largely to the growth of net foreign assets of the Bank of Tanzania following availability of external non-consessional loans and the purchase of foreign exchange from the domestic market.

The Trend of Credit to Central Government and Private Sector

34. In 2017, net claims on central government from the banking system decreased by 23.5 percent compared to 12.3 percent decline observed in 2016. The decrease in claims on central government was attributed to improved revenue performance and strengthened government expenditure management. Moreover, credit to private sector increased to shillings 16,883.1 billion from shillings 16,608.9 billion in 2016, equivalent to an increase of 1.7 percent, which was low compared to the growth of 7.2 recorded in 2016. The lower growth of credit to private sector was due to cautious measures taken by banks following increase in non-performing loans; and asset portfolio diversification by banks in favour of government securities. In addition, the growth of credit in bulding and construction, agriculture and hotels and restaurants improved in 2017 compared to their respective growth in 2016. However, growth of credit extended to other economic activities including transport and communication, and trade declined. The large share of private sector credit was extended to trade activities which accounted for 19.6 percent of total credit, followed by personal activities which accounted for 19.3 percent.

Deposits in Commercial Banks

35. In 2017, deposits in commercial banks increased to shillings 20,381.9 billion compared to shillings 18,766.5 billion in 2016, equivalent to an increase of 8.6 percent. The increase was due

to the efforts of the Government and commercial banks in sensitizing the general public on the use of bank services in their various economic activities; and increased branch networks including the use of agent banking services. During the period under review, private sector deposits amounted to shillings 19,821.3 billion equivalent to 97.2 percent of total deposits. In addition, the ratio of foreign currency deposit to total deposits decreased to 29.9 percent in 2017 from 31.1 percent in 2016.

Interest Rates Development

36. In 2017, the trend of interest rates increased whereby the overall lending rate increased to an average of 18.42 percent from an average of 15.66 percent in 2016. At the same time, one year lending rate increased to 18.24 percent from 12.87 percent in 2016. Likewise, time deposit rate increased to an average of 9.62 percent in 2017 from an average of 8.78 percent during the period ending 2016. During the period under review, one year deposit rate decreased to an average of 10.86 percent from an average of 11.03 percent 2016. As a result, the interest rate spread on one year lending and deposit rate increased to an average of 7.38 percentage point in the year ending 2017 from 1.83 percentage point in the year ending 2016. On other hand, overall interbank cash market rate decreased to an average of 3.26 percent during the period ending 2017 from an average of 13.49 percent in the corresponding period in 2016. Likewise, the overall Treasury bills rate declined to an average of 8.19 percent from an average of 15.12 percent in 2016. The interest rates on loans extended by commercial banks remained high due to rising risk premium following an increase in non-performing loans.

FINANCIAL SECTOR DEVELOPMENTS

Banking Services

37. During the period ending December 2017, the Bank of Tanzania revoked two bank licenses (FBME Bank Limited and Mbinga Community Bank Limited) and issued a new banking license to Yetu Microfinance Bank and one financial institution namely First Housing Finance (T) Limited, thus the number of financial institutions supervised by the Bank of Tanzania remained 67 with 58 banks and 9 other financial institutions.

38. In ensuring access of services, banks continued expanding branches from 795 branches in 2016 to 821 branches in 2017. Likewise, the liquidity of the banking sector improved compared to 2016 and continued to remain above the regulatory requirements. The ratio of liquid assets to demand liabilities increased to 40.3 percent in December 2017 from 35.1 percent in December 2016 compared to the minimum requirement of 20 percent. Further, the ratio of core capital to total risk-weighted assets and off-balance sheet items increased to 18.9 percent from 17.8 percent compared to the minimum requirements of 10 percent.

39. In 2017, the implementation of National Financial Inclusion Framework continued to record major achievements whereby access to financial services in both urban and rural areas continued to increase, driven largely by the use of mobile phones and agent banking. As of December 2017, a total of 18 banks provided banking services through agents as it was in the corresponding period in 2016. Moreover, number of banking agents increased by 87.9 percent to

10,665 agents in the period ending December 2017 from 5,676 agents in the same period in 2016.

40. Deposit transactions through agent banking services were 9,911,695 with cash valued at shillings 4,638.6 billion in the period ending December 2017 compared to 4,869,842 transactions at shillings 1,883.3 billion in December 2016, equivalent to an increase of 103.5 percent. Similarly, the number of withdrawal transactions was 4,075,195 in December 2017 compared to 1,657,092 transactions in December 2016. Consequently, amount of cash withdrawn in the period ending December 2017 increased to shillings 1,106.4 billion from shillings 427.1 billion in 2016.

Capital Markets and Securities Development

41. In 2017, the number of companies listed in the Dar es Salaam Stock Exchange (DSE) increased to 26 companies compared to 25 companies listed in 2016. The newly listed company in the market was Vodacom Tanzania Plc which is among telecommunication companies required by the Electronic and Postal Communication Act as amended by Finance Act in 2017 to list 25 percent of their shares in the Dar es Salaam Stock Exchange. Out of those companies, domestic listed companies were 18 and foreign companies (from Nairobi and London) were seven. As of December 2017, the number of investors in the DSE increased to 524,277 compared to 472,514 investors in 2016, equivalent to an increase of 11.0 percent. This was caused by the increase in opportunities to buy shares in the market after the listing of Vodacom Tanzania Plc.

42. As of December 2017, a total of 328,552,495 shares worth shillings 418.96 billion were traded in the Dar es Salaam Stock Exchange compared to 189,962,928 shares worth shillings 415.56 billion traded in the market in 2016, equivalent to an increase of 73.0 percent. Likewise, the value of Treasury bonds traded in the secondary market was shillings 683.17 billion compared to bonds valued at shillings 429.92 billion traded by December 2016, equivalent to an increase of 58.9 percent. In addition, the value of Treasury bonds listed during the period was shillings 7.71 trillion compared to Treasury bonds valued at shillings 5.34 trillion listed in 2016, equivalent to an increase of 44.4 percent. As of December 2017, listed corporate bonds in the Dar es Salaam Stock Exchange were valued at shillings 98.97 billion.

43. In 2017, the value of collective investment schemes increased to shillings 256,480.40 million compared to shillings 251,023.36 million in 2016, equivalent to an increase of 2.2 percent. The increase was attributed to escalation of investment value of Liquid Fund (85.3 percent), *Watoto* Fund (7.0 percent) and *Umoja* Fund (2.0 percent). Nevertheless, the value of investment in *Jikimu* Fund decreased to shillings 21,687.04 million in 2017 from shillings 25,451.02 million in 2016, equivalent to a decrease of 14.8 percent. This was due to under performance of Fund’s investment in the Dar es Salaam Stock Exchange in which 20.4 percent of its funds were invested. In addition, the value of *Wekeza Maisha* Fund investment decreased to shillings 1,488.96 million in 2017 compared to shillings 3,671.93 million in 2016, equivalent to a decrease of 59.5 percent. The decrease was attributed to Fund’s investment reaching maturity of ten years which caused investors to switch to another scheme.

Table No. 2.1: Trend in Collective Investment Schemes (Million TZS)

Type of Investment	2016	2017	Growth (%)
Umoja Fund	210,443.15	214,658.83	2.0
Jikimu Fund	25,451.02	21,687.04	-14.8
Wekeza Maisha Fund	3,671.93	1,488.96	-59.5
Watoto Fund	3,301.31	3,532.13	7.0
Liquid Fund	8,155.95	15,113.44	85.3
Total	**251,023.36**	**256,480.40**	**2.2**

Source: Capital Markets and Securities Authority

Social Security Regulatory Authority (SSRA)

44. In 2016/17, the number of members contributing to the social security funds was 2,409,303 compared to 2,234,246 members in 2015/16, equivalent to an increase of 7.8 percent. Income from members' contribution increased by 2.3 percent from shillings 2.61 trillion in June 2016 to shillings 2.67 trillion in the period ending June 2017.

45. In 2016/17, total assets of the social security funds increased by 29.8 percent to shillings 12.23 trillion from shillings 9.42 trillion in 2015/16. This was attributed to increase in the value of investment and contribution from members. In addition, the value of investment of the social security funds increased by 21.0 percent from shillings 9.28 trillion in 2015/16 to shillings 11.23 trillion in 2016/17. However, benefits paid to members decreased by 14.7 percent from shillings 1.96 trillion in 2015/16 to shillings 1.67 trillion in 2016/17, attributed by increased control in member's withdrawal.

Table No.2.2: Status of the Social Security Funds

Year	Member	Contributions Billion Shs.)	Benefits (Billion Shs.)	Investment (Billion Shs.)
2007/08	1,198,298	508.0	272.0	1,779.8
2008/09	1,275,993	754.0	308.0	2,476.9
2009/10	1,436,779	848.0	499.0	3,130.8
2010/11	1,599,208	1,178.0	565.0	3,757.4
2011/12	1,676,715	1,383.0	733.0	4,831.6
2012/13	1,856,245	1,635.0	1,068.0	5,866.5
2013/14	1,568,757	1,590.0	1,250.0	5,308.0
2014/15	1,887,000	2,314.0	1,546.0	7,619.6
2015/16	2,234,246	2,612.0	1,955.0	9,288.8
2016/17	2,409,303	2,669.0	1,668.0	11,235.0

Source: Social Security Regulatory Authority

National Social Security Fund (NSSF)

46. In 2016/17, members of the National Social Security Fund (NSSF) increased by 8.3 percent to 1,087,229 members from 1,003,563 members in 2015/16. Members' contributions to the Fund amounted to shillings 736,405.01 million in 2016/17 compared to shillings 677,166.29 million in 2015/16, equivalent to an increase of 8.8 percent. The increase in the number of

members and contributions was due to registration of 107,764 new members and 2,788 new employers in the period under review.

47. Benefits paid to members amounted to shillings 248,118.5 million in 2016/17 compared to shillings 378,282.58 million paid in 2015/16, equivalent to a decrease of 34.4 percent. Likewise, the number of beneficiaries decreased by 52.0 percent to 45,143 compared to 94,103 beneficiaries in 2015/16. The decrease was due to deliberate move to curb unlawful withdrawals and forgery. In addition, the Fund conducted 4,180 seminars throughout the country with the aim of providing public awareness on the importance of social security, compared to 4,412 seminars conducted in 2015/16.

48. The value of the Fund's investment increased from shillings 2,328,732.22 million in 2015/16 to shillings 2,333,981.87 million in 2016/17. Likewise, the value of investment in government securities increased to shillings 311,213.93 million in 2016/17 from shillings 254,932.88 million in 2015/16, equivalent to an increase of 22.08 percent. However, investment income decreased to shillings 205,077.38 million in 2016/17 from shillings 262,693.78 million in 2015/16, equivalent to a decrease of 21.9 percent.

49. In 2016/17, the value of the Fund's total assets increased to shillings 3,408,584.55 million from shillings 3,110,905.59 million in 2015/16, equivalent to an increase of 9.57 percent. Moreover, the net assets of the Fund amounted to shillings 3,119,622.60 million in 2016/17, compared to shillings 2,943,369.11 million in 2015/16, equivalent to an increase of 6.0 percent. Henceforth, the net increment in assets was shillings 176,253.49 million in 2016/17 compared to shillings 167,249.48 million in 2015/16, equivalent to an increase of 5.4 percent

GEPF Retirement Benefits Fund

50. In 2016/17, the number of members of GEPF Retirement Benefits Fund increased to 130,112 members from 114,462 in 2015/16, equivalent to an increase of 13.7 percent. In addition, the number of registered members under voluntary scheme which targets self employed individuals in formal and informal sectors was 12,240 in 2016/17 compared to 14,429 members registered in 2015/16, equivalent to a decrease of 15.2 percent. Members contributions amounted to shillings 75,063.96 million in 2016/17 compared to shillings 69,430.13 million in 2015/16, equivalent to an increase of 8.1 percent. Likewise, members' contribution under voluntary scheme amounted to shillings 3,854.84 million in 2016/17 compared to shillings 4,647.88 million in 2015/16, equivalent to a decrease of 17.1 percent.

51. In 2016/17, benefits paid to members amounted to shillings 20,066.68 million compared to shillings 18,858.02 million in 2015/16, equivalent to an increase of 6.4 percent. This was due to increase in member's withdrawal from voluntary scheme and increase in retirees. Investment of the Fund in various portfolios increased by 24.7 percent from shillings 403,315.82 million in 2015/16 to shillings 502,944.55 million in 2016/17.

Table No. 2.3: The Value of Fund's Investment (TZS Million)

Investment Portfolio	2015/16	2016/17	Growth (%)
Fixed Income Assets	333,555.96	414,967.23	24.4

Corporate Bonds	34,909.60	49,634.48	42.2
Real Estate	28,269.04	30,033.97	6.2
Collective Investment Schemes	6,581	8,308.87	26.3
Total	**403,315.60**	**502,944.55**	**24.7**

Source: GEPF Retirement Benefits Fund

52. Income from Fund's investments increased by 46.3 percent in 2016/17 to shillings 53,312.03 million from shillings 36,435.16 million in 2015/16. This was attributed to the increase in interest rate on Government deposits, bank deposits and other investment portfolio. Moreover, by end-2016/17, the Fund's net asset value was shillings 525,651.43 million from shillings 427,795.25 million in 2015/16, equivalent to an increase of 22.9 percent.

LAPF Pension Fund

53. In 2016/17, members of LAPF Pensions Fund increased to 177,065 from 166,260 members in 2015/16, equivalent to an increase of 6.5 percent. Further, contributions from members increased by 4.2 percent to shillings 291.29 billion in 2016/17, compared to shillings 279.68 billion in 2015/16. The increase in members and contributions resulted from registration of new members. Similarly, benefits paid to members increased to shillings 140.49 billion in 2016/17 compared to shillings 107.25 billion in 2015/16, equivalent to an increase of 30.9 percent.

54. In 2016/17, investment of the Fund in various portfolios was valued at shillings 1,397.35 billion compared to shillings 1,098.37 billion in 2015/16, equivalent to an increase of 27.2 percent. In addition, the value of investment on treasury bonds increased to shillings 755.12 billion in 2016/17 compared to shillings 474.83 billion in 2015/16, equivalent to an increase of 59.03 percent. Furthermore, income from Fund's investments amounted to shillings 133.42 billion from shillings 93.88 billion in 2015/16, equivalent to an increase of 42.1 percent. This resulted from increased investment activities in Government securities, property tax and long-term loans. Likewise, the net assets value of the Fund increased to shillings 1,397.35 billion in 2016/17 compared to shillings 1,169.06 billion in 2015/16, which is 19.5 percent increase.

PSPF Pension Fund

55. In 2017, number of members registered by PSPF Pension Fund was 22,884 comprising 4,350 members from mandatory scheme and 18,534 members from voluntary scheme compared to 47,238 members registered in 2016, equivalent to a decrease of 51.6 percent. This was due to high competition from other pension funds and decrease in Government employment. The 2017 registration resulted in increasing the number of members to 427,856 from 404,972 members in 2016, equivalent to an increase of 5.7 percent. In addition, contributions collected from members increased by 2.5 percent from shillings 784.8 billion in 2016 to shillings 804.20 billion in 2017. This was attributed to increased number of members and salary adjustments for Government employees.

56. As of December 2017, benefits paid by the Fund to 7,528 members amounted to shillings 845.63 billion compared to shillings 786.36 billion paid to 7,416 members in 2016, equivalent to an increase of 7.5 percent. Benefits paid in 2017 included: old age benefits shillings 505.46

billion; death gratuity shillings 95.10 billion; funeral grant shillings 2.53 billion; withdrawal benefits shillings 10.57 billion; retirees' benefits shillings 173.98 billion; and survivor's pension shillings 57.99 billion.

Table No. 2.4: Benefit Payments to Members (TZS Billion)

Type of Benefit	2015	2016	2017	Growth (%)
Old Age Benefits	354.6	497.0	505.46	1.7
Death Gratuity	57.92	70.33	95.10	35.2
Funeral Grant	0.42	0.52	2.53	386.5
Withdrawal Benefits	1.61	2.62	10.57	303.4
Retirees Benefits	119.25	161.6	173.98	7.7
Survivor's Pension	29.99	54.29	57.99	6.8
Total	**563.79**	**786.36**	**845.63**	**7.5**

Source: PSPF Pension Fund

57. In 2017, the Funds' earnings from investment amounted to shillings 27.97 billion compared to shillings 75.59 billion in 2016. The decrease in investment earnings was due to shortage of funds to invest following high benefit payments relative to contributions. Income from other sources increased to shillings 4.09 billion from shillings 2.4 billion in 2016, equivalent to an increase of 70.4 percent. This was attributed to increase in interest income from call account. Further, gross income from all investment portfolios amounted to shillings 32.06 billion.

58. The value of Fund's assets and investment portfolio decreased by 33.2 percent from shillings 1.38 trillion in 2016 to shillings 921.33 billion in 2017. The decrease was due to mismatch between benefits paid and members' contribution as a result of continued payments of pre-1999 retirees who did not contribute to the Fund. Further, in 2017, the Fund continued to strengthen provision of short term loans with the aim of expanding benefits opportunities from the Fund. By December 2017, a total of 3,203 members benefited from loans provided by the Fund in different categories as follows: student loans to 748 members; subsistance loan (262 members); plot loans (21 members); and loan to prospective retirees and retirees (2,172 members).

PPF Pension Fund

59. In 2016/17, PPF Pension Fund registered 104,207 new members, reaching to a cumulative total of 326,750 members. New registered members are equivalent to an increase of 46.9 percent compared to 70,942 members registered in 2015/16. The target of registering 165,000 members in 2016/17 was not achieved due to decrease in new employments compared to the plan.

60. In 2016/17, the Fund collected contributions amounted to shillings 397.67 billion from its members compared to shillings 378.4 billion in 2015/16, equivalent to an increase of 5.1 percent. In addition, benefits worth shillings 223.3 billion were paid to members compared to shillings 214.4 billion paid in 2015/16, equivalent to an increase of 4.2 percent. The increase resulted from adjustment made on minimum monthly pension rate from 50,000 shillings to 100,000 shillings. Fund's investment increased by 11.9 percent to shillings 2.238 trillion in 2016/17 from shillings 2.0 trillion in 2015/16. Moreover, income from investment increased from shillings 154.6 billion in 2015/16 to shillings 200.65 billion in 2016/17, equivalent to an

increase of 29.8 percent. Similarly, the net assets value of the Fund increased by 14.1 percent to shillings 2.62 trillion in 2016/17 compared to shillings 2.30 trillion in 2015/16.

Workers Compesation Fund (WCF)

61. As of December 2017, a total of 12,282 private and public employers were registered with Workers Compesation Fund compared to 6448 employers in 2016, equivalent to an increase of 90.5 percent. This increase was the outcome of awareness created to employers and various stakeholders of the Fund. Following this increase contribution from members also increased to shillings 81.8 billion compared to shillings 59.1 billion in 2016. During the period under review, the Fund spent shillings 1.76 billion as medical expenses and claims to employees who were injured, got sick or died in the course of employment.

62. In 2017, the Fund invested shillings 70.5 billion compared to shillings 53.9 billion invested in 2016. These investment portfolios include: commercial banks' deposits, stock exchange and Government securities. As of December 2017, a total of shillings 16.35 billion were collected from various investment portfolios and other sources of income. In addition, the net assets value of the Fund increased to shillings 138.16 billion compared to shillings 104.67 billion in 2016.

National Health Insurance Fund (NHIF)

63. In 2016/17, the number of members contributing to the National Health Insurance Fund increased by 7.3 percent to 753,892 members compared to 702,598 in 2015/16. The increase was attributed to registration of various categories of new members such as students, private sector employees, private individuals and children below 18 years under the *TOTO AFYA KADI* program. In addition, households registered to the Community Health Funds in 2017 were 577,811, hence making the total registered households to increase by 39.8 percent to 2,030,666 households compared to 1,452,855 households in 2015/16.

64. In 2016/17, beneficiaries served by the Fund were 15,675,396 compared to 12,094,153 in 2015/16, equivalent to an increase of 29.6 percent. The number of beneficiaries is equivalent to 31 percent of total population of Tanzania Mainland. Among those, beneficiaries under National Health Insurance Fund were 3,491,400 while beneficiaries under Community Health Fund were 12,183,996.

65. In 2016/17, submitted claims from service providers amounted to shillings 326,687.09 million whereby amount paid was shillings 303,818.99, equivalent to 93.0 percent of submitted claims. The difference between submitted and paid claims was due to failure to comply with medical guidelines by some healthcare providers and the NHIF's price structure, the improper preparation of claims and forged claims.

66. In 2016/17, revenue of the Fund increased to shillings 476,446.24 million from shillings 447,327.31 million in 2015/16, equivalent to an increase of 6.5 percent. Among those, members' contribution amounted to shillings 367,634.47 million in 2016/17 compared to shillings 354,446.73 million in 2015/16, equivalent to an increase of 3.7 percent. Members' contributions accounted for 79.2 percent of total revenue, investments accounted for 20.4 percent, and other sources accounted for 0.4 percent. In addition, net assets value of the Fund was shillings 1,315,802,747,000 compared to shillings 1,192,666,840,000 in 2015/16, equivalent to an increase of 10.3 percent.

67. In 2016/17, a total of 7,140 health facilities were accredited by the Fund compared to 6,439 health facilities in 2015/16, equivalent to an increase of 10.9 percent. The increase was a result of accredation of diagnostic centers (50 percent) and Accredited Drug Dispensing Outlets – ADDO (76.2 percent). Among those, 5,323 health facilities (75 percent) were Government owned, 1,034 health facilities (14 percent) were privately owned and 783 health facilities (11 percent) were faith-based organization.

Table No. 2.5: Health Facilities Accredited by the Fund

Type of Facility	2015/16				2016/17				Growth (%)
	Government	Faith Based	Private	Total	Government	Faith Based	Private	Total	
Hospitals	131	106	25	262	139	111	28	278	6.1
Health Centers	449	142	37	628	474	177	54	705	12.3
Dispensaries	4,509	319	103	4,931	4,702	490	168	5,360	8.7
Pharmacies	2	5	586	593	8	4	742	754	27.2
ADDO Shops	-	-	21	21	-	1	36	37	76.2
Diagnostic Centers	-	-	4	4	-	-	6	6	50.0
Total	**5,091**	**572**	**776**	**6,439**	**5,323**	**783**	**1,034**	**7,140**	**10.9**

Source: National Health Insurance Fund

Tanzania Insurance Regulatory Authority (TIRA)

68. In 2017, total number of companies registered to undertake insurance business was 31 including one company providing reinsurance services as it was in 2016. In addition, brokers registered to provide insurance services were 152 compared to 136 brokers in 2016; insurance agents were 596 compared to 575 agents in 2016; and loss assessors were 55 compared to 52 loss adjustors/assessors in 2016.

69. The overall insurance premium in 2017 decreased by 3.6 percent from to shillings 660.0 billion in 2016 to shillings 636.1 billion in 2017. General insurance business contributed 87.3 percent of total insurance premium written whereas life insurance contributed to 12.7 percent of insurance premium written. General insurance premium decreased by 5.2 percent to shillings 555.3 billion compared to shillings 585.8 billion in 2016. In addition, life assurance gross premium written increased by 8.8 percent to shillings 80.8 billion from shillings 74.2 billion in 2016.

Table No. 2.6: Insurance Premium from 2016 – 2017 (TZS Million)

Details	2016	2017	Growth (%)
General Insurance	**585,798**	**555,324**	(5.2)
Overall contribution (%)	88.80	88.00	(0.9)
Life Insurance	**74,249**	**80,812**	8.8
Overall contribution (%)	11.25	12.70	12.9
Total Insurance Premium	**660,047**	**636,136**	**(3.6)**

Source: Tanzania Insurance Regulatory Authority

70. In 2017, general insurance companies made a profit of shillings 5.70 billion equivalent to a decrease of 68.6 percent compared to profit of shillings 18.2 billion in 2016. The decline in earned profit resulted from decrease in investment income particularly shares, securities and debentures.

71. In 2017, total assets value of insurance companies increased by 2.9 percent to shillings 859.3 billion from shillings 835.3 billion in 2016. Further, total liabilities of insurance companies increased to shillings 569.8 billion in 2017 from shillings 567.2 billion in 2016, equivalent to an increase of 0.5 percent. Henceforth, net assets of insurance companies increased by 8.0 percent to shillings 289.5 billion in 2017 from shillings 268.1 billion in 2016.

Table No. 2.7: Assets and Liabilities of Insurance Companies

Assets and Liabilities (Million Tshs)	2016	2017
Total Assets	835,310	859,331
Growth (%)	**14.50**	**2.90**
Total Liabilities	567,211	569,843
Growth (%)	**17.20**	**0.50**
Net worth	268,100	289,488
Growth (%)	**9.20**	**8.0**

Source: Tanzania Insurance Regulatory Authority

Trend of Mortgage Market in Tanzania

72. As of December 2017, total loans extended by the banking sector for residential housing amounted to shillings 344.8 billion compared to shillings 416.94 billion extended in 2016, equivalent to a decrease of 17.3 percent. This was due to shortage of liquidity in the commercial banks following the increase in non-performing loans.

73. As of December 2017, the number of banking institutions providing mortgage loans increased to 31 from 28 institutions in 2016. The new entrants in the mortage market were Letshego Bank (T) Ltd, Yetu Microfinance Bank Plc and Mufindi Community Bank Ltd. During the period under review, 60 percent of the mortgage market share was dominated by five banking institutions namely: Stanbic Bank (18 percent); Bank M (16 percent); CRDB Bank (11 percent); Azania Bank (8 percent); and Commercial Bank of Africa (7 percent). Moreover, in 2017, the Bank of Tanzania officially licensed the First Housing Finance (Tanzania) Limited initially known as M Mortgage Finance to specialize in providing long term housing solutions to the citizens of Tanzania. The company's strategy is centered in improving housing affordability in the market by offering longer term mortgage loans of up to 20 years at low interest rates.

Table No. 2.8: Mortgage Debt Outstanding by Lender as at December 2017

Mortgage Lender	No. of Accounts	Amount (TZS Billion)	Market Share (%)
Stanbic Bank (T) Ltd	182	60.74	17.61
Bank M Tanzania Public Limited Company	30	53.79	15.60
CRDB Bank Plc	301	38.43	11.14
Azania Bank Limited	554	28.03	8.13
Commercial Bank Of Africa (T) Limited	161	23.94	6.94
NIC Bank Tanzania Limited	16	19.88	5.77

First National Bank Tanzania Limited	94	16.4	4.75
Bank Of Africa Tanzania Limited	113	11.9	3.45
KCB Bank Tanzania Limited	57	9.37	2.72
DCB Commercial Bank Plc	814	8.57	2.48
NMB Bank Plc.	62	7.76	2.25
Barclays Bank (T) Limited	57	7.46	2.16
I & M Bank Tanzania Limited	37	7.13	2.07
Equity Bank Tanzania Limited	16	5.82	1.69
Letshego Bank (T) Limited	119	5.74	1.66
African Banking Corporation (T) Ltd	41	5.57	1.62
NBC Limited	43	5.14	1.49
Standard Chartered Bank (T) Ltd	21	4.7	1.36
Exim Bank Tanzania Limited	37	4.28	1.24
Akiba Commercial Bank Ltd	600	3.85	1.12
EFC M.F.B Tanzania Limited	152	2.88	0.84
Amana Bank Limited	32	2.64	0.77
Peoples Bank Of Zanzibar	17	2.36	0.68
TIB Corporate Bank Limited	13	1.76	0.51
Diamond Trust Bank (T) Ltd.	3	1.73	0.50
Yetu Microfinance Plc	547	1.63	0.47
Citibank Tanzania Limited	11	1.55	0.45
TIB Development Bank Limited	10	1.03	0.30
International Commercial Bank (T) Ltd.	1	0.39	0.11
MUCOBA Bank Plc	32	0.31	0.09
China Commercial Bank Limited	1	0.09	0.03
Total	**4,174**	**344.87**	**100**

Source: Tanzania Mortgage Refinancing Company

74. In 2017, Tanzania Mortgage Refinance Company (TMRC) extended loans worth shillings 91.1 billion to 10 member banks and four non-member banks compared to shillings 59.6 billion extended in 2016, equivalent to an increase of 52.9 percent. Mortgage loans extended by TMRC accounted for 26.4 percent of all mortgage loans compared to 14.3 percent in 2016. Moreover, loans disbursed under Housing Microfinance Fund Project implemented by TMRC increased by 91.7 percent from shillings 6 billion in 2016 to shillings 11.5 billion in 2017. This was due to increased demand for mortgage loans by the commercial banks.

Tanzania Agricultural Development Bank

75. In 2017, the Tanzania Agricultural Development Bank continued to operate efficiently by increasing its capital using shareholder’s funds. The profit before tax recorded by the bank was shillings 2.86 billion compared to shillings 2.31 billion in 2016, equivalent to an increase of 23.8 percent. Moreover, the bank’s capital increased by 3.0 percent to shillings 66.8 billion from shillings 64.9 billion in 2016. During the period under review, the bank approved loans amounting to shillings 24.5 billion compared to shillings 6.5 billion approved in 2016. These loans were extendend with the aim of adding value to agricultural, livestock and fishery products. A total of 2,202 farmers benefited from these loans whereas 28.7 percent were female, compared to 857 farmers in 2016. Similarly, a total of shillings 1.8 billion was disbursed to

farmers engaged in irrigation projects of maize, paddy and vegetables in Iringa, Morogoro and Tanga regions, compared to shillings 2.2 billion in 2016.

76. In 2017, the bank trained 4,795 smallholder farmers in various regions hence making a total of 15,646 trained farmers since the official commencement of these trainings by the end of 2015. The trainings are aimed at capacity building to smallholder farmers in financial management, groups and association's management, records keeping and preparations of project concept note which conform to loan terms.

Tanzania Postal Bank

77. In 2017, the Tanzania Postal Bank (TPB) had a total of 30 branches as it was in 2016. During that period, mini-branches of the bank increased to 37 from 24 mini-branches in 2016. The increase was attributed to implementation of the bank's strategy to expand services and rural outreach. The number of simbanking accounts opened through *TPB Popote* was 349,878 compared to 298,874 accounts in 2016, equivalent to an increase of 17.1 percent. In addition, the bank continued to extend its services using 238 ATMs compared to 200 ATMs in 2016, equivalent to an increase of 19.0 percent. Out of those, 51 ATMs were owned by TPB in 2017 compared to 44 ATMs in 2016.

78. Customers' deposits in the bank increased to shillings 317,645 million in 2017 from shillings 292,200 million in 2016, equivalent to an increase of 8.7 percent. The increase was a result of the implementation of new strategies for visiting people in their areas such as colleges, schools and savings and credit groups and linking them to the banking system and access to micro loans.

Table No. 2.9:Tanzania Postal Bank Accounts' Distribution (TZS Million)

Type of Account	December 2015	December 2016	December 2017	Growth (%)
Pass Book Account	3,646	3,207	2,658	(17.1)
Savings Account (QA)	157,535	161,342	170,746	5.8
WADU Account	12,488	12,133	13,322	9.8
Time deposit Account	107,615	93,848	105,194	12.1
Call Account	13,182	14,207	19,983	40.7
Dormant Account	7,715	7,463	8,400	12.6
Total deposits	**302,181**	**292,200**	**317,645**	**8.7**

Source: Tanzania Postal Bank

79. In 2017, the value of investments on Tanzania Postal Bank in Government securities increased by 45.5 percent from shillings 42.4 billion in 2016 to shillings 61.7 billion in 2017. The increase in investments on Government securities was due to growth in the value of deposits as well as imposed measures for controlling increased non-performing loans. In 2017, the bank extended loans amounting to shillings 336,802 million compared to shillings 298,057 million in 2016, equivalent to an increase of 13.0 percent.

Table No. 2.10: The Value of Loans Issued by TPB (TZS Million)

Type of Loan	2014	2015	2016	2017	Growth (%)
Business Loans	24,393	34,794	33,800	27,199	-19.5
Staff Lonas	124,965	135,164	141,400	147,924	4.6
Retirees Loans	18,540	43,319	76,000	103,614	36.3
Micro Loans	18,536	22,867	23,929	28,354	18.5
Empowerment Loans	196	187	36	0	
Group Loans	2,297	5,831	4,600	5,979	30.0
PSL Loans	0	2,010	4,000	4,198	5.0
VICOBA Loans	0	225	705	976	38.4
Salary Loans	7,078	9,961	13,500	14,903	10.4
Total	**196,005**	**254,358**	**298,057**	**336,802**	**13.0**

Source: Tanzania Postal Bank

80. In 2017, TPB generated gross revenue amounting to shillings 107,964 million, equivalent to an increase of 32.1 percent compared to shillings 81,709 million in 2016. The increase was due to proper expenditure control by the bank's management, increased investments in loans and Government securities as well as widening the scope of products and services that generate income. Moreover, profit after tax increased to shillings 12,815 million from shillings 10,808 million in 2016, equivalent to an increase of 18.6 percent.

SELF Microfinance Fund

81. In 2017, SELF Microfinance Fund disbursed loans worth shillings 20.0 billion compared to shillings 11.5 billion in 2016, equivalent to an increase of 73.9 percent. This resulted from implementation of the program which focused on working with organizations that has larger outreach particulary in peripheral regions. In addition, a total of 11,653 small entepreneures benefited from those loans compared to 5,130 entepreneures in 2016, out of those 6,733 were women (equivalent to 58 percent) and 4,920 were men. On other hand, loan repayment rate was 88 percent in 2017 compared to 91 percent in 2016. This rate was relatively lower to prospective loan repayment rate of 95 percent in the microfinance sub-sector.

82. Moreover, by December 2017, capital value of SELF Microfinance Fund was shillings 58.87 billion compared to shillings 57.09 billion in 2016, equivalent to an increase of 3.1 percent.

Area of Investment	December 2016	December 2017	Growth (%)
Cash in Commercial Banks	2.3	0.93	(59.6)
Loan Position (Credit)	11.09	17.95	61.9

Government Deposits	43.7	39.99	(8.5)
Total	**57.09**	**58.87**	**3.1**

Table No. 2.11: SELF Microfinance Fund Investment Portfolios (Billion)

Source: SELF Microfinance Fund

83. In 2017, revenue of the Fund increased by 3.4 percent compared to 62.8 percent recorded in 2016. The decline in revenue growth was a result of fall in investments in Government securities as well as deposit rates. Investment in Government securities contributed for larger share of the Fund's revenue which was 61.2 percent, followed by interest from loans (34.3 percent) and revenue from other sources 4.5 percent.

Table No. 2.12: SELF Microfinance Fund Revenue Sources (TZS Billion)

Revenue Source	2016	2017	Growth (%)
Loans/Credit	1.215	2.232	83.7
Investment in Government Securities	4.85	3.975	(18.0)
Other sources	0.22	0.293	33.2
Total	**6.285**	**6.500**	**3.4**

Source: SELF Microfinance Fund

MONEY SUPPLY AND ITS MAIN SOURCES-TANZANIA MAINLAND

Table No. 17 **TZS. Billion**

	End December								Change 2016/17	
	2010	2011	2012	2013	2014	2015	2016	2017	Value	%
Reserve money (M0)	**1,897.1**	**2,235.8**	**2,414.8**	**2,764.0**	**3,244.7**	**3,678.5**	**3,608.7**	**3,831.8**	**223.1**	6.2
Narrow money supply (M1)	**4,521.4**	**5,572.0**	**6,538.6**	**7,218.1**	**8,284.2**	**9,575.7**	**10,083.8**	**11,155.5**	**1,071.7**	10.6
Savings and Time deposits	3,520.7	3,676.0	4,186.0	4,672.4	5,632.9	6,204.4	6,536.5	7,191.4	654.9	10.0
Broad money supply (M2)	**8,042.2**	**9,247.9**	**10,724.5**	**11,890.6**	**13,917.0**	**15,780.1**	**16,620.3**	**18,346.9**	**1,726.6**	10.4
Foreign currency deposits	2,970.5	3,773.4	3,922.6	4,216.2	4,697.1	6,335.2	6,257.5	6,364.4	106.9	1.7
Extended broad money supply	**11,012.7**	**13,021.3**	**14,647.1**	**16,106.8**	**18,614.2**	**22,115.3**	**22,877.9**	**24,711.3**	**1,833.4**	8.0
Net foreign assets	**6,125.6**	**6,273.6**	**6,396.0**	**6,576.3**	**6,551.5**	**8,244.0**	**8,186.3**	**11,596.1**	**3,409.8**	41.7
Net domestic assets	**4,887.1**	**6,747.7**	**8,251.1**	**9,530.4**	**12,062.6**	**13,871.3**	**14,691.5**	**13,115.2**	**-1,576.3**	-10.7
Domestic Claims	9,522.8	10,958.1	13,719.0	16,293.0	18,863.7	22,505.5	23,775.8	24,949.7	1,173.9	4.9
Claims on central government (ne)	806.7	1,471.3	2,019.4	2,554.6	3,651.6	4,881.6	4,282.0	3,275.7	-1,006.3	-23.5
Claims on the central governmer	3,531.0	3,335.7	4,708.6	5,900.4	6,451.5	7,012.8	7,166.9	8,066.5	899.6	12.6
Claims of the private sector	5,991.8	7,622.3	9,010.4	10,392.7	12,412.3	15,492.7	16,608.9	16,883.1	274.2	1.7
Other Items Net	-1,911.4	-2,345.9	-2,778.7	-3,416.8	-4,001.3	-6,503.1	-6,199.3	-7,043.6	-844.3	13.6

Source: Bank of Tanzania

GROWTH OF MONEY SUPPLY AND DOMESTIC CREDIT-TANZANIA MAINLAND

Table No. 18

	2010	2011	2012	2013	2014	2015	2016	2017
Reserve money (M0)	**21.1%**	**17.9%**	**8.0%**	**14.5%**	**17.4%**	**13.4%**	**-1.9%**	**6.2%**
Narrow money supply (M1)	**25.9%**	**23.2%**	**17.3%**	**10.4%**	**14.8%**	**15.6%**	**5.3%**	**10.6%**
Savings and Time deposits	16.9%	4.4%	13.9%	11.6%	20.6%	10.1%	5.4%	10.0%
Broad money supply (M2)	21.8%	15.0%	16.0%	10.9%	17.0%	13.4%	5.3%	10.4%
Foreign currency deposits	36.5%	27.0%	4.0%	7.5%	11.4%	34.9%	-1.2%	1.7%
Extended broad money supply	**25.4%**	**18.2%**	**12.5%**	**10.0%**	**15.6%**	**18.8%**	**3.4%**	**8.0%**
Net foreign assets	**24.0%**	**2.4%**	**2.0%**	**2.8%**	**-0.4%**	**25.8%**	**-0.7%**	**41.7%**
Net domestic assets	**27.2%**	**38.1%**	**22.3%**	**15.5%**	**26.6%**	**15.0%**	**5.9%**	**-10.7%**
Domestic Claims	21.2%	15.1%	25.2%	18.8%	15.8%	19.3%	5.6%	4.9%
Claims on central government (ne)	528.4%	82.4%	37.3%	26.5%	42.9%	33.7%	-12.3%	-23.5%
Claims on the central governmen	23.2%	-5.5%	41.2%	25.3%	9.3%	8.7%	2.2%	12.6%
Claims of the private sector	20.0%	27.2%	18.2%	15.3%	19.4%	24.8%	7.2%	1.7%
Other Items Net	49.4%	22.7%	18.5%	23.0%	17.1%	62.5%	-4.7%	13.6%

Source: Bank of Tanzania

TRENDS OF EXCHANGE RATE OF THE TANZANIA SHILINGS AGAINST US DOLLAR

Table No.19

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
TZS/USD end of the period	1,132.09	1,280.30	1,313.29	1,453.54	1,605.35	1,578.41	1603.21	1,723.69	2,148.52	2,172.62	2,230.07
Percentage change of TZS value	11.4	-11.6	-2.5	-9.6	-9.5	1.7	-1.5	-7.0	-19.8	-1.1	-2.6
TZS/USD Annual average	1,239.04	1,206.32	1,307.23	1,401.79	1,557.43	1,571.71	1598.66	1,652.51	1985.39	2,177.07	2228.86
Percentage change of TZS value	1.2	2.7	-7.7	7.2	-10.0	-0.9	-1.7	-3.3	-16.8	-8.8	-2.3

Source: Bank of Tanzania

COMMERCIAL BANKS DOMESTIC LENDING BY ECONOMIC ACTIVITIES

Table No. 20

Economic Activity	End December (Shs million)					Change (%)	Share (%)
	2013	2014	2015	2016	2017		
Agriculture	965,141	1,057,348	1,174,243	1,107,645	1,134,819	2.5	6.7
Financial services	251,255	310,712	404,606	388,745	292,128	-24.9	1.7
Mining and quarrying	96,739	166,275	275,233	328,620	292,647	-10.9	1.7
Manufacturing	1,160,594	1,386,237	1,695,767	1,627,766	1,777,573	9.2	10.5
Construction	514,408	660,148	741,401	740,727	837,159	13.0	5.0
Transport and communication	727,538	925,724	1,231,806	1,180,905	975,551	-17.4	5.8
Trade	2,162,191	2,652,057	3,077,683	3,349,329	3,306,914	-1.3	19.6
Tourism	113,395	129,478	176,626	198,482	176,349	-11.2	1.0
Hotel and Restaurants	371,008	436,101	514,642	526,390	594,968	13.0	3.5
Electricity	403,023	440,937	439,801	429,919	335,175	-22.0	2.0
Private households	1,744,954	2,104,496	2,731,740	2,981,741	3,258,724	9.3	19.3
Other sectors	1,643,118	1,842,250	2,641,096	3,748,616	3,901,122	4.1	23.1
Total	**10,153,364**	**12,111,763**	**15,104,644**	**16,608,885**	**16,883,129**	10.0	100.0

Source: Bank of Tanzania

TRENDS OF COMMERCIAL BANKS DEPOSITS

Table No. 21 **TZS. Billion**

	End December										Change 2016/17 (%)
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	
Private sector											
Transferable deposits	1,715.7	2,019.4	2,624.3	3,336.2	4,123.8	4,454.2	5,039.4	5,897.2	5,941.5	6,685.3	12.5
Savings and Time deposits	2,307.9	3,011.9	3,520.7	3,676.0	4,186.0	4,672.4	5,632.9	6,204.4	6,415.6	7,049.0	9.9
Foreign currency deposits	1,989.3	2,158.8	2,926.4	3,722.0	3,882.4	4,216.0	4,697.1	6,335.2	5,831.5	6,087.1	4.4
Total	**6,012.9**	**7,190.1**	**9,071.5**	**10,734.2**	**12,192.2**	**13,342.6**	**15,369.4**	**18,436.8**	**18,188.7**	**19,821.3**	9.0
Amana za Serikali	401.7	662.6	699.3	626.6	736.8	791.8	808.4	856.9	577.8	560.6	-3.0
Jumla za Amana zote	**6,414.5**	**7,852.7**	**9,770.8**	**11,360.8**	**12,929.0**	**14,134.4**	**16,177.8**	**19,293.7**	**18,766.5**	**20,381.9**	8.6

Source: Bank of Tanzania

AVERAGE NOMINAL INTEREST RATES

Table No. 22 **Percent**

Type of Rate	End December							
	2010	2011	2012	2013	2014	2015	2016	2017
Central Bank rate	7.58	12.00	12.00	16.00	16.00	16.00	16.00	16.00
Deposits Rates								
Saving deposit rate	2.43	2.90	2.94	3.11	3.12	3.42	3.08	2.83
Time deposit rates	6.09	7.12	8.82	8.87	8.76	9.30	8.78	9.62
Lending Rates								
Short term up to 1 year	14.37	13.78	14.09	13.84	14.80	14.22	12.87	18.24
Medium term rate	14.92	14.21	15.68	16.13	15.75	16.39	15.66	18.42
Treasury bills rates								
91 days	5.24	12.61	11.89	13.62	13.20	9.28	7.09	4.00
182 days	6.20	16.39	12.96	15.46	15.22	17.15	14.54	5.87
364 days	7.67	18.66	13.69	15.63	16.23	18.72	15.80	8.71

Source: Bank of Tanzania

CHAPTER 3

GOVERNMENT FINANCE

Introduction

84. The budget for 2017/18 aimed at fast trucking realization of the aspirations of the Tanzania Development Vision 2025 through implementation of the CCM 2015-2020 Election manifesto, Five Year Development Plan 2016/17-2020/21 and the Sustainable Development Goals 2030. Based on the East African Community Partner States agreement, the 2017/18 budget theme revolved around **"industrialization for job creation and shared prosperity".**

85. Implementation of the 2017/18 budget was aimed at the following priorities: to accelerate inclusive economic growth to become middle income status; to increase revenue, contain expenditure linkages of public funds, control unnecessary expenditure and enforce public procurement legislations; to improve economic infrastructures such as roads, railways, air and marine transport and energy with the objective of attracting local and international investors; to ensure that minerals and natural resources are utilized effectively for the benefit of the nation; to improve agricultural produce, livestock, and fisheries focusing more on value addition and modernization through training, provision of inputs, and extension services; to improve the quality of education and availability of water and health services.

86. Implementation of 2017/18 budget aimed at achieving the following macroeconomic targets: attaining real GDP growth of 7.1 percent in 2017; contain inflation at single digit in the range of 5.0 – 8.0 percent in 2017; Domestic revenue including LGA's own sources to reach 16.5 percent of GDP in 2017/18; Tax revenue to reach 14.2 percent of GDP in 2017/18; Total expenditures to reach 26.2 percent of GDP in 2017/18; and narrow the budget deficit to 3.8 percent of GDP in 2017/18.

87. In 2017/18, the Government planned to mobilize and spend shillings 31,712.0 billion from domestic and external sources. Total domestic revenue, including LGAs own sources, was estimated at shillings 19,977.0 billion, which is 63 percent of the total resource envelope. Out of this: tax revenue was estimated at shillings 17,106.3 billion equivalent to 14.2 percent of GDP; non-tax revenue was estimated at shillings 2,183.4 billion; and revenue from LGAs own sources was estimated at shillings 687.3 billion.

REVENUE TREND

Domestic Revenue

88. During the period between July 2017 and March 2018, total domestic revenue including LGAs own source amounted to shillings 13,535.7 billion compared to shillings 12,469.9 billion collected in the corresponding period in

2016/17, equivalent to an increase of 9 percent. Revenue collected by Tanzania Revenue Authority amounted to shillings 11,546.9 billion, equivalent to an increase of 9 percent compared to shillings 10,626.3 billion collected in the same period in 2016/17.

89. Non-tax revenue collection up to March 2018 amounted to shillings 1,591.6 billion compared to the target of collecting shillings 1,455.4 billion, equivalent to 109.4 percent of the target. The Government through Finance Act, 2017 and Treasury Circular No. 3 of 2017 directed all the Ministries, Departments, Agencies and Institutions, which are collecting non-tax revenue to join and collect revenue by using Government Electronic Payment Gateway System (GePG). Therefore, the observed good performance in the collection of non-tax revenue was due to Government efforts to ensure that all institutions collect non-tax revenue by using GePG. In addition, good performance was also attributed to dividend received from the Bank of Tanzania which surpassed the target. Revenue from LGAs own source was shillings 397.2 billion equivalent to 76 percent of the target of collecting shillings 521.2 billion.

90. In general, domestic revenue was 10 percent below the target due to various reasons including: decrease in electronic money transfers; decline in consumption of goods which are subjected to excise duty especially cigarettes, alcoholic and non-alcoholic beverages as a result of changing consumers' behaviour; decrease in production and prices of some products which are subjected to VAT as a result of decline of sales; and slowdown in mining, oil and gas exploration activities which effected services rendered by their suppliers. This ultimately led to decline in the collection of withholding tax.

Grants and Concessional Loans

91. As at end March 2018, shillings 1,637.9 billion were received as grants and concessional loans from Development Partners, equivalent to 61.2 percent of the commitment of shillings 2,675.5 billion for the period. Out of this amount, General Budget Support were shillings 70.2 billion, which was 20.1 percent of period estimate of shillings 349.5 billion; Shillings 180.5 billion were received as Basket Funds, equivalent to 39.5 percent of period estimate of shillings 457.0 billion; and project grants and loans were shillings 1,387.2 billion, equivalent to 74.2 percent of the estimate of shillings 1,869.0 billion.

92. In ensuring timely disbursement of committed grants and concessional loans, the Government in collaboration with Development Partners prepared and approved Development Cooperation Framework-DCF. In addition, the

Government is in the process of preparing DCF action plan which is expected to be finalized by end-June 2018. Guiding principles agreed under DCF include: Set development cooperation structure of engagement between Government and Development Partners whereas Government will provide leadership at all levels of dialogue; and set a new national dialogue structure, at the Sector level, with political directions.

93. In 2017/18, the Government continued with negotiations with Development Partners on new Financing Instruments as well as monitoring the implementation of terms of agreement in the execution of development projects to ensure funds from Development Partners are timely disbursed as committed. In addition, the Government continued to track, monitor and evaluate various development projects in order to speed up implementation of projects. Likewise, the Government continued to emphasize respective sectors on timely accomplishment and fulfillment of agreed terms which might affect disbursement of funds in financing development projects and programs.

Domestic Borrowing

94. As of March 2018, the Government borrowed shillings 4,560.9 billion from the domestic market which was 74 percent of the target in the year 2017/18. Out of this amount, shillings 3,806.0 billion was for the payment of matured Treasury Bills and Bonds (rollover) and shillings 754.9 billion was new loan for financing various development projects. In addition, the loans from this source were directed to clear some verified arrears for road, energy and water contractors.

Non-Concessional Borrowing

95. In 2017/18, the Government planned to borrow shillings 1,595.0 billion from external non-concessional sources to finance development projects. As of March 2018, the Government managed to borrow shillings 224.1 billion which was 14 percent of the annual estimate. The Government could not borrow the intended amount from this source due to unfavourable terms and conditions in the international financial market. However, the Government continued to negotiate with various financial institutions in order to raise the remaining balance.

Expenditure

96. In In 2017/18, the Government continued to allocate funds in priority areas to ensure effective implementation of the 2017/18 Annual Development Plan (ADP). In implementing this initiative, expenditure policies aimed at: ensuring

that all commercially viable public entities are operating profitably without depending on Government subvention; controlling costs arising from public utilities; ensuring that salaries are paid to eligible employees; and applying ICT to facilitate communications in the Government undertakings.

97. In 2017/18, the Government planned to spend shillings 31,712.0 billion. Out of that, shillings 19,712.4 billion was for recurrent expenditure, including shillings 7,205.8 billion for wages and salaries and shillings 9,461.4 billion for public debt and general services. In addition, development expenditure was estimated at shillings 11,999.6 billion, whereby shillings 8,969.7 billion was local funds and shillings 3,029.8 billion was foreign funds.

98. During the period from July 2017 to March 2018, the Government released shillings 20,254.9 billion equivalent to 85.2 percent of the period estimates for recurrent and development expenditure. Out of that amount, shillings 15,655.7 billion was for recurrent expenditure and shillings 4,599.2 billion was for development expenditure, whereas shillings 4,193.0 billion was locally financed and shillings 406.2 billion was foreign financed.

99. For the period of July 2017 to March 2018, payment of interest on domestic and external loans reached shillings 1,479.3 billion, equivalent to 89 percent of the targeted amount of shillings 1,665.9 billion for the period under review. In addition, amortization of loans amounted to shillings 4,845.6 billion which was 101 percent of the target of shillings 4,810.7 billion. Out of that, shillings 1,039.6 billion was for foreign amortization which was 99.5 percent of the target of shillings 1,044.6 billion. Further, shillings 3,806.0 billion were for rolling over of maturing Treasury bills and bonds, equivalent to 101 percent of the target of shillings 3,766.1 billion for the period under review. Expenditure for CFS others was shillings 963.2 billion which was 80 percent of shillings 1,206.7 billion for the reviewed period.

100. As of end-March 2018, payment for Government employees' salaries was shillings 4,744.0 billion equivalent to 89 percent of the target of shillings 5,351.7 billion. Out of this amount, shillings 1,493.3 billion was paid to central Government employees, shillings 107.4 billion was paid to Regional Secretariat employees and shillings 2,557.0 billion was paid to city, municipals, towns and districts councils employees. In additional, the Government paid shillings 586.3 billion to public institutions and parastatals employees. Actual payments for wages and salaries were below the target due to ongoing verification exercise of eligible employees as well as delay in new recruitment.

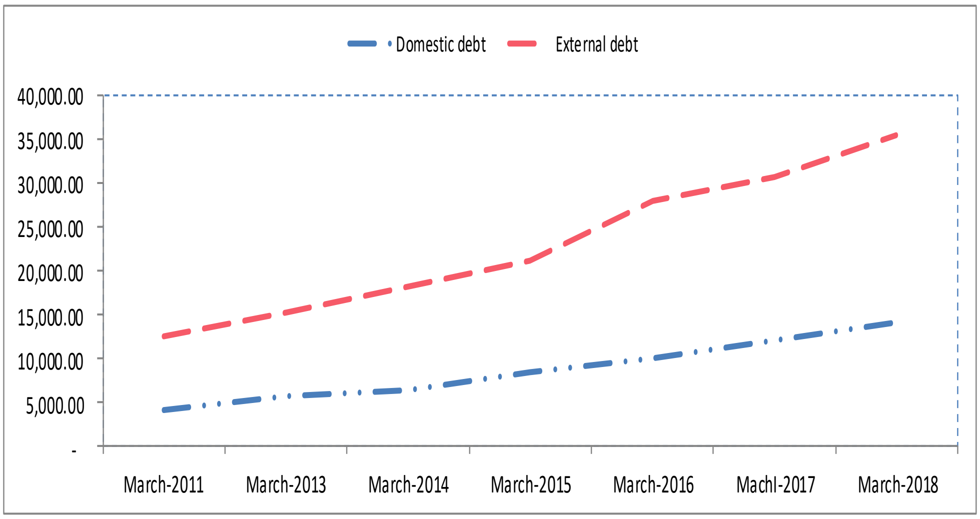
101. For the period from July 2017 to March 2018, the Government planned to spend a total of shillings 10,105.0 billion for implementation of various projects whereby shillings 7,779.1 billion was locally financed and shillings 2,325.9 billion was foreign financed. As of end-March 2018, shillings 4,599.2 billion equivalent to 45.5 percent of the target was released. Out of that, shillings 4,193.0 billion was local funds, equivalent to 53.9 percent and shillings 406.2 billion was foreign funds equivalent to 17.5 percent.

102. Release of funds for the period of July 2017 – March 2018 was directed to priority areas including: construction of roads which connect regions with neighbouring countries, roads which reduce traffic congestion in the cities, rural roads, railways, airports and ports whereby a total of shillings 1,722.8 billion were released; to implement Government ambition of provision of fee free basic education and financing Higher Education Students Loan Board whereby a total of shillings 581.2 billion were released; generation and supply of electricity whereby a total of shillings 382.0 billion were released; supplying clean and safe water whereby a total of shillings 143.6 billion were released; improve the provision of health services delivery whereby a total of shillings 59.0 were released to 110 district councils for construction and rehabilitation of health centres, shillings 24.1 billion for rehabilitation of 24 regional hospital, shillings 125.7 billion for procurement of medicine, medical equipment and reagents; shillings 1,022.6 billion for payments of verified arrears for civil servants, service providers and contractors.

Government Debt Stock

103. As of March 2018, Government debt stock amounted to shillings 49,888.55 billion equivalent to an increase of 16.3 percent compared to shillings 42,883.59 billion as of March 2017. Out of which, domestic debt stock was shillings 14,158.63 billion compared to shillings 12,073.68 and external debt stock was shillings 35,729.92 billion compared to shilling 30,809.91 billion. The increase was due to new disbursement for funding development projects, interest arrears and depreciation the of Tanzania shillings against the US Dollar.

Chart No. 3.1: Trend of Government debt stock for the period ending March 2011 - March 2018 (TZS Billion)



External Debt

104. As of March 2018, external debt stock amounted to US Dollar 15,811.30 million compared to US Dollar 13,783.90 million as of March 2017, equivalent to an increase of 14.7 percent. The increase was a result of new disbursement and accumulation of interest arrears notably from non-Paris Club countries which have not yet provided debt relief in accordance with Paris Club terms.

105. According to the analysis of external debt stock by creditor category, the major creditors are multilateral organisations which accounted for 59.3 percent of total external debt, commercial terms creditors accounted 28.6 percent and bilateral creditors accounted for 12.1 percent. The Government has been borrowing from major multilateral organisations due to concessional terms and conditions. The loans were utilized to finance development projects which contribute to economic growth.

Table No. 3.1: External Debt by Creditor Category

Institutions	March 2015	Share in %	March 2016	Share in %	March 2017	Share in %	March 2018	Share in %
Multilateral	6,483.36	54.70	7,112.81	55.51	7,834.40	56.8	9,305.80	59.3
Bilateral	1,028.40	8.68	1,652.80	12.90	1,905.30	13.8	1,876.60	12.1
Commercial Banks	4,341.70	36.63	4,048.30	31.59	4044.20	29.3	4460.50	28.6

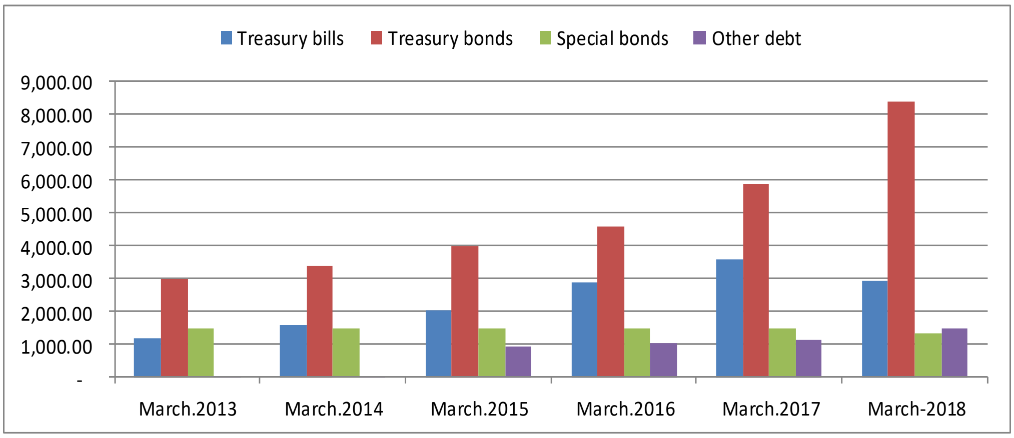
Source: Ministry of Finance and Planning

Domestic Debt

106. As of March 2018, domestic debt stock amounted to shillings 14,158.63 billion compared to shillings 12,073.68 billion March in 2017, equivalent to an increase of 17.3 percent. This was due to increase in the Government needs to finance infrastructure development projects and borrowing for refinancing

purpose. Large share of domestic debt was dominated by Treasury bond recorded 59.3 percent followed by Treasury bills 20.6 percent; Special bonds 9.5 percent and other debt instruments 10.6 percent.

Chart No. 3.2 External debt by instrument category



107. The analysis of domestic debt by creditor category indicated that, commercial banks were leading by holding larger share of the total debt. As of March 2018, commercial banks were holding 48.7 percent of the domestic debt. This was due to the expansion of the banking sector and relatively low investment risk in Government securities compared to the private sector. In addition, social security funds accounted for 34.2 percent, insurance companies 10.1 percent, financial institutions 1.2 percent, other entities 2.2 and private sector 3.6 percent.

Table No. 3.2: Domestic debt by creditor category as at end March 2018

Institutions	March 2015	Share %	March 2016	Share %	March 2017	Share %	March 2018	Share %
Commercial bank	4,446.27	64.81	4,859.48	64.60	4,578.83	49.1	5,417.34	48.7
Financial Institutions	111.32	1.62	117.63	1.56	145.75	1.6	128.10	1.2
Pension Fund	1,383.98	20.17	1,383.98	18.40	2995.30	32.1	3,805.40	34.2
Insuarance companies	676.49	9.86	798.75	10.62	1105.75	11.9	1,123.77	10.1
Official entities	106.56	1.55	187.13	2.49	193.83	2.1	245.82	2.2
Private investor	136.04	1.98	175.55	2.33	297.70	3.2	397.92	3.6
Total	**6,860.66**	**100.00**	**7,522.52**	**100.00**	**9,317.16**	**100.0**	**11,118.35**	**100.00**

Source: Ministry of Finance and Planning

Debt Sustainability Analysis

108. In implementing public debt management, the Government conducted Debt Sustainability Analysis in November 2017 basing on the international debt

indicators benchmarks: Present value of external debt to GDP; Present value of external debt to exports; external debt service to domestic revenue and external debt service to exports earnings. The results depicted that all debt burden indicators are below international benchmarks hence the country's debt level is sustainable in the short, medium and long term.

109. The results of the analysis revealed that, debt burden indicators in 2017/18 were as follows: Present value of external debt to GDP was 19.7 percent compared to 40 percent threshold; Present value of external debt to Exports was 81.8 compared to 150 percent threshold; present value of External debt to domestic revenue was 117.1 compared to 250 percent threshold; External debt service to export earnings was 9.3 percent compared to 20 percent threshold; and External debt service to domestic revenue was 13.3 compared to 20 percent threshold. Based on the assessment of debt distress, the country has capacity to continue borrowing to finance development projects while meeting future financial obligations using domestic revenue and export earnings. Moreover, the Government priorities are focused on obtaining concessional loans which are managed prudently.

Table No. 3.3: Result of Debt Sustainability Analysis

External Debt Indicator	**Threshold**	**2017/18**	**2018/19**	**2019/20**	**2027/28**	**2028/29**	**2036/37**	**2037/38**
Present value of Debt /GDP	40	19.7	19.8	19.0	12.6	12.5	12.7	12.8
Present value of Debt / Export	150	81.8	83.2	80.7	56.7	56.3	57.4	57.8
Present value of Debt / Domestic revenue	250	117.1	117.3	110.1	67.3	66.7	64.5	64.7
Debt Service/Export Earning	20	9.3	8.2	10.1	6.6	6.5	5.9	6.0
Debt Service / Domestic Revenue	20	13.3	11.6	13.8	7.7	7.5	6.6	6.7
Public debt indicator	**Threshold**	**2017/18**	**2018/19**	**2019/20**	**2027/28**	**2028/29**	**2036/37**	**2037/38**
Present value debt /GDP	56	34.4	33.0	31.2	20.5	20.2	19.7	19.0
Present value debt/Revenue	N/A	194.5	183.9	170.7	107.8	105.9	99.2	95.0
Debt Service/ Domestic Revenue	N/A	26.3	23.0	25.2	13.8	13.6	11.6	11.7

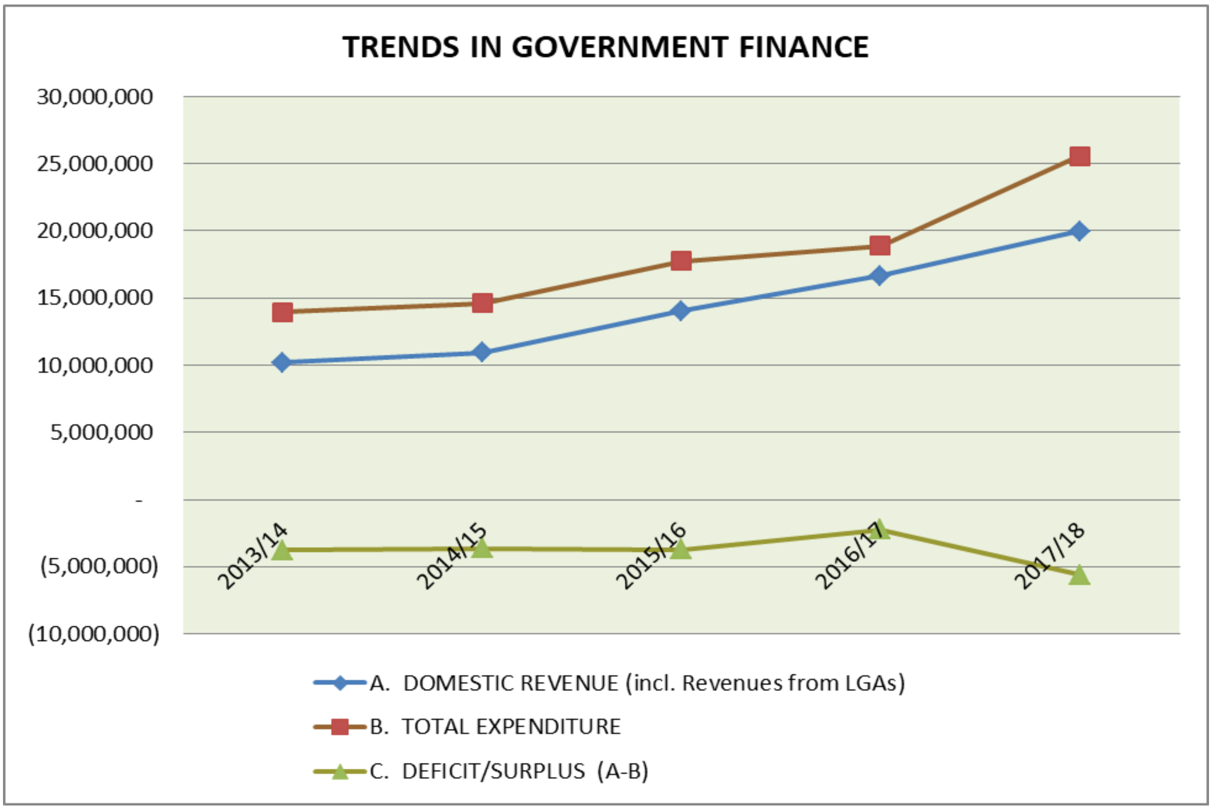
Source: Ministry of Finance and Planning

TREND OF GOVERNMENT REVENUE AND EXPENDITURE

Table No. 23 **TZS Millions**

	2014/15 Actual	2015/16 Actual	2016/17 Actual	2017/18 Budget	2017/18 Actual - March 2018	2017/18 Outturn to June 2018
A. DOMESTIC REVENUE (Inclusive LGAs own s	**10957765**	**14048034**	**16639831**	**19977001**	**13535730**	**18188897**
DOMESTIC REVENUE	10597681	13622182	16128113	19289695	13138515	17639052
1. Tax Revenue	9891680	12410951	14055173	17106336	11546889	15455693
Importy Duty and Excise Duty	2495082	3090110	3116298	3885921	2462238	3497329
Value Added Tax (VAT)	3031828	3553637	3979473	5100232	3405479	4430404
Non Petroleum Imports	1519939	1717902	1803667	2181743	1500685	1745394
Domestic Goods & Services	1511889	1835735	2175806	2918489	1904795	2685010
Income Tax	3727934	4608245	4832759	5817928	3909722	5352494
Other Taxes	1278648	1921459	2216357	2538682	1809749	2335588
Refunds Accounts	-641811	-762499	-89714	-236427	-40299	-160121
2. Non Tax Revenue	706001	1211231	2072941	2183359	1591626	2183359
3. LGAs own source	360084	425852	511718	687306	397215	549845
B. TOTAL EXPENDITURE	**14603714**	**17759598**	**18898690**	**25581106**	**20254863**	**24775032**
1. Recurrent Expenditure	10893486	13420045	11625866	13581514	15655660	13120250
2. Development Expenditure	3710228	4339553	7272824	11999592	4599203	11654782
Locally Financed	2264506	2904530	5141451	8969747	4193018	9316866
Foreign Financed	1445722	1435023	2131374	3029845	406186	2337916
C. DEFICIT (A-B)	**-3645949**	**-3711564**	**-2258859**	**-5604105**	**-6719133**	**-6586136**
D. FINANCING	**3645949**	**3711564**	**2258859**	**5604105**	**6719133**	**6586136**
1. Foreign Financing	3030875	3982100	2797488	4125815	946134	2542981
General Budget Support & Projects (Grants	896496	1349799	923512	843217	600507	797713
Basket support (Grants)	127637	81073	168984	200621	109444	177799
General Budget Support & Basket (Loans)	537881	546846	257473	849068	71078	343202
Projects Loans	640724	344800	1124190	1820576	856862	1197563
Non Concessional Loans	1054803	2142469	1226760	1594985	347856	1374000
Amortization Foreign	-226667	-482887	-903431	-1182651	-1039613	-1347296
2. Domestic Financing	615075	-270536	-538629	1478290	5772999	4043155
Loans from Non Banks	0	776945	989283	122067	503428	119937
Loans from Banks	799776	1522207	-1100145	1098601	-135781	1079436
Loans for Rollover	2064756	2600000	4615670	4948229	3805964	4835199
Privatization Proceeds	0	0	0	0	0	0
Adjustment to Cash	62959	-2500270	-368120	257622	5477120	2843782
Domestic amortization	-2064756	-2600000	-4615670	-4948229	-3805964	-4835199
Expenditure float	-247661	-69418	-59647	0	-71768	0

Source: Ministry of Finance and Planning


TRENDS IN GOVERNMENT FINANCE
30,000,000
25,000,000
20,000,000
15,000,000
10,000,000
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-
(5,000,000)
(10,000,000)
2013/14
2014/15
2015/16
2016/17
2017/18
A. DOMESTIC REVENUE (incl. Revenues from LGAs)
B. TOTAL EXPENDITURE
C. DEFICIT/SURPLUS (A-B)

CLASSIFICATION OF FUCTIONS OF GOVERNMENT

Table No. 24 — TZS Million

Code	Description	2015/2016 (Budget)			2016/2017 (Budget)			20176/2018 (Estimates)		
		Recurrent	Development	Total	Recurrent	Development	Total	Recurrent	Development	Total
701	**General public services**	**8019045**	**365537**	**8384582**	**9380484**	**591420**	**9971904**	**11002231**	**2269530**	**13271761**
70111	Executive and legislative organs (CS)	722497	121329	843826	663043	240438	903482	638255	419169	1057424
70112	Financial and fiscal affairs (CS)	220012	16867	236879	261846	22568	284415	446213	1380668	1826882
70113	External affairs (CS)	155709	1484	157193	102571	4476	107047	131033	8000	139033
70121	Economic aid to developing countries and countries in transition	1081	0	1081	0	0	0	0	0	0
70122	Economic aid routed through international organizations (CS)	130	0	130	265	0	265	507	0	507
70131	General personnel services (CS)	106836	1166	108002	125847	11257	137104	132391	33767	166158
70132	Overall planning and statistical services (CS)	49963	24065	74028	26467	9847	36315	122732	8523	131254
70133	Other general services (CS)	18979	198403	217382	34522	292082	326605	30239	388577	418816
70140	Basic research (CS)	14	0	14	9	0	9	25	0	25
70150	R&D General public services (CS)	0	0	0	549	0	549	289	0	289
70160	General public services nec (CS)	284059	0	284059	36450	8872	45322	24761	25965	50726
70170	Public debt transactions (CS)	6456800	0	6456800	8126330	0	8126330	9472122	0	9472122
70180	Transfers of a general character between different levels of goverr	2963	2223	5186	2584	1879	4463	3664	4860	8525
702	**Defence**	**1379250**	**279094**	**1658344**	**1413575**	**154311**	**1567887**	**1505662**	**218750**	**1724412**
70210	Military defence (CS)	1379250	279094	1658344	1412904	154311	1567216	1504956	218750	1723706
70220	Civil defence (CS)	0	0	0	192	0	192	229	0	229
70230	Foreign military aid (CS)	0	0	0	0	0	0	0	0	0
70240	R&D Defence (CS)	0	0	0	479	0	479	477	0	477
70250	Defence nec (CS)	0	0	0	0	0	0	0	0	0
703	**Public order and safety**	**734684**	**17029**	**751713**	**709985**	**52002**	**761987**	**856199**	**59430**	**915628**
70310	Police services (CS)	648956	4066	653022	627535	31098	658633	663307	12754	676061
70320	Fire-protection services (CS)	11373	0	11373	8830	0	8830	10407	0	10407
70330	Law courts (CS)	58991	12963	71954	48230	15713	63943	137275	19476	156751
70340	Prisons (CS)	13999	0	13999	23786	5191	28977	32162	7200	39362
70350	R&D Public order and safety (CS)	0	0	0	0	0	0	0	0	0
70360	Public order and safety nec (CS)	1365	0	1365	1605	0	1605	13048	20000	33048
704	**Economic affairs**	**4189694**	**2483691**	**6673385**	**4162196**	**4452471**	**8614667**	**4776429**	**6948700**	**11725129**
70411	General economic and commercial affairs (CS)	29929	3894	33823	35944	1152	37096	21439	6043	27482
70412	General labour affairs (CS)	10714	1455	12169	11125	13878	25003	14623	20846	35469
70421	Agriculture (CS)	3850951	319530	4170481	3804050	434551	4238601	4378418	1417520	5795938
70422	Forestry (CS)	14508	1162	15670	20137	2200	22337	52048	7591	59639
70423	Fishing and hunting (CS)	6709	92	6801	5499	682	6181	14793	2000	16793
70431	Coal and other solid mineral fuels (CS)	4744	0	4744	5841	0	5841	5078	2380	7458
70432	Petroleum and natural gas (CS)	14178	784752	798930	13674	726568	740242	18776	916849	935625
70433	Nuclear fuel (CS)	0	0	0	0	0	0	0	0	0
70434	Other fuels (CS)	0	0	0	0	0	0	0	0	0
70435	Electricity (CS)	236	0	236	0	0	0	0	0	0
70436	Non-electric energy (CS)	6974	0	6974	23130	0	23130	6068	0	6068
70441	Mining of mineral resources other than mineral fuels (CS)	30429	1921	32350	22428	445	22873	28535	24047	52582
70442	Manufacturing (CS)	3097	3389	6486	3189	8663	11851	1222	71460	72682
70443	Construction (CS)	73018	11428	84446	38867	42948	81814	28880	33713	62594
70451	Road transport (CS)	114539	1295553	1410092	104044	1787428	1891472	106593	2275810	2382403
70452	Water transport (CS)	0	0	0	0	0	0	0	0	0
70453	Railway transport (CS)	0	0	0	0	0	0	0	0	0
70454	Air transport (CS)	282	40287	40569	108	1411334	1411443	334	2064219	2064553
70455	Pipeline and other transport (CS)	2180	4231	6411	1090	0	1090	1537	8285	9822
70460	Communication (CS)	3917	300	4217	13043	417	13460	8734	10900	19634
70471	Distributive trades, storage and warehousing (CS)	2849	3435	6284	5523	8808	14331	31642	26350	57992
70472	Hotels and restaurants (CS)	0	0	0	0	0	0	0	0	0
70473	Tourism (CS)	8986	0	8986	12438	0	12438	14260	0	14260
70474	Multi-purpose development projects (CS)	4132	6597	10729	35544	10763	46307	36385	43870	80254
70481	R&D General economic, commercial and labour affairs (CS)	204	522	727	4	7	11	41	250	291
70482	R&D Agriculture, forestry, fishing and hunting (CS)	0	0	0	0	0	0	0	0	0
70483	R&D Fuel and energy (CS)	0	0	0	0	0	0	0	0	0
70484	R&D Mining, manufacturing and construction (CS)	0	0	0	0	0	0	0	0	0
70485	R&D Transport (CS)	0	0	0	0	0	0	0	0	0
70486	R&D Communication (CS)	0	0	0	0	0	0	0	0	0
70487	R&D Other industries (CS)	0	0	0	0	0	0	0	0	0
70490	Economic affairs nec (CS)	7117	5142	12259	6518	2628	9146	7024	16567	23590

Table continues in the next page

Table No. 24 continues

Code	Description	2015/2016 (Budget)			2016/2017 (Budget)			20176/2018 (Estimates)		
		Recurrent	Development	Total	Recurrent	Development	Total	Recurrent	Development	Total
705	**Environmental protection**	**28,921**	**7,583**	**36,503**	**28,331**	**6,611**	**34,942**	**33,481**	**66,608**	**100,089**
70510	Waste management (CS)	0	0	0	0	0	0	0	0	0
70520	Waste water management (CS)	0	0	0	0	0	0	0	0	0
70530	Pollution abatement (CS)	0	0	0	0	0	0	0	0	0
70540	Protection of biodiversity and landscape (CS)	20,571	0	20,571	19,854	0	19,854	23,652	42,712	66,363
70550	R&D Environmental protection (CS)	268	0	268	249	0	249	302	2,500	2,802
70560	Environmental protection nec (CS)	8,082	7,583	15,664	8,228	6,611	14,840	9,528	21,396	30,924
706	**Housing and community amenities**	**48,518**	**159,204**	**207,722**	**55,316**	**233,966**	**289,281**	**52,869**	**619,953**	**672,822**
70610	Housing development (CS)	15,575	23,132	38,708	16,351	7,000	23,351	15,720	4,400	20,120
70620	Community development (CS)	15,512	1,203	16,715	15,777	612	16,389	17,717	1,566	19,283
70630	Water supply (CS)	16,960	134,868	151,828	22,765	226,259	249,024	18,711	610,187	628,898
70640	Street lighting (CS)	471	0	471	423	95	518	722	3,800	4,522
70650	R&D Housing and community amenities (CS)	0	0	0	0	0	0	0	0	0
70660	Housing and community amenities nec (CS)	0	0	0	0	0	0	0	0	0
707	**Health**	**357,708**	**135,579**	**493,287**	**344,363**	**370,194**	**714,557**	**370,067**	**815,910**	**1,185,977**
70711	Pharmaceutical products (IS)	29,877	0	29,877	45	142,728	142,773	167	236,410	236,577
70712	Other medical products (IS)	0	0	0	0	0	0	0	0	0
70713	Therapeutic appliances and equipment (IS)	0	0	0	0	0	0	0	0	0
70721	General medical services (IS)	206,826	7,782	214,608	192,483	13,530	206,013	205,977	62,972	268,949
70722	Specialized medical services (IS)	0	0	0	0	0	0	0	0	0
70723	Dental services (IS)	0	0	0	0	0	0	0	0	0
70724	Paramedical services (IS)	0	0	0	0	0	0	0	0	0
70731	General hospital services (IS)	25,357	279	25,635	25,207	1,961	27,168	26,086	3,342	29,428
70732	Specialized hospital services (IS)	0	0	0	0	0	0	0	0	0
70733	Medical and maternity centre services (IS)	0	0	0	0	0	0	0	0	0
70734	Nursing and convalescent home services (IS)	74	0	74	75	0	75	321	0	321
70740	Public health services (IS)	40,195	92,257	132,452	47,228	158,964	206,192	73,271	389,506	462,777
70750	R&D Health (CS)	0	0	0	0	0	0	0	0	0
70760	Health nec (CS)	55,378	35,262	90,640	79,325	53,010	132,335	64,243	123,681	187,924
708	**Recreation, culture and religion**	**13,011**	**1,000**	**14,011**	**15,682**	**1,061**	**16,743**	**17,746**	**5,820**	**23,566**
70810	Recreational and sporting services (IS)	1,324	0	1,324	1,108	61	1,169	1,476	1,820	3,296
70820	Cultural services (IS)	3,858	0	3,858	3,450	0	3,450	4,595	0	4,595
70830	Broadcasting and publishing services (CS)	7,559	1,000	8,559	10,596	1,000	11,596	11,375	3,000	14,375
70840	Religious and other community services (CS)	0	0	0	250	0	250	300	1,000	1,300
70850	R&D Recreation, culture and religion (CS)	0	0	0	0	0	0	0	0	0
70860	Recreation, culture and religion nec (CS)	271	0	271	278	0	278	0	0	0
709	**Education**	**674,800**	**522,648**	**1,197,449**	**697,615**	**620,438**	**1,318,053**	**748,057**	**933,047**	**1,681,104**
70911	Pre-primary education (IS)	0	0	0	0	0	0	0	0	0
70912	Primary education (IS)	18,797	14,987	33,785	20,037	16,574	36,611	24,552	14,965	39,517
70921	Lower-secondary education (IS)	312	7,595	7,908	289	5,826	6,115	352	0	352
70922	Upper-secondary education (IS)	0	0	0	0	0	0	0	0	0
70930	Post-secondary non-tertiary education (IS)	424	188	612	393	0	393	502	2,273	2,775
70941	First stage of tertiary education (IS)	0	0	0	0	0	0	0	0	0
70942	Second stage of tertiary education (IS)	2,310	0	2,310	1,487	0	1,487	2,398	0	2,398
70950	Education not definable by level (IS)	225,555	16,270	241,825	236,424	18,233	254,656	309,051	29,638	338,689
70960	Subsidiary services to education (IS)	422,008	483,607	905,615	426,554	579,805	1,006,359	389,571	885,671	1,275,242
70970	R&D Education (CS)	0	0	0	6,316	0	6,316	12,422	0	12,422
70980	Education nec (CS)	5,393	0	5,393	6,115	0	6,115	9,209	500	9,709
710	**Social protection**	**303,979**	**12,978**	**316,957**	**328,700**	**15,829**	**344,530**	**335,978**	**48,246**	**384,224**
71011	Sickness (IS)	0	0	0	0	0	0	0	0	0
71012	Disability (IS)	0	0	0	0	0	0	0	0	0
71020	Old age (IS)	0	0	0	0	0	0	0	0	0
71030	Survivors (IS)	0	0	0	0	0	0	0	0	0
71040	Family and children (IS)	148,158	9,420	157,577	147,706	14,474	162,180	164,743	45,196	209,939
71050	Unemployment (IS)	0	0	0	0	0	0	0	0	0
71060	Housing (IS)	0	0	0	0	0	0	0	0	0
71070	Social exclusion nec (IS)	499	1,918	2,418	528	0	528	697	0	697
71080	R&D Social protection (CS)	0	0	0	0	0	0	0	0	0
71090	Social protection nec (CS)	155,323	1,640	156,962	180,466	1,355	181,821	170,538	3,050	173,588
Total		**15,749,611**	**3,984,342**	**19,733,953**	**17,136,246**	**6,498,304**	**23,634,550**	**19,698,720**	**11,985,992**	**31,684,712**

Source: National Bureau of Statistics
CS: Collective services
IS: Individual services

CHAPTER 4

EXTERNAL SECTOR

Overall Balance of Payments

110. During 2017, the overall balance of payments registered a surplus of US Dollar 1,649.5 million compared to a surplus of US Dollar 305.5 million in 2016. The outturn to large extent was attributed to a decrease of balance on current account in line with increased grants for development projects and external loans.

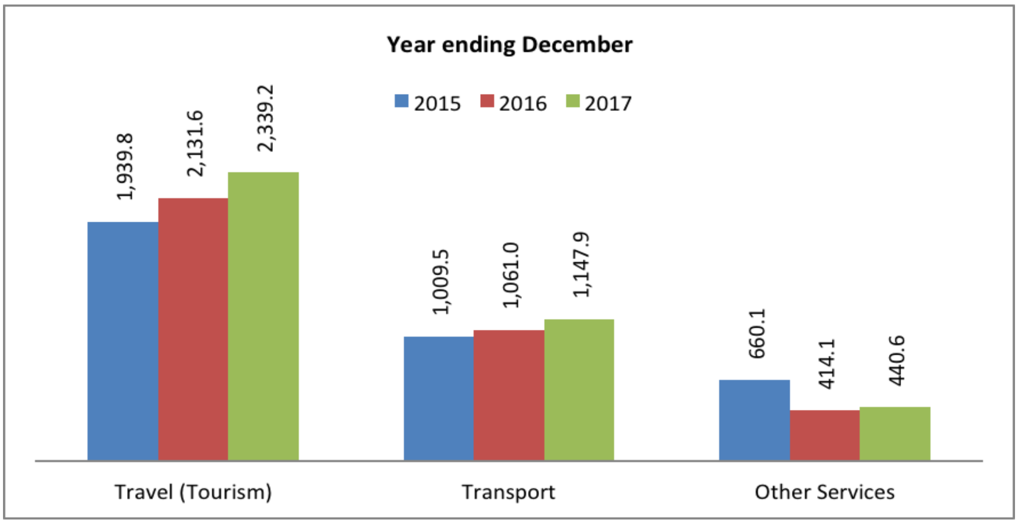
Foreign Reserves

111. Gross official foreign reserves rose to US Dollar 5,906.2 million at the end of December 2017 compared to US Dollar 4,325.6 million at the end of December 2016. The reserves were sufficient to cover about 5.4 months of import of goods and services. In addition, gross foreign assets in commercial banks amounted to US Dollar 726.7 million compared to US Dollar 768.2 million recorded in 2017.

Balance on Services

112. The balance in services account had a surplus of US Dollar 1,909.7 million in 2017, equivalent to an increase of 38.8 percent. This resulted from an increase in service receipts such as transportation and travel, particularly tourism coupled with decline in transport services payments as a result of decline of imports of goods. Services receipts grew by 8.9 percent to US Dollar 3,927.6 million due to the increase in travel and transport servicers receipts.Travel receipts rose by US Dollar 207.6 million to US Dollar 2,339.2 million, owing to increase in the number of tourist arrivals, partly an outcome of increased tourism promotion by the government and the private sector. Receipts from transport services went up to US Dollar 1,147.9 million in 2017 from US Dollar 1,061.8 million recorded in 2016 following the increase in transit goods to and from neighbouring countries amid improved efficiency at the Dar es Salaam port.

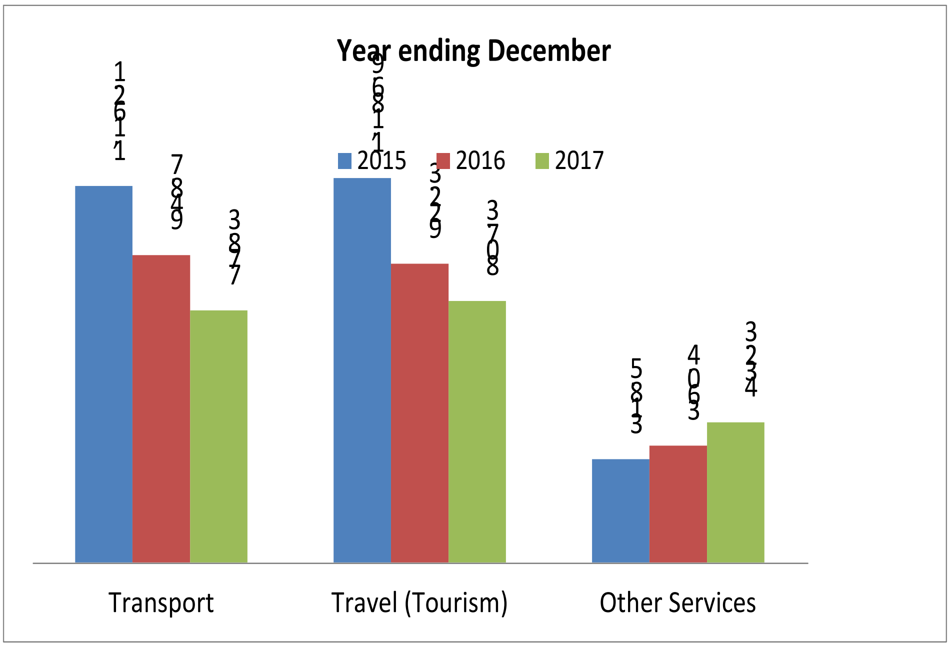
Chart No. 4.1: Services Receipts (Millions US Dollar)



Source: Bank of Tanzania

113. In 2017, services payment decreased by 9.6 percent to US Dollar 2,017.9 million compared to payments made in 2016. This was largely due to decline in foreign payments related to travel and transportation, particularly freight. In line with a decline in goods import, payments for transportation services, that accounted for the largest share in services payment decreased by 18.0 percent to US Dollar 778.3 million.

Chart No.4.2: Services Payments (Millions US Dollar)



Source: Bank of Tanzania

Balance on Investment Receipts

114. The balance on investment receipts which includes income from direct investments related transactions and compensation of employees widened to a deficit of US Dollar 1,206.8 million from a deficit of US Dollar 1,109.7 million recorded in 2016. The widening of the balance on investment receipts deficit was attributed to increase in payments under foreign direct investment income.

Balance of Current Transfers

115. The balance on current transfers which includes current transfers between residents and non-residents registered a surplus of US Dollar 402.0 million in 2017 compared to a surplus of US Dollar 381.5 million in the preceding year. This was mainly on account of increase in official transfers, which recorded an annual growth of 50.1 percent to US Dollar 121.8 million compared to the amount received in 2016.

Current Account Balance

116. In 2017, deficit in current account balance which includes terms of trade, services, investments earning and transfers of current assets decreased by 43.8 percent to US Dollar 1210.5 million compared to US Dollar 2154.6 in 2016. The decrease was mainly due to slow down on importation and payments to services as well as increase in receipt of grants from development partners.

The Value of Tanzania Shilling

117. In 2017, the value of Tanzania shilling continued to be stable. During that period, one US Dollar was exchanged at an average rate of Tshs. 2,228.86 compared to an average of shillings 2,177.07 in 2016. This trend indicates that the value of Tanzania shilling slightly depreciated by 2.4 percent compared to 9.7 percent in 2016.

CHAPTER 5

THE STATE OF THE WORLD ECONOMY AND INTERNATIONAL ECONOMIC CO-OPERATION

THE STATE OF THE WORLD ECONOMY

World Economic Growth

118. The global economy strengthened in 2017, from weak and disappointing momentum experienced in 2016. The global economy grew by 3.8 in 2017 compared to 3.2 percent in 2016. The growth was driven by recovery in global investment, trade and industrial production and increased domestic demand of goods and services in advanced economies and China. In addition, the pace of economic growth in developing countries also recovered.

119. In 2017, the rate of GDP growth in advanced economies increased to 2.3 percent compared to 1.7 percent in 2016. This was on account of resurgence of investment and business activities in the United States, improved manufacturing productivity and increased external demand of goods and services in European countries and Japan.

120. The real economic growth in developing countries was 4.7 percent in 2017 compared to 3.5 percent in 2016. This development was spurred by higher external demand of goods and services for East Asia and China and recovery of economic activities of other countries in that region. Growth momentum in India slowed down due to the effects of foreign exchange manipulations and introduction of goods and services tax. GDP growth in Developing Asian Countries, including China and India was 6.5 percent in 2017 which was the same as in 2016.

Table No 5.1: Global GDP 2009 – 2017

	2009	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**
Growth in Percentage									
World	0.0	5.4	4.2	3.5	3.3	3.4	3.2	3.2	3.8
Advanced Countries	-3.4	3.1	1.7	1.2	1.2	1.9	2.1	1.7	2.3
Developing Countries	3.1	7.4	6.3	5.3	4.9	4.6	4.1	3.5	4.7
Developing Asian Countries	7.5	9.6	7.8	6.9	6.9	6.8	6.7	6.5	6.5
Sub-Saharan African Countries	4.0	6.6	5.0	4.3	5.2	5.1	3.4	1.4	2.8

Source: International Monetary Fund (IMF), WEO – April 2018

121. GDP growth in Sub Saharan African countries was 2.8 percent in 2017 compared to 1.4 percent in 2016. This growth was lagely a result of increase in oil production in Nigeria and Angola and inrease in agricultural production due to favourable weather conditions. Other reasons are improved global economic growth particularly Europe and China had both strong trade links with Sub-Saharan Africa and increase in mining activities. The rate of economic growth for other Sub-Saharan Africa countries increased due to favourable weather and global economic conditions. With regard to middle-income countries, GDP growth rose to 1.8 percent in 2017 compared to 0.4 percent in 2016. Similarly, the rate of economic growth for the low-income countries increased to 4.7 percent in 2017 compared to 3.5 percent in 2016.

Table 5.2: Selected Sub-Saharan African Economies: Real GDP, Consumer Prices and Current Account Balance: 2015 – 2017

	Real GDP			Consumer Prices			Current Account Balance		
	Annual growth			*Annual growth*			*Percentage of GDP*		
	2015	**2016**	**2017**	**2015**	**2016**	**2017**	**2015**	**2016**	**2017**
Sub-Saharan Africa	**3.4**	**1.6**	**2.8**	**7.0**	**11.3**	**11.0**	**-5.9**	**-4.5**	**-0.1**
Oil Exporters	**2.6**	**-1.3**	**0.5**	**8.8**	**18.2**	**17.2**	**-4.7**	**-2.2**	**6.1**
Nigeria	2.7	-1.7	0.8	9.0	15.4	16.5	-3.1	-16.6	2.6
Angola	3.0	0.0	0.7	10.3	33.7	31.7	-8.5	-5.4	13.8
Equatorial Guinea	-7.4	-9.9	-4.4	1.7	1.5	0.7	-16.8	-11.8	26.9
Gabon	4.0	3.2	0.8	0.2	2.5	3.0	-2.3	-5.3	18.7
Republic of Congo	2.3	1.7	-4.6	2.0	4.0	0.5	-21.0	-8.2	27.5
Chad	1.8	-1.1	-3.1	3.7	0.0	-0.9	-12.4	-8.7	3.1
Cameroon	5.8	4.8	3.2	2.7	2.2	0.6	-4.2	-4.2	-0.9
South Sudan	-0.2	-13.1	-11.1	52.8	476.0	187.9	-11.1	-0.5	11.7
Middle-Income	**2.7**	**0.4**	**1.9**	**7.2**	**11.8**	**11.1**	**-4.5**	**-3.0**	**2.3**
Botswana	-0.3	3.1	2.2	3.0	3.2	3.3	7.2	4.1	0.2
Cape Verde	1.5	3.6	4.0	0.1	0.1	0.8	-4.3	-7.7	-37.5
Ghana	3.9	3.3	8.4	17.2	17.0	12.4	-7.5	-6.3	2.3
Kenya	5.6	6.0	4.8	6.6	6.2	8.0	-6.8	-6.4	-12.1
Lesotho	2.8	2.4	3.1	5.3	8.6	5.6	-8.7	-8.0	-31.7
Mauritius	3.5	3.5	3.9	1.3	1.5	3.7	-4.9	-4.3	-21.4
Namibia	5.3	4.2	-1.2	3.4	6.6	6.1	-12.9	-12.4	-10.9
Senegal	6.5	6.6	7.2	0.1	1.0	1.4	-7.6	-8.4	-16.3
Seychelles	5.7	4.9	4.2	4.0	-0.8	2.9	-18.6	-18.7	-17.4
South Africa	1.3	0.1	1.3	4.6	6.4	5.3	-4.3	-3.3	1.5
Swaziland	1.7	0.5	0.2	5.0	7.0	6.3	9.2	-4.9	8.7
Zambia	3.0	3.0	3.6	10.1	19.1	6.6	-3.5	-4.5	0.4
Low-Income	**5.6**	**4.7**	**5.5**	**6.3**	**9.5**	**10.9**	**-10.7**	**-9.3**	**-7.9**
Benin	5.0	4.6	5.6	0.3	0.6	2.9	-10.5	-10.0	-7.5
Burkina Faso	4.0	5.2	6.4	0.9	1.6	0.4	-6.4	-6.0	-3.1
Ethiopia	10.2	6.5	10.9	10.1	7.7	9.9	-12.0	-10.7	-15.9
Gambia	4.4	2.3	3.5	6.8	8.3	8.0	-15.2	-12.7	-31.6
Madagascar	3.1	4.1	4.1	7.4	6.7	8.1	-1.9	-2.3	-7.1
Malawi	2.9	2.7	4.0	21.9	19.8	11.5	-8.3	-15.8	-9.4
Mali	6.0	5.3	5.3	1.4	1.0	1.8	-5.1	-6.0	-3.9
Mozambique	6.6	4.5	2.9	2.4	16.7	15.3	-39.0	-33.5	-4.8
Niger	3.5	5.2	5.2	1.0	1.6	2.4	-17.2	-17.8	-8.5
Rwanda	6.9	6.0	6.1	2.5	5.3	4.8	-13.5	-16.6	-9.5
Sierra Leone	-21.1	4.3	3.5	9.0	9.7	18.0	-15.5	-16.2	-17.4
Tanzania	7.0	7.0	7.1	5.6	5.2	5.3	-8.8	-8.8	-5.7
Uganda	4.8	4.9	4.5	5.5	5.5	5.6	-9.4	-8.7	-6.5

Source: International Monetary Fund (IMF), REO-April 2018

Inflation Trends

122. In 2017, global inflation increased to an average rate of 3.1 percent compared to an average rate of 2.9 percent in 2016. This inflation development was due to exchange rate depreciations, the removal of subsidies, increased in excise and value added taxes and inrease of average commodity prices in particular energy. Inflation in advanced economies increased to 1.7 percent in 2017 from 0.8 percent in 2016. However, inflation in Asian developing countries decreased to 2.6 percent in 2017 from 3.1 percent in 2016. The easing of inflation in Asian developing countries was attributed to decline in food and oil prices.

123. In 2017, rate of inflation in Sub-Saharan African countries decreased to an average of 11.0 percent compared to an average of 11.3 percent in 2016. The decrease was mainly attributed to tight monetary policy and exchange rate stability as well as availability of food due to favourable weather conditions. In addition, inflation in oil exporting countries declined to 17.2 percent from 18.2 percent in 2016. Similarly, inflation in Sub-Saharan middle income countries decreased to 11.1 percent from 11.8 percent in 2016. However, in low income countries, inflation increased to an average of 10.9 percent in 2017 from to 9.5 percent in 2016.

World Trade

124. The world trade activities improved from weak momentum with growth rate accelerating to 4.7 percent in 2017 from 1.8 percent in 2016. The growth was due to resurgence of export of goods and import demand of goods and services particularly in Asia and United States as well as increased price of commodities from developing countries. Further, economic growth in the United States and China as well as investment growth led to increased import demand for goods and services and boosted world trade activities.

Table No. 5.3: World Trade Development 2017 (US Dollar billion and Percent)

	Exports					Imports				
	Value	*Annual percentage change*				*Value*	*Annual percentage change*			
	2017	2010 -17	2015	2016	2017	2017	2010 -17	2015	2016	2017
World	**17,198**	**2.1**	**-13.2**	**-3.3**	**10.7**	**17,572**	**2.1**	**-12.5**	**-2.9**	**10.7**
North America	**2,377**	**2.8**	**-0.8**	**-3.2**	**7.3**	**3,285**	**2.9**	**-4.5**	**-2.8**	**7.3**
United States	1,547	2.8	-7.3	-3.2	6.6	2,409	2.9	-4.0	-2.8	7.1
Canada	421	1.2	-13.9	-4.8	7.8	442	1.3	-9.6	-3.7	7.0
Mexico	409	4.6	-4.1	-1.8	9.5	432	4.9	-1.5	-1.9	8.7
South and Central America	**583**	**-0.2**	**-21.0**	**-5.6**	**13.0**	**579**	**-0.2**	**-16.3**	**-14.2**	**7.8**
Brazil	218	1.1	-15.1	-3.1	17.5	157	-2.8	-25.2	-19.8	9.7
Other South and Central America	365	-1.0	-23.9	-6.9	10.5	421	1.0	-12.0	-11.9	7.0
Europe	**6,501**	**2.0**	**-12.5**	**-0.3**	**9.3**	**6,521**	**1.4**	**-13.2**	**0.4**	**9.9**
European Union	5,904	1.9	-12.5	-0.3	9.7	5,878	1.2	-13.3	0.4	10.0
Germany	1,448	2.0	-11.2	1.0	8.5	1,167	1.5	-12.9	0.4	10.5
France	652	1.8	-15.2	-0.9	14.1	574	1.5	-13.1	-1.4	13.7
Netherlands	535	0.3	-12.9	0.0	6.7	625	0.3	-15.5	-0.2	9.2
United Kingdom	445	1.0	-8.9	-11.0	8.6	644	1.2	-9.3	-1.6	12.0
Italy	506	1.8	-13.7	0.9	9.6	453	-1.0	-13.3	-1.0	11.2
Commonwealth of Independent States (CIS)	**518**	**-1.8**	**-32.3**	**-16.2**	**24.4**	**402**	**-0.5**	**-32.4**	**-2.5**	**20.8**
Russian Federation	353	-1.8	-31.3	-17.5	25.3	238	-0.6	-37.3	-0.7	24.1
Africa	**417**	**-3.2**	**-29.3**	**-11.5**	**18.3**	**534**	**1.6**	**-13.9**	**-10.7**	**7.8**
South Africa	89	-0.4	-11.7	-7.8	18.4	101	0.7	-14.2	12.5	10.6
Africa less South Africa	328	-3.8	-32.8	-12.5	18.2	432	1.8	-13.8	-10.3	7.1
Oil exporters	154	-8.5	-44.1	-27.6	29.0	144	-0.5	-19.2	17.9	6.4
Non oil exporters	173	2.8	-15.4	2.8	10.1	289	3.1	-10.4	-6.0	1.1
Middle East	**961**	**0.8**	**-30.3**	**-9.5**	**18.0**	**712**	**2.9**	**-7.4**	**-4.5**	**15.3**
Asia	**5,842**	**3.2**	**-7.9**	**-3.7**	**10.7**	**5,541**	**2.9**	**-14.4**	**-4.4**	**16.0**
China	2,263	5.3	-2.9	-7.7	7.9	1,842	-0.5	-14.3	-5.5	10.6
Japan	698	-1.4	-9.5	3.2	8.3	672	3.6	-20.2	-6.5	23.8
India	298	4.0	-17.1	-1.3	13.0	447	1.3	-15.1	-8.1	13.7
Newly industrialized economies	1,283	2.1	-11.1	-3.5	12.6	1,203	0.5	-16.6	-4.2	10.6
Memorandum Items										
Least Developed Countries (LDCs)	**164**	**1.1**	**-22.1**	**-6.0**	**13.5**	**247**	6.0	**-7.6**	**-6.0**	**11.6**

Source: World Trade Organization (WTO), Trade Statistics and Outlook - April 2018

125. In 2017, the value of exports for African countries increased to US Dollar 417 billion from US Dollar 346 billion in 2016, equivalent to an increase of 20.5 percent. Similarly, the value of imports increased to US Dollar 534 billion in 2017 from US Dollar 501 billion in 2016, equivalent to an increase of 6.6 percent. Consistent with this trade development, the African countries registered improvement in trade deficit to US Dollar 117 billion in 2017 from a trade deficit of US Dollar 155 billion in 2016.

INTERNATIONAL ECONOMIC CO-OPERATION

The East African Community (EAC)

126. In 2017, ten One Stop Border Posts were established in Partner States for the purpose of implementing the EAC Single Customs Territory. Under the Common Market pillar, a total of 106 East African Standards were approved and gazetted for; textile products, leather and leather products, cereals, and nutritional and diary products packaging. Further, in eliminating Non- Tariff Barriers, Partner States assented the EAC Elimination of Non-Tarrif Barriers Act of 2017. In addition, in 2017 the East African Community Industrial Competitivenes Report was launched for expanding regional and international market opportunities and competitiveness.

127. The 18th Ordinary Summit of Heads of State from East African Community under the chairmanship of H.E President Dr. John Pombe Joseph Magufuli was convened in Dar es Salaam, Tanzania in May 2017. *Inter-alia*, the Summit received Annual Report from the Council of Ministers for the period of December 2015 to May 2017 and was contented with impressive development in the implementation of community programmes. Furthermore, the Summit, appointed H.E President Yoweri Kaguta Museveni as chairperson of the Community after President Dr. Magufuli completed his term. In addition, the Summit discussed a report on the implementation of previous decisions of the Summit and directed the Partner States to deposit to the Secretary General instruments of ratification of outstanding protocols.

128. On the other hand, the Summit was not satisfied with implementation of the intra-EAC trade and directed the Council and EAC Secretariat to resolve the long-outstanding non-tariff barriers and present the report of the implementation in the next Summit of the Heads of State. Further, the Summit discussed the decision of the Partner States that have not signed the EU-EAC Economic Partnership Agreement (EPA) due to some clauses in the Agreement which were not beneficial to their countries. In addition, the Summit advised Kenya to proceed with her decision after signing the Agreement without being affected by Partner States who did not sign the Agreement. The Summit received a report on sustainable financing mechanism for the EAC and directed the ministers responsible for finance to meet and finalize work on the modalities required to establish a sustainable financing mechanism for the community and report to the next Summit. On establishment of Political Confederation, the Summit adopted the political confederation as a transitional model of the East African Political Federation and directed the Council to constitute a team of constitutional experts to draft the constitution for the Political Confederation.

South African Development Community (SADC)

129. The Extra Ordinary Summit of Heads of State from South African Development Community (SADC) under the chairmanship of H.M King Mswati III took place in Mbabane, Swaziland in March 2017. *Inter-alia*, the Summit received a report of the Ministerial Task Force on Regional Economic Integration and approved the Action Plan for SADC Industrialization Strategy and Roadmap 2015-2063. In implementing the Strategy, the Summit underscored effective monitoring of participation of the private sector as a key player in the implementation of the SADC industrialization agenda.

130. On the other hand, the Summit approved the resolutions of the Strategic Ministerial Retreat on the Regional Integration, which was held on 12th–14th March 2017 under the theme the *Regional Integration - SADC We Want*. The Retreat was to take stock of what SADC has achieved since its establishment in 1980, the challenges it was facing and what needed to be done to accelerate the pace and level of the SADC integration agenda. The Summit received the recommendations of the Ministerial Retreat and directed the Secretariat to develop a plan and roadmap of implementing the recommendations.

131. The 37th Ordinary Summit of the Heads of State and Government of the Southern African Development Community under the chairmanship of H.M King Mswati III took place in Pretoria, in South Africa on 19th and 20th August 2017. *Inter-alia*, the Summit, appointed H.E President Jacob Zuma to be chairman of the Community and President Euardo dos Santos as Chairperson of the Organ on Politics, Defense and Security Cooperation. Further, the Summit endorsed the 37th SADC Plan of partnering with the private sector in developing industry and trade. The Summit urged Member States to operationalize the Plan through implementation of projects which are in line with focus areas of agro-processing, mineral beneficiation, energy, and pharmaceuticals.

132. The Summit discussed the progress made in the operationalisation of the SADC University of Transformation and urged ministers responsible for education and training; and science, technology and innovation to expedite the finalisation of the action plan for the operationalization of the University. In addition, the Summit received a report concerning establishment of Regional Development Fund with the aim of developing industrial agenda. On the other hand, the Summit noted progress in the implementation of the Industrialisation Strategy and Roadmap 2020-2063 and urged Member States to keep the momentum and actualize the identified three priority sectors of agro-processing, mining beneficiation and pharmaceuticals. Further, the Summit received and

discussed a report on Revision of Macroeconomic Indicators for Member Countries and it was found that most of the countries are facing various challenges which make them difficult to attain goals of economic criteria and budgeting.

Africa Union (AU)

133. The 28th Ordinary Summit of the African Union under the chairmanship of H.E President Alpha Conde of Guinea was held on 31st January 2017 in Addis Ababa, Ethiopia. The Summit elected H.E. Mr. Moussa Faki Mahamat as chairperson of the African Union Commission to succeed H.E. Dr Nkosazana Dlamini-Zuma who completed her term. Further, the Summit took a decision to readmit the Kingdom of Morocco into the Union.

CHAPTER 6

HUMAN RESOURCES

Population

134. In 2017, the population of Tanzania was estimated at 52,554,628 compared to 50,941,672 people in 2016. The population of Tanzania mainland was estimated at 51,020,337 in 2017, equivalent to 97.1 percent of total population while Tanzania Zanzibar had an estimated population of 1,531,291, equivalent to 2.9 percent. In addition, population distribution by sex showed that women were estimated to be 26,867,474, equivalent to 51.1 percent of total population and men were 25,687,154, equivalent to 48.9 percent. These estimates were derived from the results of the Population and Housing Census of 2012 and other key population indicators including birth, death and migration.

Regional Population Distribution

135. Regional population distribution indicated that, Dar-es-salaam region had the highest population estimated at 5,017,294, equivalent to 9.8 percent of total population in Tanzania mainland compared to 4,885,865 in 2016. This was followed by Mwanza region with estimated population of 3,393,620, equivalent to 6.7 percent; and Kagera region 2,919,942, equivalent to 5.7 percent. The highest population in Dar-es-salaam region was due to the availability of social and economic services, thus attracting large number of immigrants from other regions. In addition, Katavi region had the lowest population compared to other regions in Tanzania mainland, with population estimated at 706,472, equivalent to 1.4 percent. In Tanzania Zanzibar, Mjini Magharibi region had the highest population compared to other regions, with population estimated at 683,833, equivalent to 44.6 percent of total population in Tanzania Zanzibar, followed by Kaskazini Pemba region with estimated population of 260,884, equivalent to 17.0 percent and Kusini Unguja region with estimated population of 131,162, equivalent to 8.5 percent.

136. In 2017, the population density in Tanzania was estimated at 57 people per square kilometer. In addition, Tanzania Mainland had population density of 58 people per square kilometer. Dar-es-salaam region had the highest population density in Tanzania Mainland, with 3,601 people per square kilometer, followed by Mwanza (356 people), Kilimanjaro (138 people) and Kagera (116 people). Lindi and Katavi regions had the lowest population density of 15 people per square kilometer each and followed by Ruvuma region

with population density of 24 people per square kilometer. In Tanzania Zanzibar, Mjini Magharibi region had the highest population density of 2,973 people per square kilometer while Kusini Unguja Region had population density of 154 people per square kilometer.

137. Population distribution by age groups in 2017 indicated that children under the age of five were 9,185,466, equivalent to 17.5 percent of total population in Tanzania. The number of people aged 5 to 14 years was 13,717,980, equivalent to 26.1 percent of total population in Tanzania. The distribution shows people aged 15 - 24 were 10,312,774, equivalent to 19.6 percent of total population. Similarly, the number of people aged 25 to 64 was 17,579,467, equivalent to 33.4 percent of total population. Elderly population aged 64 and above was 1,758,941, equivalent to 3.3 percent of total population. In addition, the number of population aged 15 - 64 years that constitute the national labour force was 27,892,241, equivalent to 53.1 percent of total population.

Table 6.1: Population Distribution by Age Groups and Gender in 2017

Age	**Gender**			**Percentage**
	Male	**Female**	**Total**	
5<	4,635,867	4,549,599	9,185,466	17.5
5 – 14	6,860,623	6,857,357	13,717,980	26.1
15 – 24	5,083,330	5,229,444	10,312,774	19.6
25 – 64	8,286,949	9,292,518	17,579,467	33.4
65+	820,385	938,556	1,758,941	3.3
Total	**25,687,154**	**26,867,474**	**52,554,628**	

Source : National Bureau of Statistics, 2017

Labour Force and Employment

138. According to the Employment and Earning Survey of 2016, employment in the formal sector increased from 2,334,969 in 2015 to 2,599,311 persons employed in 2016, equivalent to an increase of 264,342 persons employed. The Survey revealed that 83,812 persons were employed in public sector and 180,530 were employed in private sector. In addition, the private sector contributed 1,748,695 employments equivalent to 67.3 percent of total employments and the public sector accounted for 850,616 employments equivalent to 32.7 percent. The findings of the Survey revealed that regular employment increased from 88.2 percent in 2015 to 92.9 percent in 2016.

Similarly, casual employments decreased from 11.8 percent of total employments in 2015 to 7.1 percent in 2016.

Table 6.2: Distribution of Employments by Category of Employment and Sector

Category of Employment	2015				2016			
	Public	**Private**	**Total**	**(%)**	**Public**	**Private**	**Total**	**(%)**
Regular	755,360	1,304,653	2,060,013	88.2	848,010	1,568,022	2,416,032	92.9
Casual	11,444	263,512	274,956	11.8	2,605	180,673	183,278	7.1
Total	**766,804**	**1,568,165**	**2,334,969**	**100.0**	**850,616**	**1,748,695**	**2,599,311**	**100.0**

Source: National Bureau of Statistics, 2017

139. Employment ratio by sex showed that females account for 37.8 percent and males account for 62.2 percent. In addition, the findings of the Survey revealed that the number of youth aged 15-35 years employed on regular basis contributed 36.8 percent of total employment in 2016 compared to 31.3 percent in 2015. Moreover, the number of adult aged 36 years and above employed on regular basis accounted for 63.2 percent of total employment in 2016 compared to 68.7 percent in 2015. The private sector contributed 64.9 percent of regular employment while the public sector contributed 35.1 percent. In terms of casual employment, the private sector had a significant contribution of 98.6 percent compared to the public sector which contributed 1.4 percent.

140. The number of employees with disabilities in 2016 was 3,935, equivalent to 0.2 percent of employees in the formal sector. Out of those, males were 2,321 (equivalent to 59 percent) and females were 1,614 (equivalent to 41 percent). The private sector employed a large proportion of employees with disabilities (61.6 percent) while the public sector employed 38.4 percent.

141. According to the Survey findings, Dar-es-salaam region continued to have the largest proportion of employees, contributing 31.2 percent of total employees in 2016 compared to 30.6 percent in 2015. This was followed by Morogoro region which contributed 10.9 percent; Arusha (6.8 percent); and Mwanza (5.9 percent). Katavi and Njombe regions had the lowest number of employees whereby contribution of each region was not more than 1.0 percent of total employees in 2016. In addition, employment distribution by sector revealed that, education continued to have high contribution whereby, it accounted for 18.5 percent of total employment followed by industry sector (18.1 percent) and administration sector (13.6 percent). However, real estate sector had a marginal contribution of 0.2 percent of total employment.

Table 6.3: Distribution of Total Employment by Regions and Sectors

Region	Private		Public		Total	
	2015	2016	2015	2016	2015	2016
Dodoma	22,368	24,914	39,513	43,311	61,880	68,225
Arusha	138,099	147,497	26,595	28,079	164,693	175,576
Kilimanjaro	87,953	90,508	40,105	44,680	128,057	135,188
Tanga	72,166	80,867	37,897	39,696	110,063	120,562
Morogoro	194,037	207,475	74,834	75,586	268,871	283,061
Pwani	20,587	23,765	27,566	28,969	48,153	52,734
Dar es Salaam	614,445	706,159	100,784	105,388	715,229	811,547
Lindi	5,855	7,379	22,563	25,320	28,417	32,699
Mtwara	12,161	15,321	16,087	19,654	28,249	34,975
Ruvuma	22,519	32,464	23,065	23,652	45,585	56,116
Iringa	35,527	38,543	27,746	31,374	63,273	69,917
Mbeya	65,548	69,448	54,037	58,721	119,586	128,169
Singida	15,337	19,131	22,864	25,450	38,201	44,581
Tabora	14,090	14,127	23,767	29,890	37,857	44,017
Rukwa	8,998	9,240	16,104	19,500	25,102	28,740
Kigoma	14,601	17,504	26,689	28,075	41,290	45,580
Shinyanga	26,492	26,795	28,174	33,933	54,666	60,728
Kagera	19,897	23,551	27,794	30,322	47,691	53,873
Mwanza	102,992	105,145	40,644	47,274	143,635	152,420
Mara	17,922	19,120	29,038	33,738	46,959	52,858
Manyara	15,811	25,209	17,133	20,519	32,944	45,728
Njombe	8,924	10,551	10,523	15,108	19,448	25,659
Katavi	821	1,930	7,104	9,086	7,925	11,016
Simiyu	4,741	5,602	17,469	21,714	22,210	27,317
Geita	26,275	26,449	8,709	11,575	34,984	38,024
Total	**1,568,165**	**1,748,695**	**766,803**	**850,616**	**2,334,969**	**2,599,311**

Source : National Bureau of Statistics, 2017

142. The findings of the Survey also showed that, the number of newly recruited employees decreased from 102,672 employees in 2015 to 69,639 employees in 2016. The Survey further revealed that, public sector recruited 18,388 employees compared to 51,251 employees recruited in the private sector. Out of the newly recruited employees, service workers and shop sales workers accounted for the largest share with 15,515 employees followed by technicians

and associated professionals with 15,346 employees and elementary occupation with 13,747 employees.

143. In 2017, the Tanzania Employment Services Agency (TaESA) registered and advised 1,344 job seekers on career development and appropriate jobs in accordance with their qualifications and labour market demand in order to enhance their capacity of being self employed and employable. This is equivalent to a decrease of 11.3 percent compared to 1,516 job seekers registered and advised in 2016. In addition, 339 job seekers were linked to employers with job opportunities in 2017 compared to 624 employees in 2016, equivalent to 45.7 percent decrease. Similarly, the Agency provided capacity building trainings to 448 job seekers in order to be able to compete in the labour market compared to 629 job seekers in 2016. The trainings were also provided to 520 students from various higher learning institutions compared to 1,255 students in 2016.

144. In 2017, the Agency collaborated with private employment agencies through Tanzania embassies in the respective countries in reviewing and ratifying 2,882 Tanzanian employment contracts compared to 914 contracts in 2016. Those Tanzanians secured employment in the countries of Oman (21 males, 2,650 females), Saudi Arabia (109 males), Dubai (26 males, 15 females), Qatar (8 males, one female), Abu Dhabi (5 male, two females), Japan (4 males), India (two males), Kuwait (one male) and Bahrain (one male). This was due to an increase in awareness on overseas employment services. In addition, the Government through the Immigration Department and Tanzania embassies in the respective countries ensured that Tanzanians are employed in those countries without any form of abuse or discrimination by having employment contracts which comply with the country's laws and International Labour Organization (ILO) guidelines.

REGIONAL DISTRIBUTION OF TANZANIA POPULATION: 2009-2017

Table No.25

Region	2009	2010	2011	2012**	2013	2014	2015	2016	2017
Dodoma	2058630	2111764	2163817	2083588	2127416	2172165	2217856	2264508	2419941
Arusha	1617728	1664780	1711624	1694310	1741396	1789791	1839531	1890653	1948219
Kilimanjaro	1602530	1635870	1669174	1640087	1669051	1698526	1728522	1759048	1823151
Tanga	1923468	1966908	2010480	2045205	2091341	2138517	2186757	2236086	2284712
Morogoro	2068426	2115275	2162197	2218492	2271310	2325386	2380750	2437431	2531268
Pwani	1038654	1062574	1086658	1098668	1122685	1147227	1172306	1197933	1236481
Dar es Salaam	3040118	3118132	3194903	4364541	4617000	4884061	5166570	5465420	5017294
Lindi	905480	923607	941884	864652	872758	880939	889197	897533	963465
Mtwara	1297751	1323568	1349235	1270854	1286501	1302340	1318374	1334606	1397723
Ruvuma	1338800	1375017	1412084	1376891	1406411	1436563	1467362	1498821	1543869
Iringa	1709225	1737382	1764285	941238	951964	962813	973784	984882	1068695
Mbeya	2581792	2662156	2743084	2707410	2781971	2858585	2937310	1883024	2006072
Singida	1330931	1367481	1404065	1370637	1402820	1435758	1469469	1503972	1569304
Tabora	2258664	2349374	2443049	2291623	2359642	2429679	2501796	2576053	2769093
Rukwa	1450118	1503184	1558200	1004539	1037259	1071044	1105931	1141953	1160568
Kigoma	1740111	1814158	1891173	2127930	2179598	2232520	2286727	2342250	2528708
Shinyanga	3692941	3841787	3998664	1534808	1566734	1599325	1632593	1666554	1816316
Kagera	2469904	2563870	2661671	2458023	2537021	2618558	2702715	2789577	2919942
Mwanza	3464566	3566263	3669380	2772509	2856258	2942537	3031422	3122992	3393620
Mara	1756442	1822866	1891907	1743830	1787279	1831810	1877451	1924230	2123683
Manyara	1337015	1388295	1441771	1425131	1471083	1518516	1567479	1618020	1692667
Njombe	-	-	-	702097	707698	713345	719036	724772	786347
Katavi	-	-	-	564604	583160	602325	622121	642567	706472
Simiyu	-	-	-	1584157	1613580	1643549	1674075	1705168	1998224
Geita	-	-	-	1739530	1785824	1833350	1882141	1932230	2148409
Songwe	-	-	-					1136415	1166094
Tanzania Mainland	**40683294**	**41914311**	**43169305**	**43625354**	**45007503**	**46436671**	**47918225**	**49453636**	**51020337**
Kaskazini Unguja	171150	177095	183209	187455	193551	199844	206343	213053	216697
Kusini Unguja	110183	112612	115035	115588	117923	120305	122736	125215	131162
Mjini Magharibi	471341	483205	495054	593678	619144	645701	673398	702283	683833
Kaskazini Pemba	243759	253999	264677	211732	214502	217309	220153	223033	260884
Kusini Pemba	236072	246601	257577	195116	197274	199456	201662	203893	241715
Zanzibar	**1232505**	**1273512**	**1315552**	**1303569**	**1348776**	**1394690**	**1441183**	**1488036**	**1534291**
Tanzania	**41915799**	**43187823**	**44484857**	**44928923**	**46356279**	**47831361**	**49359408**	**50941672**	**52554628**

Source: National Bureau of Statistics

** Data from the Population and Housing Census 2012

- Figures not available, New Regions

PART II

PRIVATE SECTOR DEVELOPMENT

CHAPTER 7

PRIVATE SECTOR DEVELOPMENT

Investment in the Country

145. In 2017, Tanzania Investment Centre registered 337 projects as compared to 345 projects in 2016 equivalent to a decrease of 2.3 percent. Out of the registered projects, 336 were new projects, while one (1) was an expansion project. Further, 84 projects equivalent to 25.0 percent were owned by Tanzanians, 168 projects equivalent to 50.0 percent were owned by foreigners and 85 projects equivalent to 25.2 percent were owned through partnership between Tanzanians and foreigners. During the period, projects owned by foreigners increased by 17.5 percent compared to 143 projects in 2016. However, projects owned by Tanzanians decreased by 18.4 percent compared to 103 projects in 2016, and the projects owned through partnership between Tanzanian and foreigners decreased by 19.0 percent compared to 105 projects in 2016.

146. The value of the registered projects in 2017 decreased by 14.4 percent to US Dollar 5.07 billion compared to US Dollar 5.92 billion in 2016. In addition, the registered projects created 30,728 job opportunities compared to 49,711 jobs, equivalent to 38.2 percent decrease.

Sectoral Distribution of Projects

147. In 2017, the industrial sector led other sectors by registering projects worth US Dollar 2.55 billion equivalent to 50.3 percent of the total value of the projects registered, followed by transport US Dollar 1.44 billion (28.4 percent), agriculture US Dollar 0.37 billion (7.3 percent), energy US dollar 0.29 billion (percent 5.7), commercial buildings US Dollar 0.20 billion (percent 3.9), tourism US Dollar 0.06 billion (percent 1.2), services US Dollar 0.05 billion (percent 1.0), financial institutions US Dollar 0.04 billion (percent 0.8), infrastructure US Dollar 0.03 billion (0.6 percent) among others.

148. Manufacturing sector led other sectors in attracting more projects by registering 55.7 percent of new projects followed by tourism 8.6 percent, transport 8.3 percent, commercial buildings 8.0 percent, agriculture 6.8 percent, services 5.7 percent, financial institutions 1.8 percent, energy and natural resources 1.5 percent each, infrastructure and human resources 0.9 percent each, telecommunication 0.3 percent, whereas broadcasting and computer sectors did not attract any project.

Regional Distribution of Projects

149. In 2017, regional distribution of the registered projects shows that Dar es Salaam Region continued to lead others in attracting investment projects by attracting 48.5 of the new projects; followed by Coast Region 14.3 percent; Mwanza 8.3 percent; Arusha 4.5 percent; Morogoro and Dodoma 3.3 percent each; Tanga and Iringa 2.7 percent each; Lindi 2.1 percent; Geita 1.8 percent; Manyara and Mtwara 1.2 percent each; Kilimanjaro, Mbeya, Mara and Shinyanga 0.9 percent each; Kagera and Singida 0.6 percent each; Kigoma, Njombe, Ruvuma, Simiyu, and Tabora, 0.3 percent each; whereas Katavi region attracted no project.

Table No. 7.1: Distribution of Projects by Region

Sector	**Arusha**	**Pwani**	**Dar es Salaam**	**Dodoma**	**Geita**	**Iringa**	**Kagera**	**Katavi**	**Kigoma**	**Kilimanjaro**	**Lindi**	**Manyara**	**Mbeya**	**Morogoro**	**Mtwara**	**Mwanza**	**Njombe**	**Mara**	**Ruvuma**	**Shinyanga**	**Simiyu**	**Singida**	**Tabora**	**Tanga**	**Total**
Agriculture		5	6	1		1	1							4	1									4	23
Broadcasting																									
Computer																									
Commercial Buildings	1	2	19											1	1	1						1		1	27
Infrastructure		1																1			1				3
Energy	1		2	1											1										5
Financial Institutions			6																						6
Human Resources			3																						3
Manufacturing	7	37	77	7	5	7	1		1	2	3	4	3	4	1	21			1	2		1	1	2	187
Natural Resources		1	1								1					1	1								5
Services			13	1	1									1		3									19
Telecommunication			1																						1
Tourism	6	2	11	1						1	3			1				2						2	29
Transport			**24**			1										2				1					28
Total	**15**	**48**	**163**	**11**	**6**	**9**	**2**		**1**	**3**	**7**	**4**	**3**	**11**	**4**	**28**	**1**	**3**	**1**	**3**	**1**	**2**	**1**	**9**	**336**

Source: Tanzania Investment Centre

The Improvement of Business Environment

150. In 2017, the Government continued to improve the business and investment environment particularly ensuring macroeconomic stability, reducing unnecessary bureaucracy, fastening decision making, strengthening peace and security, ensuring basic infrastructure and providing quality services including reliable electricity.

151. The Doing Business Report of 2018 shows that, out of 190 countries assessed in 2017, Tanzania performed well in some categories whereby it was ranked number 58 in enforcing contracts, 55 in ease of getting loans and 82 in electricity connectivity. However, Tanzania did not perform well as it was ranked number 182 on cross-border trade, 162 in establishing new business and 156 obtaining construction permits. The Government continues with effort of improving investment and business environment with the aim of ensuring the country is performing well.

152. The 2017 Deloitte Africa Private Equity Confidence Survey indicates that 67 percent of the investors interviewed named Tanzania as a potential investment destination compared to 52 percent of the investors interviewed in 2016 Survey. In addition, the 2017 Africa Attractiveness Index Report (AAI) reveals that Tanzania was ranked 5th out of 46 countries assessed on the basis of good business environment compared to 12th position in 2016. Further, based on the Inclusive Development Index Report 2018, Tanzania was ranked number 48 among the developing countries and number three in Africa. According to that Report, the performance achieved resulted from Government efforts in improving policies and strengthening institutions. Furthermore, the Rand Merchant Bank Report of 2018 on investment attractiveness in Africa indicates that Tanzania was ranked number seven out of 53 countries compared to 9th position in 2016. This is due to the Government efforts in improving and strengthening business and investment environment.

Economic Empowerment

153. In 2017, the Government through National Economic Empowerment Council (NEEC) continued to supervise, monitor and coordinate implementation of the National Economic Empowerment Policy of 2004. In undertaking those roles of economic empowerment plans across sectors and key actors, the Council trained 133 Government officials from regions and councils. The training aimed at creating awareness of national economic empowerment strategy; and increasing local participation in investment opportunities and accessing capital. In addition, through various national empowerment schemes, a total of 478 Tanzanians (357 men and 121 women) were enabled to access concessional loans from banks and financial institutions. Further, the National Economic Empowerment Fund (NEEF) guaranteed loans worth shillings 373,636,000 to 42 groups of VICOBA. Furthermore, the Council conducted exhibitions that focused on empowering Tanzanians to access capital from

various empowerment funds and other financial institutions whereby 13 Funds and 115 entrepreneurs participated.

Public Private Partnership

154. In 2017, the Government continued to receive project proposals from Ministries, Regional Administration and Local Governments, Agencies, Institutions and Public Corporations to be implemented through Public Private Partnership (PPP). Those proposals were for construction of Kurasini Trade and Logistic Centre, construction of Mtwara –Mchuchuma/Liganga Railway to standard gauge, construction of Tanga-Arusha-Musoma Railway to standard gauge, construction of railway infrastructure for commuter train in Dar es Salaam City, Natural Gas Distribution Network Project, construction of Mwambani Port and construction of recreation centres along all trunk roads in the country.

155. In 2017, the Government continued to conduct PPP training programs whereby more than 360 officials from Ministries, Regional Administration and Local Government, and public institutions participated. In addition, the Government continued to manage in partnership the Dar es Salaam Rapid Transit Project; conducted analysis of the Dar-Chalinze Toll Road Project; Medical Store Department Project for Manufacturing of Select Medicines; Mandatory Vehicle Inspection Project; and construction and operation of 10 vocational training centres under VETA.

TANZANIA INVESTMENT CENTRE (TIC): REGISTERED INVESTMENT PROJECTS

Table No. 26

Sekta	2016								2017							
	A	B	C	D	E	F	G	H	A	B	C	D	E	F	G	H
Agriculture and Livestock	24	24	0	7	8	9	25547	496.1	23	23	0	9	11	3	2535	371.6
Natural Resources	2	2	0	0	0	2	235	264.9	5	5	0	1	2	2	286	5.3
Research	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Manufacturing	178	178	0	48	86	44	12455	615.1	187	187	1	42	102	44	18389	2552.4
Non-Residentila buildings	48	48	0	16	16	16	4812	1133.7	27	27	0	5	13	9	2284	204.3
Cargo Transportation	21	21	0	12	9	6	2605	384.9	28	28	0	13	11	4	2953	1443.8
Services	16	16	0	1	6	9	670	48.0	19	19	0	3	12	4	1061	50.8
Computer	1	1	0	1	0	0	37	0.1	0	0	0	0	0	0	0	0
Financial Institutions	4	4	0	0	1	3	140	9.0	6	6	0	0	2	4	520	40.1
Communications	2	2	0	1	0	1	58	282.3	1	1	0	0	1	0	18	4.1
Energy	8	8	0	3	3	2	627	2457.7	5	5	0	0	5	0	407	299.6
Human Resource	8	8	0	3	1	4	362	33.3	3	3	0	1	1	1	202	4.5
Tourism	33	33	0	11	13	9	2163	194.4	29	29	0	9	8	12	1581	64.4
Economic Infrastructure	0	0	0	0	0	0	0	0.0	3	3	0	1	0	2	492	30.63
Broadcasting	0	0	0	0	0	0	0	0.0	0	0	0	0	0	0	0	0
Total	**345**	**345**	**0**	**103**	**143**	**105**	**49711**	**5919.4**	**336**	**336**	**1**	**84**	**168**	**85**	**30728**	**5071.5**

Source: Tanzania Investment Centre (TIC)

A Total Registered Projects
B New Projects
C Extended Projects
D Projects for Natives
E Projets for Foreigners
F Shareholding Projects
G Total Employment
H Total Value of Investment (Million USD.)
\- Figures not available

CHAPTER 8

CROSS CUTTING ISSUES

AIDS

156. In 2017, the Government continued with efforts to reduce new infections in the community particularly youths by ensuring that people with HIV continue to survive. During that period, the Government introduced AIDS Trust Fund with the aim of ensuring availability of sustainable resources for provision AIDS related services in the country and reducing dependence on donor funds. In addition, a total of 5,164,297 people were tested for HIV, out of which 145,104 people (2.8 percent) were found to be affected and introduced to antiretroviral drugs. As of December 2017, a total of 965,081 people infected with HIV were using ARVs equivalent to 69 percent of the estimated 1,400,000 people living with HIV in the country.

157. The findings of the Tanzania HIV Impact Survey held at the household level in 2016/17 revealed that the national average of HIV transmission for people aged between 15 and 49 was 4.7 percent. This means that among the 1000 people approximately 47 people were infected with HIV. Further, the study revealed that the rate of infection was 6.2 percent for women and 3.1 percent for men. In addition, regions with high level of infections above national average of 4.7 percent were as follows: Njombe 11.4 percent; Iringa (11.3 percent); Mbeya (9.3 percent); Mwanza (7.2 percent); Kagera (6.5 percent); Katavi (5.9 percent); Shinyanga (5.9 percent); Songwe (5.8 percent); Ruvuma (5.6 percent); Coast (5.5 percent); Tabora (5.1 percent); Tanga (5.0 percent); Dodoma (5.0 percent); and Geita (5.0 percent). Moreover, the study identified the presence of 81 new HIV infections per year, equivalent to 0.27 percent.

Environment

158. In 2017, the Government continued to insist investors' compliance with the Environmental Management Act by conducting Environmental Impact Assessment (EIA) before implementing their projects. During that period, a total of 1,176 projects were registered for EIA compared to 1,058 projects registered in 2016. Out of that, 425 projects equivalent to 36 percent received a certificate of compliance with EIA criteria compared to 475 projects in 2016. In addition, a total of 757 EIA consultants, 357 environmental assessors, 152 EIA consultancy firms and 74 environmental assessment firms were registered in order to strengthen capacity for EIA.

159. In 2017, the Government continued to enforce compliance with the Environmental Management Act, whereby a total of 627 projects were inspected in factories, mines, buildings, dams, abattoirs, markets, sewage systems, rainwater systems, gas stations, hotels, and water sources. Similarly, legal actions including fines were taken against 179 projects which violated the Act.

160. In 2017, the Government continued to implement two community-based capacity building projects to withstand climate change in Coast and Dar es Salaam regions. The projects were also implemented in collaboration with Pangani, Rufiji and Bagamoyo districts in Tanzania mainland, and Pemba and Unguja in Zanzibar to prevent adverse impacts of the rising sea level. Furthermore, through those projects, sea walls were constructed along Pangani area (600 meters) to the north, the Panza-Pemba Island (50 meters) and Kilimani Unguja (538 meters). Similarly, the project to prevent impacts of climate change in Dar es Salaam is being implemented through construction of walls along Barack Obama Road (920 meters), the Mwalimu Nyerere Memorial Academy (500 meters); rehabilitation of rain water drainage system at Bungoni-Ilala area (475 meters) and Mtoni -Temeke (950 m) to reduce effects of floods.

Gender

161. The analysis of Gender Development Index (GDI) and Gender Inequality Index (GII) both have shown that women are more likely to be deprived from human development because they have less chances of accessing education and healthcare services as well as economic opportunities. The Tanzania Human Development Report 2017 revealed that GDI was 0.864. The index means that Tanzania has made commendable progress towards attaining gender balance, particularly in life expectancy and basic education. For instance, the average life expectancy for women is high (63.7 years) compared to men (59.7 years). However, there is a significant difference in terms of earned income (per capita income) whereby, women earn less than men.

162. With regard to GII, Tanzania scored 0.544 points and dropped by four positions to 129th out of 188 countries globally according to UNDP's report of 2016. The main challenge was women participation in decision making bodies, whereby 82.6 percent of decision making positions were held by men and 17.4 percent were held by women. Other challenges which exacerbated the gender inequality were management and ownership of productive and financial resources, and teenage pregnancies. The findings of the Tanzania Demographic Health Survey and Malaria Indicator Survey (TDHS – MIS) of 2015/16

indicated that 27 per cent of women aged 15 – 19 have begun childbearing which is an increase from 23 percent in 2010. However, significant progress was noted in terms of participation of women in the Parliament whereby 37 percent of the seats are held by women. In addition, women's participation in the labour market has risen to 69.2 percent of all women compared to men whose participation was 81.4 percent.

Civil Security

163. In 2017, a total of 67,140 criminal offences were reported compared to 74,659 offences reported in 2016, equivalent to a decrease of 10.1 percent. In addition, 12,578 crimes against humanity including murder, rape, sodomy, child molestation, child abduction and human trafficking, were reported in 2017 compared to 12,567 crimes reported in 2016, equivalent to an increase of 0.1 percent. A total of 32,175 offences relating to fraud, abduction, burglary, theft, arson, forgery and counterfeits were reported in 2017 compared to 37,882 offences reported in 2016, equivalent to a decrease of 15.1 percent. A total of 1,640 financial crimes involving bank robbery, ATMs and cyber crimes were reported in 2017 compared to 1990 crimes reported in 2016, equivalent to a decrease of 17.6 percent. In addition, 20,747 offences against the law were reported including corruption, illicit brew, government trophies, arms, bullets, marijuana and smuggling were reported in 2017 compared to 22,220 offences in 2016, equivalent to a decrease of 6.6 percent.

164. In 2017, road safety events decreased by 41.5 percent to 6,022 events from 10,297 events in 2016. This situation was due to increase in compliance to road safety rules. In addition, accidents which caused deaths decreased from 2,840 accidents in 2016 to 2,254 accidents in 2017, equivalent to a decrease of 20.6 percent. This decrease was attributed to the improvement of infrastructure, increased public awareness and strengthening of vehicle inspections. Similarly, deaths caused by these accidents decreased from 3,381 deaths in 2016 to 2,705 deaths in 2017, equivalent to a decrease of 20.0 percent. Further, these accidents caused 6,169 casualties compared to 9,549 casualties in 2016, equivalent to a decrease of 35.4 percent.

165. In 2017, a total of 358,520 refugees and asylum seekers from different countries were received compared to 299,074 refugees and asylum seekers received in 2016. Out of those, refugees were 315,073 and asylum seekers were 43,447. Refugees and asylum seekers were 275,687 from Burundi, 82,315 from Democratic Republic of Congo, 150 from Somalia and 368 from Rwanda, Kenya, Uganda, South Sudan and Ethiopia. The refugees were sheltered in

camps and settlements in the regions of Kigoma, Katavi, Tabora and Tanga, and others who were able to be self-reliant were permitted to live outside the camps. During the period, 1,620 refugees were resettled compared to 8,905 refugees in 2016. Among them, 16 refugees were transferred to Australia, 457 to Canada, three (3) to Finland, 1,129 to USA, 11 to Sweden and four (4) to UK. On the other hand, 16,130 refugees were voluntarily repatriated to their countries of origin in 2017.

National Identification Authority

166. In 2016/17, the National Identification Authority in all districts in the country registered and identified a total of 14,048,493 persons. In addition, the Authority successfully opened registration and identification offices in all districts in the country and employed 437 staff. Similarly, the Authority completed installation of communication network in 117 districts offices to ensure smooth flow of information to Headquarters.

167. In 2016/17, the Authority constructed registration offices in 13 districts and completed the construction of data processing, production and storage center as well as Disaster Recovery Site. Further, 35 institutions were integrated into NIDA system to facilitate the accessibility and identification of persons information according to the needs.

Registration, Insolvency and Trusteeship Agency

168. In 2017, Registration, Insolvency and Trusteeship Agency continued with registration in which a total of 1,764,494 births; 52,323 deaths; 23,444 marriages; 109 divorces and 37 children adoption certificates were registered compared to the registration of 980,012 births; 24,061 deaths; 18,339 marriages; 110 divorces and 24 children adoption certificates registered in 2016.

169. In 2017, a total of 1,132,566 children under the age of five were registered through the birth registration initiative for children under-five compared to 365,433 children registered in 2016. The increase was due to the establishment of registration system for children under five in Shinyanga, Geita, Mtwara and Lindi regions. The rate of registration of children under the age of five increased to 28 percent in 2017 from 13 percent reported in 2012 Population and Housing Census. In addition, the Fourth Edition of Births Registration System began to work whereby a total of 5,525 births and 231 deaths were registered in 60 pilot centers located in Shinyanga, Geita and Dar es Salaam. This system has helped information sharing with other systems of Government agencies such as NIDA and other stakeholders.

170. In 2017, the Agency registered and issued 121 sponsorship from NIDA compared to 155 certificates in 2016. In addition, 57 wills were written and kept compared to 49 wills in 2016. During the period under review, public education on the importance of writing and keeping a will was provided through radio programs, television shows and articles in newspapers to help avoid family conflicts when the property owner dies.

CHAPTER 9

STATE OF POVERTY AND HUMAN DEVELOPMENT

Introduction

171. In 2017, the Government endeavored to improve the lives of Tanzanians and their social well-being by improving provision of social services, particularly education, health and water sectors. In addition, the Government continued with various strategies to ensure the country attains a middle-income status and ultimately eradicate extreme poverty by 2025. In view to ensure inclusive economic growth and poverty reduction, the Government continued with the interventions for nurturing industrialization with the focus on industries that utilize locally available raw materials, particularly agro-processing industries and increase employment opportunities.

Multidimensional Poverty Index

172. Poverty incidence continued to decline despite the fact that the pace of decline is low compared to the rate of economic growth. This stems from the fact that, sectors that have high growth rate such as mining, communication and transportation, do not have significant contribution to poverty reduction. The agriculture sector that employs more than 66.3 percent of Tanzanians and contributes an average of 30 percent to GDP has continued to grow sluggishly at an average of less than 3.0 percent per annum, thus affecting the pace of the decline in poverty. Considering such situation, the Government intends to focus its strategies to fight against poverty in rural areas.

173. Poverty incidence can be measured by using more than one dimension (Multidimensional Poverty). Most countries around the world including Tanzania define poverty in terms of income or consumption levels, but poverty extends well beyond one dimension. Poverty can be measured by using a variety of criteria including education, health, housing, empowerment, employment, and security. Tanzania Human Development Report 2017 has used three dimensions to measure poverty, which are education, health and living standards. These three dimensions represents ten (10) basic indicators of human development which are: nutrition; child mortality; years of schooling; school attendance; type of cooking fuel; sanitation; availability of clean and safe water; access to electricity; type of flooring; and ownership of assets.

174. The Tanzania Demographic and Health Surveys (TDHS) of 2010 and 2015/2016 have been used to measure Multidimensional Poverty Index (MPI).

Multidimensional Poverty decreased from 64 percent in 2010 to 47.4 percent in 2015/16. In addition, extreme poverty decreased from 31.3 percent in 2010 to 17.7 percent in 2015/16. Increase in access to electricity and improvement in the rate of ownership of assets such as mobile phones, motorcycles, radio and improvement in social services provision such as education, health and water are the most important factors explaining the decline in Multidimensional poverty. Similarly, according to the MPI, Rukwa region had the highest proportion of people living in multidimensional poverty to the tune of 65.5 percent compared to Dar es Salaam that had the lowest proportion of 12.2 percent. Other regions that had the highest proportion of multidimensional poverty include Tabora, Shinyanga, Geita, Dodoma and Simiyu, whilst the ones with the lowest proportions are Kilimanjaro, Njombe, Morogoro, Ruvuma and Iringa.

Human Development

175. In 2017, the Government continued to improve and strengthen the availability of basic social services, particularly education and health in order to achieve the objectives of the Tanzania Development Vision 2025, the objectives of the African Agenda 2063, and the Sustainable Development Goals 2030. According to UNDP Global Human Development Report 2016 Tanzania was ranked 151 out of 188 countries in terms of human development in 2015, the same rank as it was in 2014. Similarly, Human Development Index (HDI) value has increased to 0.531 in 2015 compared to 0.519 in 2014, equivalent to an increase of 2.3 percent. Tanzania HDI score is above the average of 0.518 for countries in Sub Saharan Africa. Notwithstanding the improvement in HDI, Tanzania is still within the category of countries with low levels of human development. The Human Development Report classifies countries into four groups namely; very high human development; high human development; medium human development; and low human development.

Table No. 9.1: Poverty and Human Development Status (2017)

S/No.	Region	Human Development[1]	Multi-Dimensional Poverty Index(MPI)	Income Poverty
1	Kagera	0.44	53%	39.3%
2	Singida	0.47	51%	38.2%
3	Tabora	0.47	65%	32.6%
4	Kigoma	0.47	56%	48.9%
5	Dodoma	0.48	60%	27.1%
6	Katavi	0.52	58%	23.9%
7	Shinyanga	0.53	64%	34.2%
8	Coast	0.53	47%	14.7%
9	Geita	0.55	62%	43.7%
10	Simiyu	0.56	60%	28.8%
11	Rukwa	0.56	66%	27.1%
12	Mtwara	0.60	49%	33.9%
13	Morogoro	0.60	39%	23.1%
14	Mara	0.61	50%	26.2%
15	**Tanzania Mainland**	**0.61**[2]	**47%**	**28.8%**
16	Lindi	0.62	47%	30%
17	Manyara	0.63	50%	18.3%
18	Mwanza	0.65	49%	35.3%
19	Tanga	0.65	46%	32.7%
20	Ruvuma	0.66	39%	34.9%
21	Songwe	0.66	43%	
22	Mbeya	0.66	43%	24.3%
23	Njombe	0.67	31%	25.7%
24	Iringa	0.70	40%	26.7%
25	Arusha	0.70	48%	14.7%
26	Dar es Salaam	0.72	12%	5.2%
27	Kilimanjaro	0.75	22%	14.3%

Source: Tanzania HDR 2017

[1]The higher the HDI score (i.e. when it approaches 1), the higher its level of human development

[2]This is different from UNDP statistics due to the difference in approach used to calculate HDI

176. In 2017, the Government continued with interventions to improve the living standards of people living in extreme poverty and protecting the children human capital living in vulnerable environment through Productive Social Safety Net (PSSN) Program implemented by TASAF. PSSN interventions are implemented through three windows namely Conditional Cash Transfer, Public Works Program (PWP) and Community Savings Promotion.

177. As of end-December 2017, a total of shillings 715.9 billion was paid to PSSN beneficiaries in form of cash transfers and PWP compared to shillings 455.8 billion in 2016. Out of that, shillings 668.3 billion were paid through cash transfers compared to shillings 435.4 billion paid in 2016, equivalent to an increase of 53.5 percent. With regard to Public Works Program, a total of shillings 47.6 billion was paid as wages to poor households that participated in the projects identified in their localities compared to shillings 20.4 billion paid in 2016.

178. As of end-December 2017, cash transfers covered 70 percent of all households identified in the PSSN program. In addition, as of December 2017, the Program had a total of 5.1 million beneficiaries compared to 5 million beneficiaries in the corresponding period in 2016.

Table No. 9.2: Distribution of PSSN Direct Beneficiaries as of December 2017

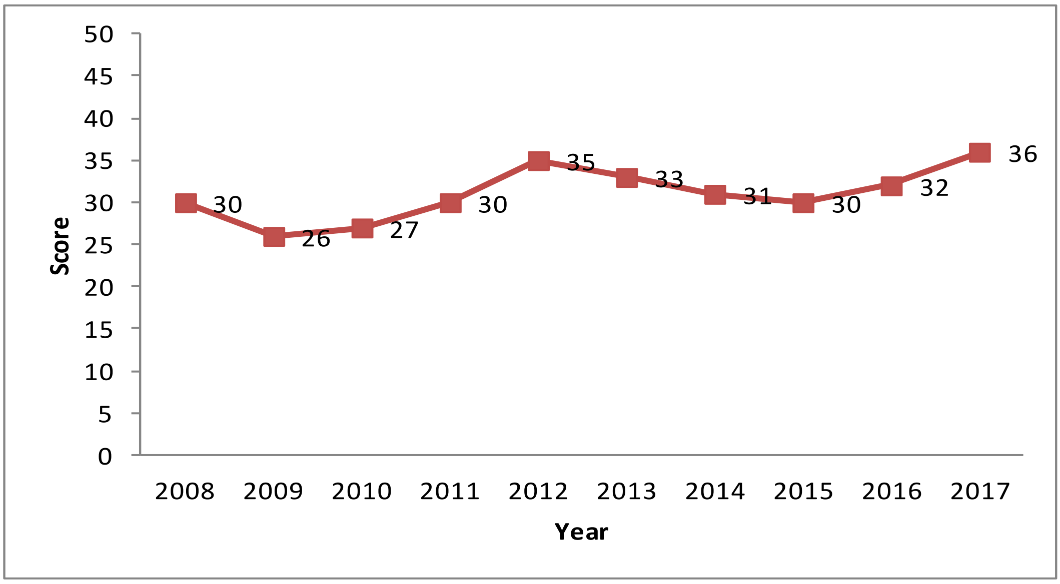
Age Group	**Years 0-2**	**Years 2-5**	**Years 6-18**	**Years 19-60**	**Above 60**	**Total**
Number of Direct Beneficiaries	343,558	487,134	1,994,687	1,697,279	605,072	5,127,730
Percent of Total	6.7%	9.5%	38.9%	33.1%	11.8%	100.0%

Source: TASAF

179. Corruption has adverse affects on poverty reduction and human development initiatives as it weakens the accessibility of basic social services including health, education and water. In that regard, in 2017, the Government continued to control and combat corruption in the public sector to ensure that poor communities are given appropriate basic social services. Due to Government efforts, Tanzania scored 36 points in the Corruption Perception Index (CPI) in combating corruption in the public sector compared to 32 points scored in 2016, equivalent to an increase of 4 percentage points. This is the highest score attained for the past decade and is above the average score of Sub-Saharan African countries of 32.02 points. The CPI Report shows perceived levels of public sector corruption as published by Transparency International in 2017. In addition, due to intensified efforts by the Government in combating

corruption, Tanzania was ranked 103 out of 180 countries in fighting corruption compared to 116 out of 176 countries in 2016.

Figure No. 9.1: Corruption Perception Index (Scores) in Public Sector 2008 - 2017



PART III

SPECIAL DEVELOPMENT ISSUE

CHAPTER 10

TANZANIA MERCANTILE EXCHANGE

Introduction

180. Mercantile exchange is a place where sellers and buyers meet through authorized agents to conduct commodity trade contracts. These agents are supposed to be licensed by the Capital Markets and Securities Authority (CMSA) and approved by the Board of Tanzania Mercantile Exchange to conduct such business. These agents conduct their activities based on the market procedures and existing legislations to ensure efficient business operation in order to avoid market manipulations. In addition, mercantile exchange brings together many domestic and international buyers who are not necessarily required to meet physically at the market place or in the country since transactions are settled electronically. Similarly, this system is legally binding, thus protects the rights of buyers and sellers. In this system, the seller is assured of receiving the payment after sales and a buyer is guaranteed to get the commodities purchased in the prescribed commodity contract specifications.

181. In view of the above, the Government in collaboration with the private sector established the Tanzania Mercantile Exchange Company (TMX) which was registered in 2014 under the Companies Act, 2002. In addition, TMX was licensed by CMSA in December, 2016 under the Tanzania Mercantile Exchange Act, 2015 and its Regulations of 2016. Establishment of the commodity exchange, extension and strengthening of the Warehouse Receipt System are among the steps taken to implement the Second National Five-Year Development Plan (2016/17-2020/21) and the Agricultural Sector Development Plan (ASDP-2) to address market challenges facing farmers in the country.

182. As of March 2018, TMX had three shareholders who invested a total of shillings 4.5 billion to facilitate operation of the exchange. Out of that, the Government through the Office of Treasury Registrar invested shillings 3.0 billion; PSPF Pension Fund invested shillings 1.0 billion; and TIB Development Bank invested shillings 500 million. Similarly, TMX shareholders appointed Board of Directors comprising of eight members from the Government and public institutions. The Board has replaced the interim Board that has been operating since the Company was registered in 2014.

Operating the Mercantile Exchange

183. TMX is expecting to start spot trading of commodity contracts to enable farmers to access reasonable prices based on fair competition, transparency and cost-effectiveness. To protect farmers and factory owners against price

fluctuations which negatively affects income and production costs, the TMX expects to have commodity contracts whereby price and quantity are agreed on earlier time and delivery and payments are done later in the agreed future date. These contracts will create assurance to farmers on price and earnings and to processors and hedge themselves against price risks. In addition, TMX aims at facilitating the sale of various products and provide its services in a reliable, fair, secure and transparent manner and at affordable cost in order to benefit all stakeholders in the agriculture sector and natural resources such as minerals. Efforts are being taken to facilitate the system to trade in sesame, cotton, sunflower, maize, peas, and rice. Improvement of mercantile exchange will increase opportunities in the commodity market and related sectors such as agro-processing industries, transport sector, warehouse services, banks and insurance.

Electronic Mercantile Exchange System

184. The mercantile exchange will begin with the public open outcry system while the electronic sales system is being developed. The electronic system will enable key stakeholders to understand market status. In addition, the concept note of electronic sales system and warehouse receipt has been prepared and submitted to the Central Bank which coordinates the procurement process. The system will compose of trade matching engine, clearing and settlement system, the central depository system, and market information dissemination system. Performance of mercantile exchange depends on the efficiency of electronic systems in commodity trade and the release of price and product information to the public during trading.

Warehouse Receipt System

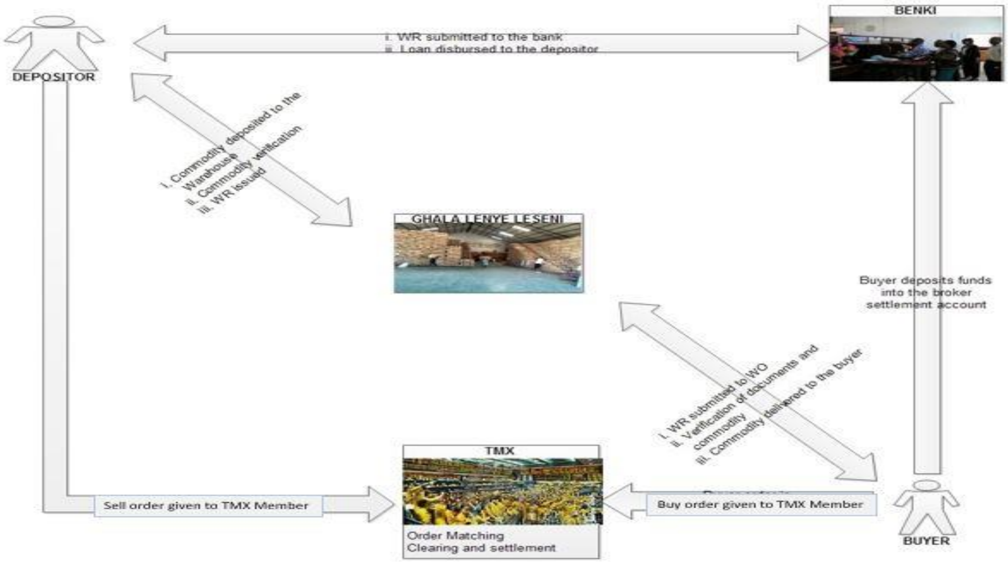
185. The warehouse receipt system is a trading system used in the country in which all commodities are stored in a special licensed warehouse and the owner of the commodity is issued with a receipt to confirm the legal ownership of the goods. The receipt issued may be used as collateral to enable farmers to access loans from financial institutions. The warehouse receipts assure banks on loan recovery once the commodities are being sold. This system is also implemented in other countries including Ethiopia, United Kingdom, South Africa and Rwanda. Through this system, small and medium scale farmers in groups or cooperatives get market power to participate in a competitive market that would otherwise be difficult to access due to insufficient capital. In addition, this system prevents crop losses due to poor storage, while waiting for desirable price.

186. The warehouse receipt is a system used under the Warehouse Receipt system Act No. 10 of 2005, which was amended through Act No. 3 of 2015

(Chapter 339) and its Regulations of 2006. This system is administered by the Warehouse Receipt Regulatory operating under the Ministry of Industries, Trade and Investment. In addition, this system is currently being used in Tanzania for trading coffee, cotton, cashew nuts, maize and paddy.

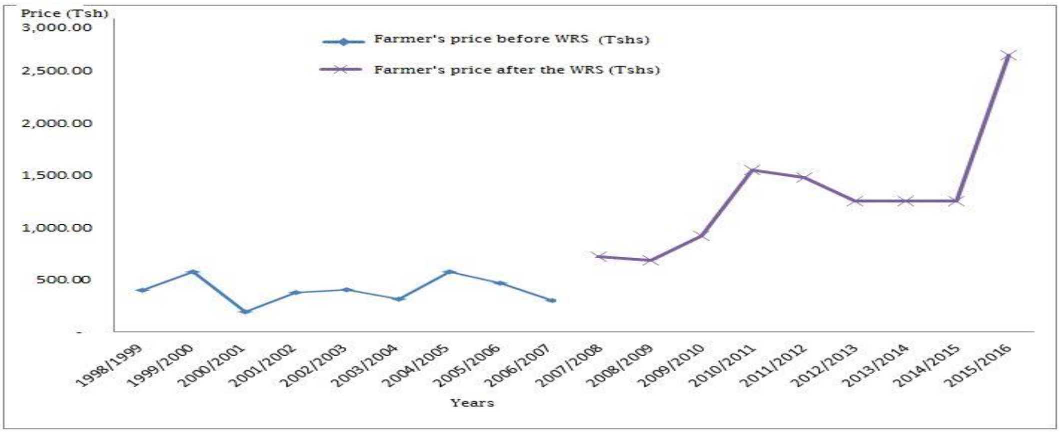
187. The storage of goods in warehouses takes into consideration quality standards parameters, this system enables farmers to put much emphasis on quality from planting to harvest, thus enabling buyers to obtain quality crops in bulk and in turn enabling farmers to access the best price. In addition, the system has become a basis for the establishment of a mercantile exchange in the country.

Figure No. 10.1: Shows how the System Works



188. Since the introduction of the warehouses receipt system, there has been a remarkable success for farmers within the country. For instance, operation of Warehouse Receipts System started with cashew nuts during 2007/08 season in Mtwara region. As of December 2017, majority of the farmers who produce cashew nuts in Mtwara, Lindi and Ruvuma regions were integrated into the system. In addition, this system has increased cashew nuts' price by an average of 17.8 percent per year from 720 shillings per kilogram in 2007/08 to 2,350 shillings per kilogram in 2016/17.

Figure No. 10.2. Cashew nuts Price Trend



Source: Board of Warehouse Receipt System

Mercantile Exchange Agents

189. A total of five (5) agents have been approved by CMSA after meeting Mercantile Exchange membership criteria. TMX continues to encourage participants in the commodity trade to apply for licenses from the CMSA and membership in the mercantile exchange which requires skilled and experienced participants.

Settlement Bank System

190. In 2017, the Board of Directors of Tanzania Mercantile Exchange Company approved CRDB, NMB, Standard Chartered, TIB Corporate and Azania banks to provide payment services to the commodity exchange market. The selection of the banks considered payment guidelines and settlement systems issued by the joint technical committee of the International Capital Markets Association and Bank for International Settlement. The mercantile exchange agents will be required to open two accounts with one of those banks; clients' savings account and intermediary operating account. Client and intermediay's funds will not be kept in a single account, and these accounts will be regularly audited to ensure the security of customers' funds.

Commodity Contract Specification

191. The Ministry of Industry, Trade and Investment (MITI) in collaboration with the Ministry of Agriculture, Tanzania Mercantile Exchange Company, Capital Markets and Securities Authority, Warehouse Receipt System Management Board and Cereals and Other Produce Board of Tanzania prepared and approved commodity contract specification. The commodities whose contract specifications are prepared and approved are sesame, sunflowers, cashew nuts, maize, peas, peanuts, soyabeans, and rice. In addition, the mineral contract specifications such as gold and copper have started to be prepared by MITI in collaboration with relevant institutions. The aim of these contracts is to

ensure availability of comodities in agreed right standards, in line with customer protection due to price fluctuations.

Challenges

192. Mercantile exchange can be established to facilitate effective price discovery through competitive ways based on the needs and supply of goods. In addition, the exchange will increase transparency in commodity trade and reduce cost of transactions. Similarly, it expects to have commodity contracts specifications that will assist farmers and industries to protect themselves from the impact of price fluctuations. Besides these advantages, the mercantile exchange operations face several challenges that should be addressed by stakeholders. These challenges include:

a) Misunderstandings of the Differences and Interdependence between the Warehouse Receipt System and the Mercantile Exchange

193. Some of the stakeholders are not aware of the differences and interdependence between the mercantile exchange and the warehouse receipt system; thus delays the launching of mercantile exchange operations. There are few stakeholders who view the mercantile exchange as substitute of Warehouse Receipt System but in reality the Mercantile Exchange and Warehouse Receipt System complement each other. The Tanzania mercantile exchange will improve the warehouse receipt system as it will solve market problems of stored products by providing competitive price, transparency, efficiency, and cost effectiveness to commodity traders. Mercantile Exchange only starts its operations when crops are harvested and stored in the warehouse and warehouse receipts have been issued. Therefore, the mercantile exchange will not substitute the existing systems such as crop collections through cooperative unions, farmers' associations, and warehouse receipt system. In response to this challenge, the Government continues to sensitize various stakeholders including farmers, cooperatives, traders and Members of Parliament to have a common understanding on how the system operates.

b) Inadequate Collaboration among Stakeholders

194. Despite the benefits expected from the mercantile exchange system, there has been inadequate cooperation among stakeholders, particularly from the Crop Boards. TMX in collaboration with other stakeholders will continue to encourage stakeholders' involvement and support the mercantile exchange system by bringing their commodity to the exchange. In addition, the

Government has initiated the process of reviewing laws relating to mercantile exchange.

Conclusion

195. The efficiency of Mercantile Exchange depends on the cooperation of various stakeholders including top national leaders. This market will play an important role in changing the agricultural system from subsistence to commercial due to the reliability of the market. Given the countrys size and vast arable land, Tanzania stands a great chance of increasing productivity and thus reducing poverty.

PART IV

DEVELOPMENTS IN VARIOUS SECTORS OF THE ECONOMY

CHAPTER 11

AGRICULTURE AND COOPERATIVES

AGRICULTURE

Food Crops Production

196. In 2017, production of major food crops mainly maize, sweet potatoes, legumes and sorghum increased compared to 2016 due to the availability of sufficient rainfall. However, the production of rice, cassava and bananas decreased due to excessive rainfall experienced in rice producing areas and crop diseases which affected cassava and bananas.

Table No. 11.1: Production of Food Crops (Tons' 000)

Crop	2011	2012	2013	2014	2015	2016	2017	Change (%)
Maize	4,341	5,104	5,288	6,734	5,908	6,149	6,681	8.7
Rice	1,461	1,170	1,342	1,681	1,937	2,229	1,594	(28.5)
Wheat	113	109	102	167	72	76	50	(34.2)
Sorghum/Millet	1,119	1,052	1,074	1,246	1,007	1,003	1,064	6.1
Cassava	1,549	1,821	1,878	1,664	1,962	2,205	1,342	(39.1)
Beans/Legumes	1,632	1,827	1,871	1,697	1,808	1,959	2,318	18.3
Bananas	1,048	842	1,317	1,064	1,195	1,061	845	(20.4)
Sweet potatoes	1,710	1,418	1,808	1,761	1,645	1,491	2,008	34.7

Source: Ministry of Agriculture

Cash Crops Production

197. In 2017, production of major cash crops increased by 14.2 percent to 909,287 tons compared to 13.0 percent decrease in 2016. This increase was a result of adherence to agricultural best practices, application of technology and modern equipment, price stability in the international market and favorable climatic conditions. Crops whose production increased includes cashew nuts, tobacco, sugar and pyrethrum. However, in 2017 production of cotton, tea, sisal and coffee decreased due to insufficient rains in the producing on areas and limited application of farm inputs especially improved seeds and fertilizers.

Table No. 11.2: Production of Cash Crops (Tons)

Crop	2011	2012	2013	2014	2015	2016	2017	Change 2016/17
Cotton	225,938	225,938	357,130	246,767	203,312	149,445	121,639	-18.6%
Tobacco	126,624	126,624	86,359	100,000	87,737	60,691	81,976	35.1%
Sugar	260,055	262,880	296,697	294,421	304,007	293,075	326,447	11.4%
Tea	33,000	32,810	33,700	33,000	35,750	32,629	26,975	-17.3%
Pyrethrum	5,700	5,700	6,100	7,090	6,050	2,011	2,150	6.9%
Coffee	33,219	33,219	71,200	47,301	41,674	60,921	48,329	-20.7%
Sisal	33,406	25,690	34,875	37,571	39,204	42,314	36,533	-13.7%
Cashew nuts	160,000	160,000	127,947	123,449	197,933	155,416	265,238	70.7%
Total	877,942	872,861	1,014,008	889,599	915,667	796,502	909,287	14.2%

Source: Ministry of Agriculture

Production of Oil Seeds

198. In 2017, production of oil seeds including sunflower, groundnuts, sesame, palm oil and soya increased to 6,667,893 tons from 6,301,147 tons in 2016, equivalent to an increase of 5.8 percent. The increase was due to availability of reliable markets and increased investment in small and medium edible oil processing industries.

Table No. 11.3: Production of Oil Seeds (Tons)

Crop	2011	2012	2013	2014	2015	2016	2017	Change (%) 2016/17
Sunflower	786,902	1,125,000	2,625,000	2,755,000	2,878,500	2,995,500	3,112,500	3.9
Groundnuts	651,397	810,000	1,425,000	1,635,735	1,835,933	2,025,595	2,215,257	9.3
Sesame	357,162	456,000	1,050,000	1,113,892	1,174,589	1,232,092	1,291,724	4.8
Palm Oil	17000	24880	40500	41000	41475	41925	42,277	0.8
Soya	2500	5620	5830	6025	6030	6035	6,135	1.6
Total	**1,814,961**	**2,421,500**	**5,146,330**	**5,551,652**	**5,936,527**	**6,301,147**	**6,667,893**	**5.8**

Source: Ministry of Agriculture

Horticultural Production

199. In 2017, horticultural crops production including fruits, vegetables, flowers and spices increased by 10.7 percent compared to 5.3 percent in 2016. This was a result of farmers' motivation to increase production due to existence of reliable market, increased processing activities and increased consumption of fruits and vegetables.

Table No. 11.4: Horticultural Output (tons)

Crop	2012	2013	2014	2015	2016	2017	Change (%) 2016/17
Fruits	3,938,730	4,096,280	4,416,690	4,574,240	4,711,000	5,243,343	11.3
Vegetables	901,680	937,750	1,005,305	1,041,375	1,189,000	1,298,388	9.2
Flowers	9,850	10,200	10,790	11,140	11,500	11,615	1.0
Spices	7,370	8,125	8,377	8,609	20,400	22,062	8.1
Total	**4,857,630**	**5,052,355**	**5,441,162**	**5,635,364**	**5,931,900**	**6,563,793**	**10.7**

Source: Ministry of Agriculture

Investment in Agricultural Economic Activities

200. In 2017, a total of 1,604 new tractors, 378 power tillers and 27 combine harvesters were imported compared to 900 tractors and 260 power tillers imported in 2016. Among the imported tractors, 870 were fully assembled and the rest were semi-assembled. The increase in imported tractors was due to high demand of agricultural mechanization and Governments efforts to revamp the tractor assembling plant located at Kibaha in Coast region which started to assemble tractors. In addition, out of the imported tractors, 734 disassembled URSUS were imported from Poland. 420 tractors were assembled at Kibaha as of December 2017.

Price Trend and Crop Marketing

201. The price of pyrethrum increased from a range of shillings 1,500 and shillings 2,700 in 2016 to a range of shillings 2,000 and shillings 3,000 per kilogram in 2017. The price of unprocessed tea leaves increased from shillings 176 per kilogram in 2016 to shillings 285 per kilogram. In Njombe region, Unilever Company offered initial price of shillings 305 per kilogram to small farmers. This was due to increased demand in tea processing industries especially the new tea factories including Unilever, Chai Leo Ltd, Rift Valley Tea Solutions, Tea Plus Investment and TEAZANIA. In addition, indicative price for seed cotton increased from 1,000 shillings per kilogram in 2016 to 1,300 shillings in 2017. The price of cashew nuts per kilogram increased from a range of shillings 1,820 and shillings 2,900 in 2016 to a range of shillings 1,877 and shillings 4,000 in 2017. Further, indicative price for cashew nuts remained at shillings 1,200 per kilogram from the year 2016 to 2017. The crop price stability was a result of the efforts made by respective crop board to protect farmers by ensuring that farmers are paid appropriate prices.

Extension Services

202. In 2017, the Government continued to provide modern agricultural technology to farmers in order to increase production and improve efficiency. A total of 100 farming trainers from Njange, Mbogo, Komtonga Mvumi, Kigugu,

and Msolwa Ujamaa irrigation schemes were trained on enhanced paddy production through a System of Rice Intensification (SRI). The trained farmers extended training to other 454 farmers through Farmer Field Schools. In addition, 70 experts from regional and district council levels were trained through the same approach.

Agricultural Training Institutions

203. In 2017, the Government sponsored 1,956 students compared to 2,000 students in 2016. These students were pursuing certificates and diplomas in the following agricultural training institutes: Ilonga; Mlingano; Mtwara; Tumbi; Ukiriguru; Uyole; HORTI Tengeru; Mubondo; Maruku; KATC Igurusi; KATRIN; Kidatu sugar and Inyala. In addition, private sponsored students admitted in certificate and diploma were 246 compared to 456 students admitted in 2016. In 2017, six agricultural training institutes namely KATC, Mtwara, Ukiriguru, Igurusi, Ilonga and Tumbi through TANRICE II project conducted training on modern paddy farming practices to 4,781 students compared to 4,247 students in 2016.

Research

204. In 2017, the Government in collaboration with 35 agricultural institutes (21 public and 14 private) through research centers discovered and approved 14 new types of improved seeds and improved 29 other type of seeds that were discovered in 2016 which include beans, sweet potatoes, maize, cashew nuts, and irish potatoes. In addition, breeder and pre - basic seeds of various types were produced, whereby breeder seeds produced were 2,600kg of cotton and 60,000 seedlings of irish potatoes. Pre- basic seeds produced were 21,600kg of cotton, 2,008,000 cuttings of cassava, 3,476,750 cuttings of sweet potatoes, 5,150 kg of irish potatoes, 2,940kg of paddy, 11,300kg of maize, 1,560 kg of wheat, 1,900kg of soya, 43,900kg of beans, 1,830 banana suckers and 3,390 avocado seedlings. In addition, 1,228kg of paddy and 172kg finger millet germplasm were collected and stored in research centers.

Agriculture Input Subsidies

205. In 2017, the Government distributed 277,935 tons of fertiliser, equivalent to 57.3 percent of the potential demand of 485,000 tons. The target was not attained due to low purchasing power of the farmers. During the period, a total of 378,900 households benefited from fertilizer subsidy compared to 99,926 households in 2016 following improved supervision in fertilizer distribution. Moreover, the Government through Tanzania Fertilizer Company supplied 32,394 tons of subsidized fertiliser to maize and paddy farmers compared to

99,993 tons in 2016. Out of the subsidized fertilizer supplied in 2017, fertilizer for planting was 14,421 tons and for topdressing was 17,973 tons. In efforts to enhance availability and affordability of fertilizer to farmers, the Government developed Bulky Fertilizer Procurement Regulations of 2017 and implementation guidelines.

206. In 2017, availability of improved seeds was 28,278.2 tons, equivalent to 47.13 percent of the annual requirement of 60,000 tons. While 11,802.4 tons were domestically produced, 16,475.7 tons were imported. In addition, Tanzania Agricultural Seed Agency increased production of improved cereal and legume seeds from 2,804 tons in 2015/16 to 2,884 tons in 2016/17. Further, the Agency produced 20,435 improved fruits seedlings and 12,772,210 cuttings of cassava.

207. In 2017, the Government granted subsidy for 3,731.5 tons of improved maize and paddy seeds to 378,900 households compared with 10,270.8 tons to 999,926 households in 2016. Out of the supplied seeds, 3,407 tons were maize and 333.5 tons were paddy. Further, the Government granted subsidy to Lyamungo, Mbimba, Ugano, Mwayaya, Maruku and Sirari centres, whereby a total of 2,412,805 improved coffee seedlings were produced and distributed in various regions within the country. Furthermore, 7,100,000 improved tea seedlings were planted through Tanzania Small Holder Tea Development Association (TSHTDA) at Igominyi - Njombe. On the other hand, the Government granted pesticides subsidy for cashew nuts and 1,803,586 acre-pack (package for one acre) of pesticides for cotton.

Agricultural Input Trust Fund

208. In 2017, the Government through the Agriculture Input Trust Fund issued loans for purchase of 46 tractors compared to 65 tractors in 2016, equivalent to a decrease of 29.2 percent. In addition, a total of 23 loans for agricultural inputs which include industrial fertiliser, improved seeds, and livestock pesticides inputs were issued in 2017 compared to 28 loans issued in 2016, which is equivalent to a decrease of 17.9 percent. Further, in the efforts to improve irrigation farming and overcoming impact of climatic changes the Fund issued 13 loans for irrigation implements as compared to six loans issued in 2016. Furthermore, two loans for procurement of processing machines were issued compared to one loan issued in 2016.

LIVESTOCK

Livestock Production and Its Products

209. In 2017, the estimated number of cattle was 28.4 million, goats 17.7 million and sheep 5.1 million compared to cattle 25.8 million, goats 17.1 million and sheep 9.2 million of 2016. In addition, local chickens were estimated at 37.4 and pigs at 1.85 million compared to 42.0 million local chickens and 2.67 million pigs in 2016.

210. Meat production declined by 14.0 percent from 648,810 tons in 2016 to 558,164 tons in 2017. Out of that, beef produced was 394,604 tons; chevon and mutton (81,064 tons); chicken (63,597 tons); and pork (18,899 tons) compared to beef (323,775 tons); chevon and mutton (129,292 tons); chicken (104,292 tons); and pork (91,451 tons) in 2016. This was due to decrease in purchasing power and demand for meat in the domestic market. With regard to exports, a total of 3,162.65 tons of meat were exported to Dubai, Iraq and Vietnam. Out of that, chevon exported were 711.82 tons, beef (439.03 tons), mutton (222.74 tons) and donkey meat (1,789.06 tons). Meanwhile, a total of 890.67 tons of meat were imported from Kenya, South Africa and United Kingdom, consisting of 366.34 tons of pork, 512.06 tons of beef and 12.27 tons of mutton.

211. Milk production decreased by 2.3 percent from 2.13 billion litres in 2016 to 2.09 billion litres in 2017. Out of that, high breed cows produced 626.1 million litres and indigenous cows produced 1,461 million litres. The decline was caused by shortage of pastures following drought in most livestock keeping areas. The drought condition eventually affected milk processing industries, causing some to cease production and others to produce below installed capacity.

Table No. 11.5: Production of Livestock Products

Product	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**
Production of Milk in litres '000								

Indigenous cows	997,261	1,135,422	1,297,775	1,339,613	1,381,451	1,381,451	1,423,288	1,460,900
High breed cows	652,596	608,800	597,161	623,865	650,570	677,275	703,979	626,100
Total	**1,649,857**	**1,744,222**	**1,894,936**	**1,963,478**	**2,032,021**	**2,058,726**	**2,127,267**	**2,087,000**
Meat production in kg'000								
Beef	243,943	262,606	289,835	299,581	309,086	319,112	323,775	394,604
Chevon/Mutton	86,634	103,709	111,106	115,652	120,199	124,745	129,292	81,064
Pork	38,180	43,647	47,246	50,814	74,174	54,360	91,451	18,899
Chicken	80,916	93,534	84,524	87,408	95,292	99,540	104,292	63,597
Total	**449,673**	**503,496**	**532,711**	**553,455**	**598,751**	**597,757**	**648,810**	**558,164**
Production of eggs in '000								
Eggs	2,917,875	3,339,566	3,494,584	3,725,200	3,899,569	4,153,800	4,353,182	2,758,000

Source: Ministry of Livestock and Fisheries

212. In 2017, production of eggs decreased to 2,758.0 million from 4,353.2 million in 2016, which is equivalent to a decrease of 36.6 percent. This was caused by the decrease in consumption of eggs and high costs of raising poultry thus compel some of producers to cut down production. In addition, hatching of chicks (layers and broilers) declined from 68.3 million chicks in 2016 to 64.3 million in 2017.

Production and Processing of Animal Feeds

213. A total of 3.9 tons of various improved seeds for animal feeds were produced in 2017 compared to 49.96 tons produced in 2016. In addition, a total of 1,120,246 bales of hay were produced in 2017 compared to 1,140,266 bales in 2016. Out of that, 467,104 bales were produced in Government owned ranches and 653,142 bales were produced in private owned ranches and sold to animal keepers. The decrease in production of hay was due to drought experienced in animal feeds production areas.

214. In 2017, the Government continued to coordinate processing of animal feeds and supervise its quality whereby 35 animal feeds production areas were inspected and registered. Moreover, private sector produced 1,100,000 tons of animal feeds in 2017 compared to 1,903,000 tons produced in 2016. This was a result of decrease in demand following increase in the price of those animal feeds.

Trading of Livestock and its Products

215. In 2017, the number of livestock including 1,618,047 cattle, 1,278,182 goats and 278,595 sheep were sold through local auctions with a value of 2.36 trillion shillings compared to 1,337,095 cattle, 1,056,218 goats and 230,221 sheep worth 1.03 trillion shillings in 2016. In addition, livestock export increased from 2,139 cattle in 2016 to 26,515 cattle and 11,553 goats in 2017.

The increase of the number of livestock sold in the domestic and foreign market was due to improvement in market infrastructure including rehabilitation and installation of weighing bridges in auction areas particularly in secondary and border auction markets.

216. In 2017, cattle hides exported decreased to 1,215,030 from 1,575,139 in 2016 and goats/sheep hides decreased from 1,124,000 in 2016 to 928,115 in 2017. In addition, a total of 6,482 tons of processed hides of cattle, goats and sheep worth shillings 9.45 billion were exported in 2017 compared to 2,592 tons worth shillings 5.10 billion in 2016. Further, a total of 4,835 tons of raw hides of cattle, goats and sheep worth shillings 6.6 million were exported in 2017 compared to 1,758 tons worth shillings 2.4 million exported in 2016.

Table No. 11.6: Sales of Hides in the Domestic and Foreign Markets.

A. Domestic Sales			
Year	**Cattle hides**	**Goats/Sheep hides**	**Value in shilling'000**
2002	1,400,0000	1,050,000	4,500,000
2003	1,400,000	1,260,000	5,500,000
2004	1,600,000	1,850,000	6,500,000
2005	1,600,000	2,250,160	5,500,000

2006	1,660,000	2,350,000	6,800,000
2007	1,980,000	2,720,000	8,700,000
2008	2,500,000	3,400,000	13,500,000
2009	1,650,000	4,240,000	10,900,000
2010	1,500,000	3,050,000	8,500,000
2011	2,500,000	2,600,000	16,100,000
2012	2,800,000	4,050,000	32,988,000
2013	2,900,000	4,300,000	34,673,500
2014	3,100,000	3,350,000	32,000,000
2015	4,050,000	4,640,000	85,165,000
2016	4,620,000	4,220,000	22,962,000
2017	4,100,000	5,6000,000	32,600,000
B. Exports of Hides			
Year	**Cattle hides**	**Goats/Sheep hides**	**Value in shilling'000**
2002	1,200,000	676,700	4,000,000
2003	1,300,000	900,000	4,600,000
2004	1,774,000	1,919,000	5,712,000
2005	1,400,000	1,797,155	4,025,400
2006	1,363,721	2,078,510	7,500,000
2007	1,700,000	1,980,530	16,200,000
2008	2,300,000	2,700,000	21,500,000
2009	982,668	3,469,936	12,800,000
2010	739,315	2,088,582	8,191,803
2011	1,719,506	1,561,000	17,400,000
2012	2,000,000	3,600,000	17,500,000
2013	1,269,060	2,582,525	63,600,000
2014	1,263,472	2,716,436	76,300,000
2015	1,388,139	1,020,000	39,200,000
2016	1,575,139	1,124,000	52,500,000
2017	1,215,030	928,115	42,790,000

Source: Ministry of Livestock and Fisheries

Table No. 11.7: Hides Export Trend 2007 – 2017

Year	Raw hides		Processed Hides		Total Value of Hides in (Million Sh.)	Percentage Value of processed Hides
	Weight in ('000')kg	Value in (Million Sh.)	Weight in ('000') kg	Value in (Million Sh.)		
2007	10,569	8,571	5,566	16,036	24,607	65.2
2008	5,482	5,107	6,749	12,093	17,200	70.3

2009	1,666	1,433	5,026	6,797	8,230	82.6
2010	3,241	2,438	7,217	8,672	11,110	78.1
2011	8,141	6,831	7,904	17,005	23,836	71.3
2012	2,887	3, 445	5,011	17,375	20,820	83.5
2013	2	3	7,061	22,686	22,689	99.9
2014	1,559	2,231	11,186	33,372	35,603	93.7
2015	372	1,185	6,594	20,878	22,063	94.6
2016	1,758	2,397	2,592	5,097	7,494	68.0
2017	4,835	6,592	6,482	9,452	16,044	58.9

Source: Tanzania Revenue Authority

COOPERATIVES

Cooperatives Development

217. In 2017, the Government continued to supervise, regulate and sensitise cooperative sub-sector. During the period, Savings and Credit Cooperatives Societies (SACCOS) issued credits amounting to shillings 1,007 billion to members compared to shillings 900 billion issued in 2016, equivalent to an increase of 11.9 percent. In addition, savings from members increased from shillings 331 billion in 2016 to shillings 561 billion in 2017. Further, members' deposits increased from shillings 47 billion in 2016 to shillings 53 billion in 2017.

218. In 2017, the Government through Warehouse Receipt Regulatory Board, Tanzania Cashew nuts Board and Cooperative Unions supervised 57 auctions and cashew nuts trade undertaken through cooperative unions by using Warehouse Receipt System in Lindi, Mtwara, Coast and Ruvuma regions. In addition, the Government in collaboration with cooperative union stakeholders coordinated and facilitated implementation of national cooperative forums in 23 regions namely: Manyara, Coast, Arusha, Tanga, Njombe, Mbeya, Katavi, Rukwa, Lindi, Mwanza, Kagera, Singida, Tabora, Kigoma, Songwe, Iringa, Shinyanga, Simiyu, Ruvuma, Dar es Salaam, Mara, Geita and Dodoma. These forum enabled formation and reviving of regional cooperative committees that will supervise various cooperative activities in their respective regions. Likewise, the Government through National Health Insurance Fund (NHIF) sensitized 9,188 farmers who are members of cooperative unions in Lindi and Mtwara regions to voluntarily join health insurance through *Ushirika Afya*. On the other hand, a total 345 farmers in the same regions were sensitised to join GEPF Retirement Benefit Fund through *Ushirika Akiba*.

219. In 2017, the Government continued to conduct various researches to identify challenges in the cooperative societies as well as research areas and training needs within the Tanzania Cooperatives Development Commission and

cooperative unions. In the same period, three (3) feasibility studies were conducted in crop cooperative unions of Kilimanjaro, Mtwara and Lindi regions and preparation of one (1) strategic plan for Mafurungu small miners' society. In addition, various researches aimed at strengthening agricultural and marketing cooperative societies were conducted for grapes in Dodoma region and coffee in Kilimanjaro and Lake Zone. Likewise, training was conducted to 46 officials from cooperative unions and collective projects, and from 15 savings and credit cooperatives societies.

DOMESTIC PRODUCTION AND CONSUMPTION OF SUGAR

Table No. 27

Season [1]	Sugar Cane				Sugar		
	Farmers					Consumed [3]	
	Public (000 Ton)	Private (000 Ton)	Total (000 Ton)	Price [2] (Sh./Ton)	Production Ton	Total Ton	Kg. per Person [4]
1990/91	1068	116	1184	2525.90	118560	212585	5.93
1991/92	967	114	1081	3476.85	108480	202478	6.07
1992/93	1098	273	1371	5267.67	121414	204126	6.11
1993/94	1105	362	1467	6200.00	123949	139829	5.38
1994/95	914	370	1284	8600.00	104624	238424	5.38
1995/96	997	372	1369	8900.00	116810	268910	..
1996/97	951	347	1298	9500.00	116100	275700	5.54
1997/98	808	176	984	10500.00	116100	271790	5.70
1998/99	948	320	1268	12500.00	113622	101272	5.87
1999/00	907	341	1248	12500.00	116927	100127	6.70
2000/01	1050	284	1334	14000.00	135534	122534	10.00
2001/02	1134	389	1523	14700.00	164498	142398	10.10
2002/03	1402	411	1813	15000.00	190120	167300	10.42
2003/04	1672	670	2342	16800.00	223839	290711	10.90
2004/05	1594	752	2346	20568.00	229617	328005	10.90
2005/06	1545	956	2501	22383.00	263317	343292	12.00
2006/07	1430	611	2041	29000.00	192095	366708	12.00
2007/08	1967	799	2766	32767.00	265434	382518	13.00
2008/09	2056	693	2749	32770.51	279850	396113	13.40
2009/10	1972	598	2570	42046.00	263461	398070	13.68
2010/11	2357	661	3018	43865.00	304135	410259	12.00
2011/12	2036	680	2716	48833.00	262879	439307	12.00
2012/13	2242	711	2953	52167.00	296698	468000	12.00
2013/14	2198	602	2800	50500.00	294300	434781.5	12.00
2014/15	2466	697	3163	51333.33	304007	511680	12.00
2015/16	2270	569	2839	59706.67	293075	525784	12.00
2016/17	2505	557	3016	60040.00	330843	585794.68	12.00
Change (%)							
2015/16-2016/17	0.10	-0.02	0.06	0.01	0.13	0.11	0.00
Increase (%)							
1990/91-2016/17	1.3	3.8	1.5	22.8	1.8	1.8	1.0

Source: Tanzania Sugar Board

1 Season is between July and June
2 Prices is for sugar cane with 10.5 % of S ucrose
3 Including sugar transported to Zanzibar
4 For Tanzania Mainland
* All sugar cane is produced by farmers/private frims

COTTON PROCUREMENT AND LOCAL SALES

Table No. 28

Season [1]	Seed Cotton					Lint Cotton					
	Quantity Produced (ton)			Average Price (Shs/Kg.)		Quantity (ton)			Local Sales		
									Quantity (ton	Average Price (Shs/ton)	
	AR	BR	Jumla	AR	BR	AR	BR	Jumla	Jumla [2]	AR	BR
1990/91	148124	1017	149141	41.00	14.00	48880	341	49221	300000	300000	240000
1991/92	26841	32	26873	70.00	28.00	90706	11	90717	14301	325000	255000
1992/93	281984	22000	303984	60.00	28.00	85784	..	85784	4405	542916	..
1993/94	125434	0	125434	120.00	..	42695	..	42695	..	..	..
1994/95	125434	0	125434	120.00	..	42695	..	42695	..	..	..
1995/96	221148	0	221148	207.00	..	84782	..	84782	..	..	..
1996/97	251751	74	251825	170.00	..	85162	25	85187	..	..	..
1997/98	202217	0	202217	180.00	..	67780	..	67780	..	..	..
1998/99	105853	0	105853	185.00	..	35480	..	35480	..	..	..
1999/00	100500	0	100500	123.00	..	33686	..	33686	..	..	..
2000/01	123558	0	123558	180.00	..	41415	..	41415	..	..	..
2001/02	148180	0	148180	165.00	..	49668	..	49415	..	..	..
2002/03	187908	781	188689	180.00	50	62983	262	63245	..	..	..
2003/04	139756	213	139969	280.00	100	46843	72	46915	..	..	..
2004/05	341589	0	341589	250.00	0	114496	..	114496	..	..	..
2005/06	376591	0	376591	220.00	0	126228	..	126228	..	..	..
2006/07	130585	0	130585	350.00	0	43770	..	43770	..	..	..
2007/08	200662	0	200662	450.00		70773	-	70773	37488	..	..
2008/09	368697	0	368697	480.00	0	123582	0	123582	66554	..	..
2009/10	267644	0	267644	480.00	0	54851	0	54851	..	..	..
2010/11	163518	0	163518	900.00	0	54809	0	54809	..	..	..
2011/12	225938	0	225938	1000.00	..	75731	..	75731	..	..	..
2012/13	351156	0	351156	660.00	..	117702	..	117702	..	..	..
2013/14	245815	0	245815	700.00	0	82394	0	82394	..	..	..
2014/15	202312	0	202312	750.00	0	67812	0	67812			..
2015/16	149765	0	149765	800.00		50199	0	50199	525,784	12	..
2016/17	121639	0	121639	1000.00		41357	0	41357	585,795	12	..
Change (%) 2015/16-2016/17	-0.19		-0.19	0.25		-0.18		-0.18	0.11	0.00	
Increase (%) 1990/91-2016/17	-0.18		-0.18	23.39		-0.15		-0.16	0.95	-1.00	

Source: Cotton Marketing Board

[1] Season between June na May

[2] Total AR and BR

.. Figures not available

TEA CROP AREA, PRODUCTION AND LOCAL SALES

Table No. 29

Season [1]	Crop Area (hectares)			Quantity of leaf tea produced (ton)						Price to Farmers	Local[2] Sales
				Ownership: Farms			Zones: Farms				
	Estates	Small Scale	Total	Estates	Small Scale	Total	North	South	Total	(Shs/Kg.)	(ton)
1990/91	9699	9177	18876	70442	22434	92876	23531	69345	92876	17.00	3491
1991/92	9699	9177	18876	62994	20229	83223	19296	63927	83223	28.00	2750
1992/93	9699	9197	18896	80896	19934	100830	32218	68412	100630	45.00	3278
1993/94	10029	9197	19226	81159	21231	102390	32148	70242	102390	45.00	11124
1994/95	10149	9197	19346	93608	22641	116249	36825	79424	116249	50.00	..
1995/96	10652	9332	19984	79968	13803	93771	25935	67836	93771	55.00	2350
1996/97	11113	9451	20564	83126	7803	90929	21992	68937	93771	55.00	..
1997/98	11416	9451	20867	113448	7100	120548	30137	90411	120548	55.00	..
1998/99	11416	9451	20867	98800	7000	105800	26450	79350	150800	55.00	..
1999/00	..	..	..	99848	6092	105940	24439	81502	105941	55.00	..
2000/01	10811	10364	21175	109007	9728	118735	29419	89316	118735	65.00	2386
2001/02	10811	10364	21175	97297	13999	111296	22794	88502	111296	80.00	2683
2002/03	11097	9762	20889	100677	31718	132395	28679	103716	132395	85.00	3158
2003/04	11485	10801	22286	95986	31993	127979	26384	101595	127979	86.00	3225
2004/05	11271	11442	22713	94172	39246	133418	20649	112769	133418	86.00	4004
2005/06	11310	10977	22287	91337	31881	123218	29046	94172	123218	93.00	3881
2006/07	11271	11956	23227	109632	49024	158656	39673	118983	158656	100.00	4737
2007/08	11272	11449	22722	97310	51160	148470	33456	115015	148471	111.00	4253
2008/09	11271	11449	22722	100644	41167	141811	31677	110134	141811	118.00	4464
2009/10	11272	11449	22722	106021	44716	150737	33309	117428	150737	124.00	5084
2010/11	11272	11449	22722	95511	47616	143127	112368	30759	143127	152.00	6065
2011/12	11272	11449	22722	88582	52359	140941	27009	113932	140941	200.00	4839
2012/13	11272	11449	22722	113628	54872	168500	30997	137503	168500	206.00	5498
2013/14	11272	11449	22722	101489	47001	148490	27935	120555	148490	225.00	5672
2014/15	11272	11449	22722	100018	52467	152485	23283	129202	152485	176.00	6302
2015/16	11272	11449	22722	96759	44605	141364	25413	115915	141328	230.00	10257
2016/17	11272	11449	22722	173625	94592	268217	41267	224106	265373	258.25	9179
Change (%)											
2015/16-2016/17	0.0	0.0	0.0	0.8	1.1	0.9	0.6	0.9	0.9	0.1	-0.1
Increase (%)											
1990/91-2016/17	0.2	0.2	0.2	1.5	3.2	1.9	0.8	2.2	1.9	14.2	1.6

Source: Tanzania Tea Authority

1 Season is between July na June

2 Manufactured Tea

.. Figures not available

COFFEE PROCUREMENT AND LOCAL SALES

Table No. 30

Season[1]	Coffee Procurement (Ton)				Price (Sh./Kg.)			Local Sales[+]	
	ARABICA		ROBUSTA	TOTAL	ARABICA		ROBUSTA	QUANTITY	VALUE
	Mild	Hard			Mild	Hard	Raw	(Ton)	(shs'000)
1990/91	31304	1416	11403	44123	165.00	66.50	60.50	783	151088
1991/92	37065	1926	8996	47987	230.00	100.00	70.00	1140	2559
1992/93	36901	2128	12217	51246	316.00	123.00	100.00	765	128200
1993/94	26361	2448	7577	36386	923.00	904.00	700.30	..	..
1994/95	27137	1542	7157	35836	1965.00	1481.10	1453.60	..	..
1995/96	35142	2096	9710	46948	1229.30	1301.60	1169.00	..	..
1996/97	32933	1279	9279	43491	..	..	..	..	..
1997/98	19789	1894	9165	30848	..	..	..	..	..
1998/99	23605	2590	13523	39718	1936.00	1064.00	1040.00	..	..
1999/00	18171	3593	1078	32842	1486.60	1894.80	476.47	..	..
2000/01	37176	3805	17007	57988	..	..	..	..	..
2001/02	38000	3500	12000	53500	..	..	..	..	..
2002/03	37294	4766	34368	76428	..	..	..	..	..
2003/04	20716	1850	16138	38704	1800.00	1200.00	600.00	38704	46670
2004/05	23870	888	9133	33891	2593.50	1976.00	1235.00	33891	62566
2005/06	24116	1362	8856	34334	1200.00	420.00	270.00	33300	793042
2006/07	33345	2417	19076	54838	2840.00	1796.00	1616.00	548	129868
2007/08	26330	1588	15606	43524	2995.00	1875.00	1734.00	43523	89099
2008/09	37207	1727	29643	68577	2887.00	2172.00	1836.00	68577	165616
2009/10	22217	915	11467	34599	3988.00	2475.00	1563.00	34599	108741
2010/11	30309	2013	24348	56670	4500.00	1300.00	1200.00	56670	264144
2011/12	20775	941	11590	33306	8144.37	5436.40	3276.93	33306	212293
2012/13	33204	1655	36150	71009	4850.00	3600.00	3200.00	71009	281782
2013/14	28212	1115	18875	48202	4314.00	3272.94	3074.58	48202	183709
2014/15	26335	810	18788	45933	5848.00	4515.00	3848.50	..	..
2015/16	21517	460	17526	39503	3.33	2.73	1.88	39503	105761
2016/17	27023	681	19989	47693	7345.53	5929.53	4292.27	45045	281606
Change (%)									
2015/16-2016/17	0.26	0.48	0.14	0.21	2204.86	2170.99	2282.12	0.14	1.66
Increase (%)									
1990/91-2016/17	-0.1	-0.5	0.8	0.1	43.5	88.2	69.9	56.5	0.9

Source: Coffee Marketing Board

\+ Clean Coffee

1 Season is between between July na June

2 Provisional

.. Figures not available

SISAL PLANTATIONS, PRODUCTION AND LOCAL SALES

Table No. 31

Season[1]	Area (Hectare)			Sisal Production		Local Sales[+]	
	Matured	Unmatured	Total	Quantity (ton)	Producer Price (shs/ton)	Quantity (ton)	Value (Sh. million)
1990/91	49374	36240	85614	36001	89633	10398	932.0
1991/92	49374	36240	85614	24309	89203	17644	1582.2
1992/93	49374	36240	85614	21221	107079	18067	1517.6
1993/94	54485	24608	79093	29002	163540	17694	4031.0
1994/95	52953	25757	78710	24716	216026	18206	2629.0
1995/96	52018	27153	79171	28902	370807	18719	2549.0
1996/97	50459	28507	78966	25022	..	18606	3374.0
1997/98	48745	29997	78742	22180	..	18819	..
1998/99	151869	33997	185866	23229	..	6712	2146.0
1999/00	34645	7942	42587	41084	..	16033	5617.8
2000/01	34645	11473	46118	23542	368077	7569	2786.0
2001/02	34645	11473	46118	23641	337732	4947	1671.0
2002/03	39462	10611	50073	23280	450000	6300	2835.0
2003/04	29493	12204	41697	26758	540000	6370	4027.0
2004/05	45079	14500	59579	27794	617342	8213	5070.0
2005/06	26384	13264	39648	30934	810000	10767	8613.0
2006/07	28273	13608	41882	33327	975000	11010	10152.0
2007/08	28577	15622	44199	34057	1000000	16997	15800.0
2008/09	35751	18023	53774	25996	1000000	11496	10100.0
2009/10	30556	11849	42405	24092	1200000	12761	10375.0
2010/11	31117	12169	43286	25090	1300000	11617	13154.0
2011/12	32601	14302	46902	36600	1500000	11511	14390.0
2012/13	33649	11994	45643	34874	1600000	11466	16823.0
2013/14	35266	11044	46310	37805	1724864	9160	15.8
2014/15	35946	12494	48440	38872	2071446	8972	17513.0
2015/16	34723	13231	48676	41795	2700000	9075	20342.0
2016/17	32447	15863	48310	35533	26000000	9559	21541.0
Change (%)							
2015/16-2016/17	-0.1	0.2	0.0	-0.1	8.6	0.1	0.1
Increase (%)							
1990/91- 2016/17	-0.34	-0.56	-0.44	-0.01	289.07	-0.08	22.11

Source:Tanzania Sisal Authority

+ Types of Sisal are Line fibre, Tow na Flume Tow

1 Season is between July na June

.. Figures not available

TOBACCO PROCUREMENT AND LOCAL SALES

Table No. 32

Season[1]	Procurement (ton)				Price (shs/kg)			Local Sales[+]			
	Flue Cured	Fire Cured	Air Cured	Total	Flue Cured	Fire Cured	Air Cured	Quantity (ton)		Value (shs.mill.)	
								Flue Cured	Fire Cured	Flue Cured	Fire Cured
1990/91	10718	5733	8	16459	117.00	91.00	61.00	3845	531	4319.40	301.30
1991/92	18754	4566	2	23322	264.61	157.65	106.54	5364	172	7457.90	114.40
1992/93	18756	4566	2	23324	313.95	221.28	234.20	5372	209	7463.40	255.00
1993/94	21838	3953	6	25797	343.97	253.00	286.00	3164	285	4540.60	1120.00
1994/95	18269	4362	19	22650	564.58	353.30	373.22	18260	4360	10309.00	1984.00
1995/96	23415	5183	-	28598	561.00	455.00	-	1319	183	1785.00	1331.00
1996/97	27101	8279	-	35380	632.00	551.00	-	2914	86	1236.00	1332.00
1997/98	42041	9054	-	51095	714.00	477.00	-	2647	117	1890.00	1320.00
1998/99	32041	5482	-	37957	530.00	454.00	-	979	69	2077.00	2435.00
1999/00	18232	6202	-	24434	603.00	566.00	-	-	-	-	-
2000/01	18231	6578	-	24809	543.00	556.00	-	2176	3392	5669.00	-
2001/02	25905	1799	-	27704	519.00	428.00	-	1595	348	4996.00	-
2002/03	23074	4798	-	27872	563.00	547.00	-	2325	45	5940.00	-
2003/04	30124	3422	-	43547	725.00	680.00	-	2245	136	6862.00	-
2004/05	41393.96	5983	74	47451	918.11	781.93	729.23	3144	252	6881.00	427.00
2005/06	50494	5228	741	56464	983.00	735.00	635.00	3486	168	9335.00	392.00
2006/07	49576	1038	170	50784	1264.00	881.00	960.00	3685	0	14302.00	0.00
2007/08	52597	2474	286	55357	1144.00	849.00	957.00	4057	231	15392.26	800.87
2008/09	56663	3641	437	60741	2741.47	1658.85	1698.48	5544	0	26167.09	0.00
2009/10	88808	4901	497	94202	2946.00	1691.00	1773.00	2210	148	9699.00	590.00
2010/11	116886	3685	0	120572	1960.00	1540.00	0	1877	0	11815.00	0.00
2011/12	71667	2562	0	74239	2784.60	2369.97	0	3862	0	23890.95	0.00
2012/13	84131	2212	0	86343	3840.00	2720.00	-	63967	505	512764.00	2297.00
2013/14	105001	802	0	105803	3686.00	2182.00	-	43910	1,252	363733.00	5347.00
2014/15	87231	50	0	87281	3822	2331.00	-	3081	0	12280.00	0.00
2015/16	60691	0	0	60691	4633	0.00	-	4790	267	45143.06	1584.55
2016/17	80434	160855	0	241289	2999	3160.50	-	25280	0	50329.95	
Change (%)											
2015/16 - 2016/17	0.33			2.98	-0.35			4.28		0.11	
Increase (%)											
1990/91-2016/17	6.50	27.06		13.66	24.63	33.73		5.57		10.65	

Source: Tobacco Marketing Board

\+ Sales of fire cured and air cured tobacco

1 Season is between April to March

\- Figures not available

PYRETHRUM PROCUREMENT AND LOCAL SALES

Table No. 33

Season [1]	Procurement (ton)				Local Sales: Quantity (ton)			Local Sales: Value (Sh.'000)		
	North	South	Total	Price [2] (Sh./kg)	Crude Extract	Powder	Dry Mack	Crude Extract	Powder	Dry Mack
1990/91	16	1656	1672	120.00	0.8	59.0	253.0	11654.00	26120.00	2315.00
1991/92	43	2425	2468	230.00	0.3	38.0	59.0	18390.00	19040.00	672.00
1992/93	60	2034	2094	230.00	1.0	70.0	-	26500.00	39900.00	-
1993/94	10	450	460	250.00	0.0	40.0	-	17500.00	22800.00	-
1994/95	10	450	480	250.00	0.0	28.4	-	2112.00	16160.00	-
1995/96	6	430	438	300.00	0.0	-	-	-	-	-
1996/97	6	262	262	300.00	0.0	-	-	-	-	-
1997/98	6	430	430	300.00	5.0	-	-	-	-	-
1998/99	-	500	500	320.00	8.0	-	-	-	-	-
1999/00	-	571	571	320.00	-	-	-	-	-	-
2000/01	3	1463	1466	400.00	-	-	-	-	-	-
2001/02	36	1699	1735	420.00	-	-	-	-	-	-
2002/03*	111	979	1090	380.00	2	90	-	106920.00	99891.00	-
2003/04	85	751	842	360.00	-	-	-	-	-	-
2004/05	90	910	1000	360.00	-	-	-	-	-	-
2005/06	-	2800	2800	360.00	-	-	-	-	-	-
2006/07	-	1600	1600	700.00	-	-	-	-	-	-
2007/08	-	1470	1470	1050.00	-	-	-	-	-	-
2008/09	-	1600	1600	1500.00	36.4	105.0	624.0	0.00	0.00	0.00
2009/10	-	1780	1780	1500.00	57.0	69.0	1035.0	37361.00	1473.00	248.00
2010/11	-	1787	1787	1500.00	57.2	69.3	69.3	37503.70	1478.60	246.90
2011/12	0	5700	5700	1700.00	82.0	0.0	750.0	0.00	204.00	360919.00
2012/13	0	6100	6100	2400.00	84.0	0.0	2000.0	0.00	0.00	462000.00
2013/14	34	2692	2726	2000.00	90.0	60.0	830.0	6900000.00	160500.00	233000.00
2014/15	31	2255	2286	2500.00	76.00	30.00	430.00	133.63	116048.05	235612.70
2015/16	25	1987	2012	2100.00	59.90	6.00	480.00	9450000.00	30240.00	282240.00
2016/17	26	2125	2151	2112.00	53.20	162.00	727.00	9363000.00	866052.00	457428.00
Change (%)										
2015/16-2016/17	0.0	0.1	0.1	0.0	-0.1	26.0	0.5	0.0	27.6	0.6
Increase (%)										
90/91-2016/17	0.63	0.28	0.29	16.60	65.50	1.75	1.87	802.42	32.16	196.59

Source: Tanzania Pyrethrum Board

1 Season is between July na June

2 Price is for grade five only

\- Figures not available

* Figures are up to December 30 2002, Season is on-going

CASHEWNUTS PROCUREMENT AND LOCAL SALES

Table No. 34

Season[1]	Procurement (Ton)			Price (shs/Kg.)		Local Sales	
	Upper Grade	Lower Grade	Total	Upper Grade	Lower Grade	Quantity (Kg)	Value (sh.'000)
1990/91	27426	1444	28870	110.00	73.00	161703	887750
1991/92	41238	6037	41238	137.00	89.00	151804	654517
1992/93	39323	6887	39323	160.00	100.00	-	-
1993/94	46603	4789	46603	200.00	185.00	-	-
1994/95	63403	-	63403	330.00	-	-	-
1995/96	81729	-	81729	380.00	-	-	-
1996/97	63033	-	63033	300.00	-	-	-
1997/98	99915	-	99915	330.00	-	-	-
1998/99	106442	-	106442	460.00	-	-	-
1999/00	121207	-	121207	600.00	-	5071	3043
2000/01	122283	-	122283	250.00	-	934	233
2001/02	64886	14394	79280	300.00	180.00	2928	878
2002/03	79300	15700	95000	360.00	290.00	5630	2122
2003/04	65000	15000	80000	462.00	370.00	6061	2521
2004/05	59425	11575	71000	750.00	600.00	7013	4734
2005/06	61976	15470	77446	600.00	480.00	10738	6354
2006/07	82154	8587	90741	600.00	480.00	22299	13001
2007/08	89639	8633	98273	610.00	488.00	98273	59336
2008/09	48633	-	48633	700.00	560.00	48633	34043
2009/10	118825	355	119180	1700.00	1200.00	119180	202429
2010/11	65892	-	65892	1865.00	-	65892	122889
2011/12	121946	-	121946	1572.00	-	84056	123856
2012/13	124723	201	124924	1563.00	850.00	124924	195051
2013/14	174695	-	174695	1440.00	-	174695	317944
2014/15	197638	295000	197933	1600.00	1100.00	197933	316220
2015/16	228237	3627	231864	3100.00	2442.50	231864	781140
2016/17	261404	3833	265238	3297.00	2507.00	265238	871463
Change (%)							
2015/16-2016/17	0.15	0.06	0.14			0.14	0.12
Increase (%)							
1990/91-2016/17	8.53	1.65	8.19	28.97	33.34	0.64	-0.02

Source: Cashew Marketing Board

1 Season is between October to September

- Figures not available

SUMMARY OF MARKETED QUANTITIES AND VALUE OF PRINCIPAL CASH CROPS

Table No. 35 (Ton)

Crop	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	Change % 2015/16 - 2016/17
Sisal	24,092	25,090	36,600	34,874	37,805	38,872	41,795	36,533	-12.6
Coffee	34,599	56,670	33,306	71,009	48,202	45,933	39,503	47,693	20.7
Cotton[1]	267,644	163,518	225,938	351,156	245,815	202,312	149,765	121,639	-18.8
Tobacco	94,202	120,572	74,239	86,343	105,803	87,281	60,691	80,595	32.8
Pyrethrum	1,780	1,787	5,700	6,100	2,726	2,286	2,011	2,115	5.2
Tea[2]	150,737	143,127	140,941	168,500	148,490	152,485	141,328	265,373	87.8
Cashewnuts	119,180	65,892	121,946	124,924	174,695	197,933	231,864	265,238	14.4
Sugar Cane	2,570	3,018	2,716	2,953	2,800	3,163	2,839	3,061	7.8

Source: Respective Marketing Boards

1 Seed Cotton

2 Green leaves

CHAPTER 12
NATURAL RESOURCES AND TOURISM

Forestry and Beekeeping

220. For the past three years, forestry and hunting activities contributed an average of 3.8 percent to GDP. In 2017, earnings from forestry and beekeeping sub-sector were shillings 104.6 billion compared to shillings 95.9 billion in 2016, equivalent to an increase of 9.1 percent. The increased income was mainly from service levy; sales of forestry and bee products; royalties from forestry products; registration of traders in forestry products; and various fines.

221. In 2017, a total of 14,082 tons of honey was harvested compared to 34,000 tons in 2016. Out of that, 240.78 tons worth shillings 1,292.0 million were exported compared to 259.86 tons in 2016. The decrease in honey export was due to low production and increased demand in domestic market for food, medicine and making refreshments. Likewise, 728 tons of wax was produced in 2017 compared to 2300 tons in 2016. Out of the amount produced, 203.85 tons of wax worth shillings 6,879.2 million were exported compared to 251.93 tons in 2016. A larger quantity of honey and wax produced was exported to Belgium, Holland, East African countries, Germany, Japan, United Kingdom, China, Oman, United States of America, United Arab Emirates and Iran.

Table No. 12.1: Honey and Wax Export

Honey			Wax	
Year	**Weight (Tons)**	**Value (Tshs)**	**Weight (Tons)**	**Value (Tshs)**
2010	428.8	1,271,121,001	568.1	3,731,939,869
2011	343.0	2,181,319,119	534.0	3,898,239,826
2012	103.8	262,043,582	277.0	2,582,805,057
2013	83.0	287,368,000	384.0	4,659,954,408
2014	108.2	539,927,831	271.0	3,849,466,035
2015	152.6	983,848,159	220.2	3,238,346,723
2016	259.9	1,222,045,655	251.9	4,549,643,832
2017	240.78	1,292,017,450	203.85	6,879,170,450

Source: Ministry of Natural Resources and Tourism

222. In 2017, a total of 18.5 million seedlings were nurtured compared to 18 million seedlings in 2016. During that period, 5,468,970 seedlings were planted in 4,927 hectares of new farms, 4,142,520 seedlings were planted in 3,732 hectares of harvested areas and 2,957,040 seedlings were planted in 2,664 hectares of areas with seedlings that died after transplant. Likewise, in developing tree farms, the Government opened new farms in Biharamulo and

Mpepo in Nyasa District with 30,000 hectares and 2,017 hectares respectively. The Biharamulo farm will be second largest farm after Sao Hill.

223. In 2017, the Government constructed 144 kilometres of new forest roads and rehabilitated 1,441 kilometres of other forest roads. In addition, a total of 27,468 hectares were patrolled to control illegal harvesting of forestry products on land, water bodies, forest reserves, naturally reserved environment and mangrove areas in seven zones under Tanzania Forest Services Agency. Some of the forest products and equipment that have been seized and confiscated through patrols include: 110,676 sacks of charcoal; 140,266 pieces of timber; 15,786 cubic metres of logs; 4,092 scrap wood; 441 saws; 24,714 poles; and 934 cubic metres of firewood.

Wildlife

224. In 2017, earnings from wildlife subsector were shillings 29,769.7 million compared to shillings 38,515.3 million in 2016, equivalent to a decrease of 22.7 percent. Out of those, earnings in domestic currency were shillings 2,904,631,101.82 and in foreign currency were US Dollar 11,940,029.80 compared to shillings 242,843,673,275 and US Dollar 17,473,260 earned in 2016. In addition, earnings of Tanzania Wildlife Authority (TAWA) were affected due to export ban of elephant and lion trophies from the African continent to European countries who are major clients in wildlife industry.

225. In 2017, the Government continued with its effort to protect wildlife resources against poaching and unsustainable harvesting. During the period under review, a total of 518,809 patrols days were conducted in open and reserved areas compared to 518,809 patrols in 2016. Following those patrols, various Government trophies were impounded including 296 pieces of tusks weighing 929.8 kilogram; 12,776 kilogram of wild animals' meat; two teeth of lion; 644 Armadillos, 10 skins of leopard; one skin of lion, and one skin of giraffe. Likewise 66,682 livestock were confiscated in national parks. Moreover, a total of 5,309 weapons involved in poaching were seized including 9 sub-machine gun (SMG), 14 hunting rifles, 56 shotguns, 212 muskets, 2 pistols, and 5,016 wires for trapping animals. In addition, total of 743 bullets were seized including 18 for SMG, 158 for rifles, 61 for shotgun, 504 for musket, and two SMG magazines.

226. In 2017, a total of 4,041 cases involving 3,889 suspects of various offences including poaching were filed in the court of law. Out of those, 1,030 cases were concluded whereby suspects were found guilty and paid fine worth shillings 1,108.0 million and other suspects were convicted and imprisoned with

a total of 12,192 months. Moreover, 3,011 proceedings were still in progress in various courts.

Tourism

227. In 2017, a total of 1,327,143 tourists visited Tanzania compared to 1,284,279 tourists in 2016, equivalent to an increase of 3.3 percent. In addition, tourism earnings increased to US Dollar 2,199.8 million from US Dollar 2,131.6 million in 2016, equivalent to an increase of 3.2 percent. The increase in the number of tourists was due to: promotion of tourism domestically and internationally; improvement of tourist services particularly hotel and infrastructures; and presence of conducive investment environment for tourism industry.

228. In 2017, a total of 1,028,564 tourists visited the national parks compared to 991,593 tourists in 2016, equivalent to an increase of 3.7 percent. Out of those tourists, 620,428 were foreign and 408,136 local. Further, 640,458 tourists visited Ngorongoro National Park compared to 550,639 tourists in 2016, equivalent to an increase of 16.3 percent.

Table No. 12.2: Number of Tourists Visited Ngorongoro National Park

Month	2014		2015		2016		2017	
	Foreigners	Tanzanians	Foreigners	Tanzanians	Foreigners	Tanzanians	Foreigners	Tanzanians
January	29,019	24,211	28,927	24,211	25,111	25,066	27,265	22,474
February	36,052	23,357	28,437	21,984	25,971	32,692	32,687	24,180
March	19,254	19,197	19,854	19,197	22,918	18,895	20,039	14,503
April	13,314	16,660	10,325	15,211	11,379	17,332	14,318	14,973
May	14,328	16,154	12,261	17,524	13,453	18,287	15,391	14,092
June	24,609	22,195	20,339	20,689	23,829	25,471	36,044	25,250
July	48,329	30,712	38,878	29,510	25,111	25,066	50,527	22,048
August	41,855	28,133	36,165	29,675	25,917	32,692	48,756	21,863
September	29,312	24,434	25,138	26,293	22,981	18,895	31,325	16,178
October	34,037	26,178	25,233	22,344	44,575	14,527	34,551	17,066
November	17,565	19,456	17,220	21,631	18,957	18,424	22,740	15,597
December	24,795	27,534	26,284	30,653	24,592	18,498	57,387	41,204
Total	**332,469**	**278,221**	**289,061**	**278,922**	**284794**	**265845**	**391,030**	**249,428**

Source: Ministry of Natural Resources and Tourism

229. In 2017, the Government facilitated the country’s participation in tourism exhibitions in different countries including: Netherlands (Dutch Expo, Vakantiebeurs, Utrecht); Uganda (Pearl of Africa Tourism Expo); India (Outbound Travel Mart (OTM); Germany (Internationale Tourismus Börse - ITB); Russia (Moscow International Travel and Tourism Exhibition); China (China Outbound Travel and Tourism Market); South Africa (World Travel

Market); Dubai (Arabian Travel Market); South Africa (INDABA); Rwanda (Kwita Izina Conservation and Tourism Exhibition); Canada (International Tourism and Travel Show Montreal); United Kingdom (World Travel Market); and Spain (The Global Meetings and Events Expo). Likewise, domestic tourism promotion was carried out in: Arusha (Karibu Fair); Kilimanjaro (Kill Fair), Tanga (Tanga Exhibition); Dar es salaam (International Trade Fair – Sabasaba; Mara (Serengeti Cultural Festival); Dodoma and Lindi (Agricultural Exhibition - Nanenane), Mwanza (East African Trade Exhibition); Manyara (Hydom Cultural Festival); Mbeya (Tulia Traditional Festival); and Pwani and Bagamoyo (TASUBA Festival).

Archives and Antiquities

230. The antiquities sub-sector contibutes to the GDP through tourism in historical sites, cultural heritage and research in antiquities. In 2017, a total of 64,709 nationals and foreigners visited archives and antiquities compared to 102,879 visitors in 2016, equivalent to a decrease of 37.1 percent. In addition, earnings from visitors of archives and antiquities decreased by 41.7 percent from shillings 177.2 million in 2016 to shillings 125.0 million in 2017. The decrease in earnings was due to the decrease in number of foreigners who visited archives and antiquities sites and removal of Olduvai Gorge from the list of antiquity sites.

Table No. 12.3: Earnings from Tourists Visited Archives and Antiquities (TZS)

Centre	2012	2013	2014	2015	2016	2017
Olduvai George	1,030,960,000	1,016,434,514	990,615,000	549,960,750	-	-
Kaole	36,289,700	26,691,000	40,000,000	39,520,500	51,460,000	19,658,000
Isimila	7,642,800	5,420,500	9,513,500	24,660,500	12,063,000	10,040,000
Mji Mkongwe	14,104,200	16,551,500	13,913,000	11,704,500	32,907,500	27,393,000
Kalenga	4,044,000	3,696,000	5,261,000	20,695,500	2,478,500	2,322,000
Kilwa	17,808,850	15,288,850	15,610,900	3,415,500	22,118,000	11,589,500
Mbozi	1,262,150	811,000	1,361,000	20,761,000	2,877,000	3,354,000
Amboni	20,084,300	14,844,500	26,015,000	3,621,000	22,118,000	22,056,000
Tongoni	1,134,400	4,176,000	898,200	1,545,800	1,656,000	1,284,000
Ujiji	8,664,200	5,770,700	9,411,300	10,008,700	9,056,000	7,828,000
Kwihara	943,500	468,000	495,000	436,000	991,500	1,100,000
Kolo	2,262,500	1,327,000	6,844,500	8,097,000	9,275,000	11,575,000
Caravan Serai	-	7,019,000	7,499,000	9,533,000	10,539,000	6,226,500
Magomeni	-	-	-	-	-	623,000
Total	**1,145,200,600**	**1,118,498,564**	**1,127,437,400**	**703,959,750**	**177,539,500**	**125,049,000**

Source: Ministry of Natural Resources and Turism

Fisheries

231. In 2017, a total of 387,543 tons of fish were harvested compared to 362,452 tons in 2016, equivalent to an increase of 16.6 percent. Out of the harvested quantity, 332,373 tons were from fresh water and 55,170 tons from marine. In addition, 36,063.2 tons of fisheries products and 101,110 ornamental fishes were exported resulting to earnings of shillings 10.4 billion compared to 39,691.46 tons of fisheries products and 65,841 ornamental fishes exported in 2016 and resulted to earnings of shillings 14.3 billion. The decrease in earnings was due to decrease in demand and price in foreign market.

Table No. 12.4: Trend of Harvesting Fisheries Resources

Year	Fresh Water			Sea Water			Total (Sea Water and Fresh Water)		
	Fishermen	Fishing Vessels	Weight (Tons)	Fishermen	Fishing Vessels	Weight (Tons)	Fishermen	Fishing Vessels	Weight (Tons)
2008	133,791	44,838	281,691	36,247	7,489	43,130	170,038	52,327	324,821
2009	135,769	45,234	288,059	36,321	7,664	47,616	172,090	52,898	335,674
2010	127,280	42,337	294,474	36,321	7,664	52,683	163,601	50,001	347,157
2011	141,206	47,635	290,474	36,321	7,664	50,592	177,527	55,299	341,066
2012	147,020	49,721	322,313	36,321	7,664	50,079	182,741	56,985	365,023
2013	147,644	50,120	364,602	36,321	7,664	52,846	183,431	57,385	375,158
2014	147,479	49,627	314,062	36,321	7,664	51,912	183,800	57291	365,974
2015	147,479	49,627	309,922	36,321	7,664	52,723	183,800	57291	362,645
2016	146,068	49,688	308,629	54,511	9,650	53,823	200,579	59,338	362,452
2017	146,068	49,688	332,373	54,511	9,650	55,170	200,579	59,338	387,543

Source: Ministry of Livestock and Fisheries

NUMBER OF VISITORS VISITED NATIONAL MUSEUMS AND EARNINGS COLLECTED

Table No. 36

Kituo	2014			Earnings (Shs.)	2015			Earnings (Shs.	2016	Earnings (Shs.)
	Locals	Foreigners	Total		Locals	Foreigners	Total		Total	
Museums and Culture centre	8593	121752	130345	147516927.00	9385	19790	29175	311721090.00	23130	350808974.29
Village Museum	3339	11061	14400	81805911.00	2982	34976	37958	80640713.00	39951	72220217.79
Arusha Declaration Memorial Centre	343	14033	14376	8967120.00	271	16111	16382	24350750.00	13046	25600800.00
Biodiversity Memorial Centre	1639	6905	8544	42801446.00	1174	2740	3914	53962350.00	25343	58107850.00
Mwalimu Nyerere memorial Centre	125	7980	8105	292684.00	224	10062	10286	5013000.00	9008	8852400.00
Majimaji Memorial War	61	3994	4055	2188548.00	23	1370	1393	5008500.00	9181	6027300.00
TOTAL	**14100**	**165725**	**179825**	**283572636.00**	**14059**	**85049**	**99108**	**480696403.00**	**119659**	**521617542.08**

Source: Ministry of Tourism and Natural Resources, National Museums

EXPORTS OF FORESTRY PRODUCTS 2016/17

Table No. 37

Products	Weight (Tonn)	Volume (Meter)	Value (USD)
Hard Woods		9,452	2,999,333
Teak Trees		717,340	8,236,140
Wood Carvings and Arts	9,486		28,345
Clarinets		252	1,202,131
Wattle Barks	2,423,390		3,744,952
Sandals Oils	75,750		1,456,934
Tree Plants (withies)		100	278,700
Funitures	14,199		22,495
Cinchona Bark	2		15
Handicrafts	9,467		105,801
Arabbica Glue	202,000		181,430
Veneer		2,781	247,200
Cinnamon Floor	10		
Medicine leaves	84,834		1,474
Tree Samples		-	405
Pallets Woods		149	33,253
Baobabs	29,864		40,527
Total			**18,579,135**

Source: Forestry and Beekeeping Department

- Not available

EXPORTS OF GOVERNMENT TROPHIES

Table No. 38

Type of Trophy	Unit	2006	2007	2008	2009	2010	2011	2012*	2013	2014	2015
Birds	Number	6236	15347	15347	18798	25742	68964	-	42909	35630	59635
Reptiles	Number	101467	112630	114171	110056	56988	57221	-	47733	51593	59383
Other Mamals than pri	Number	229	274	296	202	263	379	-	30	-	0
Primates	Number	273	736	738	50	202	61	-	71	75	352
Amphibians	Number	37989	43967	46402	47055	24557	10635	-	25110	14365	8621
Insects	Number	107489	77245	111512	100171	40351	21765	-	34905	23037	28515

Source: Ministry of Tourism and Natural Resources, Wildlife Department

* Exports of birds, live wild animals and tusks was banned in 2012

TRADE IN LIVE WILD ANIMALS AND TOURIST HUNTING

Table No. 38A

Activity	Unit	2010	2011	2012	2013	2014	2015	2016	2017
Tourist Hunting	US $	17610454	23536347	15696990	15917431	9146335	8,603,414	13,091,996	8,318,370
Trade in Live Animals	Sh.	1.1E+08	1.33E+08	26469234	151354375	2.11E+08	308,694,767	42,350	-

Source: Ministry of Tourism and Natural Resources, Wildlife Department

NUMBER OF TOURIST HUNTING

Table No. 38B

Year	Number of Companies	Hunting	
		Foreigners	Tanzanians
2010	47	851	273
2011	42	862	171
2012	44	680	128
2013	60	831	364
2014	69	740	421
2015	59	566	64
2016	59	491	302
2017	48	473	291

Source: Ministry of Tourism and Natural Resources, Wildlife Department

NON TAX REVENUE FROM WILDLIFE SECTOR

Table No. 39

Description		2012	2013	2014	2015	2016	2017
Tourist Hunting	USD	10,768,056	16,255,674	9,146,335	8,603,414	13,091,996	8,318,370
Toursist Photographing	USD	2,854,370	4,566,708	3,811,423	4,121,307	4,314,864	3,621,660
	TZS	32,075,365	27,533,000	280,443,900	68,307,544	422,439,008	2,122,815,201
Trophy Business Licence	USD	-	-	-	14,400	-	-
	TZS	17,719,914	52,000,000	7,762,900	189,593,088	25,854,000	-
Trophy Export Licence	TZS	9,752,456	34,133,596	1,440,750	2,190,843	2,931,000	-
Wildlife Capture Licence	TZS	5,372,060	200,760,325	200,558,929	304,975,314	121,834,808	-
Trophy Management Documents	TZS	3,012,887	9,038,661	1,005,250	1,528,610	1,431,000	-
Other Revenues	TZS	8,939,516	17,879,032	13,271,694	20,181,296	44,610,535	-
Sub-total	**USD**	**13,622,426**	**20,822,382**	**12,957,758**	**12,739,121**	**17,406,860**	**11,940,030**
	TZS	**76,872,198**	**341,344,614**	**504,483,423**	**586,776,695**	**619,100,351**	**2,122,815,201**
Annual Average Exchange Rate fedha (Shs/Dola)		1,572	1,599	1,653	1,985	2,177	2,228.86
Total in TZS	TZS	21,410,469,562	33,287,999,400	21,412,779,360	25,292,171,909	37,896,230,406	26,612,655,266
GRAND TOTAL	**TZS**	**21,487,341,760**	**33,629,344,014**	**21,917,262,783**	**25,878,948,604**	**38,515,330,757**	**28,735,470,467**

Source: Ministry of Tourism and Natural Resources, Wildlife Department

PRODUCTION IN THE FISHERIES SECTOR 2000-2017

Table No. 40

Year	Number of Artisanal Fishermen	Number of Boats			Fish Catch and Revenues					
		Fresh Waters	Sea Waters	Total	Fresh Water		Sea Waters		Total	
					Weight (ton)	Value (Sh.)	Weight (ton)	Value (Sh.)	Weight (ton)	Value (Sh.)
2000	102,329	25,014	5,157	30,171	271,000	45,500,000	49,900	32,180,000	320,900	77,680,000
2001	120,266	25,014	4,927	29,941	283,354	47,108,668	52,935	34,113,717	336,289	81,222,385
2002	124,570	31,849	4,927	36,776	273,856	54,771,300	49,675	33,372,136	323,531	88,143,436
2003	124,570	31,225	4,927	36,152	301,855	141,073,500	49,270	34,489,000	351,125	175,562,500
2004	122,514	32,248	4,927	37,175	312,040	147,743,000	50,470	40,376,000	362,510	188,119,000
2005	133,197	32,248	7,190	39,438	320,566	256,452,800	54,969	82,452,930	375,535	338,905,730
2006	156,544	44,362	7,190	51,552	292,519	248,640,904	48,591	37,077,637	341,109	285,718,540
2007	163,037	44,362	7,489	51,851	284,348	252,525,198	43,499	39,210,207	327,847	291,735,405
2008	170,038	44,838	7,489	52,327	281,691	194,725,416	43,130	40,563,641	324,821	235,289,057
2009	172,090	45,234	7,664	52,898	288,059	351,394,073	47,616	56,633,436	335,675	408,027,509
2010	163,601	42,337	7,664	50,001	294,474	684,844,020	52,683	89,639,934	347,157	774,483,954
2011	177,527	47,635	7,664	55,299	290,474	1,031,883,681	50,592	166,954,953	341,066	1,198,838,634
2012	182,741	49,321	7,664	56,985	314,944	1,129,349,925	50,079	177,781,799	365,023	1,307,131,724
2013	183,431	49,721	7,664	57,385	315,008	1,248,903,393	52,846	195,529,127	367,854	1,444,432,520
2014	183,800	49,627	7,664	57,291	314,062	1,287,248,813	51,912	207,649,600	365,974	1,494,898,413
2015	183,800	365,585	547,370	729,155	309,922	1,270,856,680	52,723	210,892,897	362,645	1,481,749,577
2016	203,529	49,688	9,650	59,338	308,772	1,274,485,404	53,823	211,891,899	362,595	1,486,377,303
2017	203,529	49,688	9,650	59,338	332,373	1,495,678,680	55,170	248,262,840	387,543	1,743,941,520

Source: Ministry of Livestock and Fisheries

EXPORTS OF FISH PRODUCTS IN 2017

Table No. 41

PRODUCT	WEIGHT (TONS)	VALUE FOB (USD)	FOB (TZS)	LOYALITY (TZS.)
Belly flaps	17,000	2,839	6,360,212	2,856,450
Blue crab	594	1,780	3,986,334	333,531
Cowries	2,000	5,994	13,422,000	269,890
Dried Dagaa/L.Nyasa.	361,250	434,921	930,249,962	21,901,400
Dried Dagaa/L.Tang.	100,860	486,631	623,763,848	74,915,713
Dried Dagaa/L.Vict	3,758,059	3,643,409	8,264,895,563	692,955,170
Dried Dagaa/Marine	183,912	219,106	489,537,637	193,650,280
Dried fish Maws	403,734	27,274,133	61,076,392,131	423,717,613
Dried Fish/L.Rukwa	8,539	25,618	57,399,811	475,000
Dried fish/L.Tang	133,899	463,438	1,036,136,297	39,834,733
Dried Fish/L.Vict (Kayabo)	22,536	31,066	67,982,906	15,945,946
Dried Fish/Marine	2,946	8,838	19,823,097	165,000
Dried Furu/L.Vict.	1,005,109	1,955,698	4,442,836,932	73,774,230
Dried Salted Fish/L.Rukwa	47,264	73,499	165,023,739	3,829,550
Dried Shark	722	1,489	3,113,200	368,360
Dried Shrimps/uduviL.Vict.	15,910	1,509	3,340,000	879,000
Farmed prawns	200,888	241,065	506,236,752	33,779,236
Fish Chips	8,000	800	1,797,324	897,000
Fish Frames/L.Vict	2,007,000	345,474	775,850,418	42,507,930
Fish Frames/L.Tang	194,880	123,251	179,895,000	4,358,000
Fish Meal	414,000	16,960	37,926,742	11,135,800
NP fish skin	10,014	2,154	4,828,922	560,800
Fresh fish fillets	6,628,744	43,436,626	97,363,671,470	1,789,851,903
Fresh fish H&G	1,241,550	5,679,042	12,733,520,945	354,360,070
Fresh fish maws	130	2,850	6,391,546	263,000
Fresh Fish/L.Tang.	3,358	10,074	22,310,242	1,060,000
Frozen Crabs	4,180	12,528	28,051,980	2,812,359
Frozen Cuttle Fish	2,475	7,418	16,609,725	1,551,908
Frozen fish Chest	329,348	430,603	963,915,784	56,552,058
Frozen fish fillets	11,048,756	68,070,169	151,719,854,740	3,107,100,630
Frozen Fish Head	1,806,944	977,249	2,191,994,633	111,412,495
Frozen fish maws	339,718	15,131,315	33,914,000,064	629,985,078
Frozen H & G	1,368,621	6,657,472	14,598,979,319	401,941,861
Frozen Octopus	1,102,507	1,328,648	2,820,909,108	526,868,725
Frozen Off Cuts	1,056,388	526,334	1,177,017,176	124,264,433
Frozen Prawns	3,381	9,409	21,097,590	1,763,844
Frozen sand lobster whole	6,442	19,308	40,547,104	6,270,618
Frozen Squids	232,379	281,844	660,975,893	50,809,793
Frozen Tilapia	50,000	149,861	314,708,971	27,942,125
Live Crabs	1,007,230	2,669,877	5,970,210,701	1,106,397,553
Live Lobsters	331,310	676,339	1,449,702,817	323,946,370
Live tropical Fish	262,651	488,454	1,042,420,449	99,748,825
Prawns Head-on 61 and above	60,353	4,526	9,505,598	52,954,176
Smorked fish/L.Nyasa	162,500	363,900	440,252,805	9,720,100
Smorked fish/Mtera Dam	115,150	138,180	309,073,297	6,439,800
Total	**36,063,229**	**182,431,698**	**406,526,520,782**	**10,433,128,356**
Live Fish (No. of Pcs)				
Aquarium fish/L.Nyasa	30,333	90,915	203,564,763	28,553,762
Aquarium fish/L.Tang	70,777	212,135	474,984,447	66,625,445
Sub-total	**101,110**	**303,050**	**678,549,210**	**95,179,207**
GRAND TOTAL		**182,734,748**	**407,205,069,992**	**10,528,307,563**

Source: Ministry of Livestock and Fisheries

SUMMARY OF FISH EXPORT PRODUCTS 2001-2017

Table No. 41A

Year	Weight	Live Fish	Value		Duties
	Kg	Number	Shs.	US $	Shs.
2001	41,640,248	80,577	82,982,764,242	95,435,102	5,244,333,672
2002	32,662,878	28,301	99,294,249,903	105,779,931	5,957,654,995
2003	42,352,738	24,500	132,862,401,374	129,605,815	7,789,955,963
2004	46,011,033	15,784	121,922,686,607	112,761,195	7,190,356,743
2005	57,289,084	21,025	162,619,492,949	141,597,362	9,142,768,084
2006	44,495,623	21,741	170,184,661,003	138,120,145	6,236,615,179
2007	57,795,514	25,502	213,211,258,838	173,272,670	7,589,576,914
2008	51,426,207	33,066	205,054,092,453	174,409,214	6,629,846,700
2009	41,148,261	53,188	207,447,119,888	161,053,646	6,410,191,232
2010	39,771,834	40,552	263,131,442,028	187,427,054	5,876,103,557
2011	37,996,433	61,215	233,714,590,011	152,973,357	6,153,278,023
2012	41,394,268	45,550	254,901,017,111	163,299,366	6,819,926,007
2013	38,573,606	44,260	234,884,628,956	147,659,779	6,117,769,194
2014	43,354,399	42,100	1,406,120,001,304	832,085,311	7,490,632,355
2015	41,059,452	87,630	547,228,222,096	259,286,762	13,097,411,199
2016	39,691,462	65,841	526,985,019,569	257,257,100	14,302,761,907
2017	36,063,229	101,110	407,205,069,992	182,734,748	10,528,307,563
JUMLA	**907,684,234**	**791,942**	**5,487,189,438,226**	**3,756,554,611**	**145,652,354,038**

Source: Fisheries Department

TRENDS IN NILE PERCH EXPORTS - 2001 - 2017

Table No. 41B

Year	Weght	Value		Duties
	Kg	Shs.	US $	Shs.
2001	39,038,599.7	74,928,607,542.3	86,178,585.7	4,685,276,229.2
2002	29,479,322.7	83,005,557,292.2	88,231,655.1	4,980,333,437.5
2003	37,286,859.2	114,779,736,803.6	112,049,948.5	6,707,948,378.0
2004	30,312,898.3	82,356,866,789.0	76,261,406.4	5,171,324,343.0
2005	53,675,473.7	148,785,948,008.6	129,184,492.6	8,419,301,970.4
2006	39,472,977.7	156,160,190,326.6	126,829,665.7	5,491,786,878.8
2007	50,078,575.6	195,242,463,549.7	158,442,058.5	6,660,034,977.0
2008	38,721,422.2	180,366,779,818.2	153,740,723.3	5,412,912,979.2
2009	28,721,577.0	168,368,910,379.9	130,644,300.1	4,628,409,654.5
2010	27,229,470.7	194,012,069,313.9	139,666,995.1	4,509,670,993.8
2011	25,426,157.2	197,899,741,508.3	127,601,694.3	4,299,987,312.2
2012	28,951,094.7	220,149,518,645.6	141,189,161.6	4,967,311,025.1
2013	33,732,842.7	197,578,220,798.6	124,551,584.5	5,085,642,905.5
2014	24,473,491.8	1,131,575,531,076.1	665,856,773.0	4,569,314,169.6
2015	23,000,579.3	528,534,413,018.9	250,279,107.2	11,251,591,352.1
2016	26,044,655.6	345,417,803,263.4	177,338,054.4	6,964,514,349.1
2017	26,679,946.5	376,572,501,425.1	168,554,018.9	7,057,407,120.5
TOTAL	**696,673,517.5**	**4,565,412,920,436.9**	**3,127,323,080.6**	**111,073,431,277.8**

Source: Fisheries Department

NUMBER OF VISITORS, HOTEL BED-NIGHTS AND FOREIGN EXCHANGE EARNINGS

Table No. 42

Description	Unit	2009	2010	2011	2012	2013	2014	2015	2016	2017
Number of visitors	Number	714,367	782,699	867,994	1,077,058	1,095,884	1,140,156	1,137,182	1,284,279	1,327,143
Visitors bednights	Number	665,000	719,097	753,818	974,448	1,021,766	1,005,058	1,033,555	1,155,851	1,163,752
Revenue	US $ Milion	1,160	1,255	1,325	1,713	1,853	1,983	1,902	2,073	2,200
Average bed nights	Days	11	11	10	10	10	10	10	10	9
Average expenditure per tourist per day (US $)	*Package Tour*	231	328	355	384	372	378	305	351	410
	Non Package Tour	194	236	247	230	201	210	141	145	136

Source: Ministry of Tourism and Natural Resources, Tourist Department

NUMBER OF TOURISTS AND FOREIGN EXCHANGE EARNINGS

Table No. 43

Year	Number of Tourists	Annual Change (%)	Foreign Exchange Earnings (US $) Million	Annual Change (%)
2000	501,668	-20.1	739	0.8
2001	525,122	4.7	725	-1.9
2002	575,000	9.5	730	0.7
2003	576,000	0.2	731	0.1
2004	582,000	1.0	746	2.1
2005	612,754	5.3	823	10.3
2006	644,124	5.1	950	15.4
2007	719,031	11.6	1,198	26.1
2008	770,376	7.1	1,289	7.6
2009	714,367	-7.3	1,160	-10.0
2010	782,699	9.6	1,255	8.2
2011	867,994	10.9	1,325	5.6
2012	1,077,058	24.1	1,713	29.3
2013	1,095,884	1.7	1,853	8.2
2014	1,140,156	4.0	1,983	7.0
2015	1,137,182	-0.3	1,902	-4.1
2016	1,284,279	12.9	2,073	9.0
2017	1,327,143	3.3	2,200	6.1

Source: Ministry of Tourism, Natural Resources and Tourism

NUMBER OF TOURISTS VISITED NGORONGORO CONSERVATION AREA

Table No. 44

Year	Foreigners	Tanzanians	Total Tourists
2009	234,767	203,412	438,179
2010	281,513	242,133	523,646
2011	281,513	307,086	588,599
2012	310,537	254,730	565,267
2013	350,970	296,763	647,733
2014	332,469	278,221	610,690
2015	289,061	278,922	567,983
2016	284,794	265,845	550,639
2017	620,428	408,136	1,028,564

Source: Ministry of Tourism and Natural Resources, Ngorongoro Conservation Area

NUMBER OF TOURISTS VISITED TOURISTS ATTRACTIONS

Table No. 45

	2013		2014		2015		2016		2017	
National Park	**Foreigners**	**Tanzanians**	**Foreigners**	**Tanzanians**	**Foreigners**	**Tanzanians**	**Foreigners**	**Tanzanians**	**Foreigners**	**Tanzanians**
ARUSHA	30,706	41,224	31,375	36,840	24,708	31,089	26,714	33,463	30,185	33,885
GOMBE	996	775	1,120	740	723	895	956	958	1,002	968
KATAVI	1,703	2,572	1,928	2,541	1,200	2,445	1,159	3,066	1,190	1,910
KILIMANJARO	50,319	2,935	52,447	2,784	41,038	3,328	43,893	3,508	47,772	2,731
KITULO	99	334	149	493	70	592	95	311	94	432
LAKE MANYARA	123,502	64,271	116,511	64,249	92,341	62,287	103,830	57,855	118,501	56,082
MAHALE	1,056	38	844	111	896	171	690	166	983	151
MIKUMI	15,750	30,138	20,869	32,732	17,117	35,311	22,923	38,003	19,274	34,413
MKOMAZI	550	1,256	695	1,115	563	1,905	573	1,482	594	1,700
RUAHA	12,616	9,150	13,490	6,718	11,558	7,403	11,233	12,958	11,217	12,161
RUBONDO	450	458	549	560	447	501	433	739	558	427
SAADANI	3,378	11,331	4,042	14,527	3,143	19,854	3,548	18,722	2,530	18,603
SERENGETI	179,282	273,203	476	10,161	413	13,132	201,728	174,047	474	152,216
TARANGIRE	107,567	58,382	187,498	215,069	167,988	204,998	130,085	78,573	231,756	77,101
UDZUNGWA	3,147	3,984	122,019	52,847	116,590	58,585	2,759	5,557	151,681	5,268
SAANANE	163	4,987	3,903	5,616	2,604	6,310	464	11,102	2,617	10,088
Total	**531,284**	**505,038**	**557,915**	**447,103**	**481,399**	**448,806**	**551,083**	**440,510**	**620,428**	**408,136**

Source: Ministry of Tourism and Natural Resources - Tanzania National Parks

CHAPTER 13

MINING

Introduction

232. Mining is among the sectors with high economic growth although its share to GDP is minimal. In order to increase sector's contribution to GDP and benefit the general public, the Government amended the Natural Wealth and Resources (Permanent Sovereignty) Act, 2017 including amendment of mining related provisions. These amendments among other things aimed at ensuring that natural resources are protected for the benefits of the current and future generations as well as ensuring the Government gets the right share of revenues from those resources.

Mineral Prospecting

233. In 2017, a total of 1,943 mineral prospecting and mining licenses were issued compared to 5,419 licenses in 2016. Out of those, 169 licenses were for mineral prospecting; 6 licenses for medium scale mining and 1,768 licenses for small scale mining. The decrease in the number of licenses issued was due to several amendments made to the Mining Act of 2010 as well as transfer of authority to issue licenses from the Comissioner for Minerals to the Mining Commission. In addition, during that period, a total of 71,663 license applications were received, out of which, 70,768 applications were for small scale mining; 861 applications for mineral prospecting; 32 application for medium scale mining; and two applications were for large scale mining.

Small Scale Mining

234. In 2017, the Government continued with efforts to develop small-scale mining in order to increase productivity and contribute significantly to GDP. During that period, the Government earmarked two (2) areas in Maswa district (Bushasi and Zabazaba) with a total of 28.6 square kilometres for small-scale mining. This makes a cumulative total of 2,691.1 square kilometres of land allocated for small-scale mining.

Mineral Sales

235. The value of mineral exports was US Dollar 1,810.70 million in 2017 compared to US Dollar 2,110.88 million in 2016, equivalent to a decrease of 14.2 percent. This was a result of a decrease in the quantity of minerals produced and exported following the amendment of the Mining Act of 2010 as amended in 2017, which prohibited export of raw minerals with the aim of

increasing mineral value addition and protecting the national interest for the benefit of the general public.

Diamond

236. Diamond production increased by 28.1 percent to 304,456.0 carats in 2017 from 237,685.36 carats produced in 2016. This was a result of increase in diamond production at Williamson Diamonds Limited mines. In addition, the value of diamond exports decreased by 20.7 percent to US Dollar 67.51 million in 2017 from US Dollar 85.09 million in 2016. This was due to a decrease in the quality of diamond produced as well as decline in the average price of diamond in the world market.

Gold

237. In 2017, gold production was 41,151.79 kilograms compared to 45,155.41 kilograms produced in 2016, equivalent to a decrease of 8.9 percent. This was due to decrease in gold production in Buzwagi mine and shutting down of Bulyanhulu mine. In addition, value of gold exports decreased by 10.3 percent to US Dollar 1.636.57 million from US Dollar 1,824.81 million in 2016 as a result of the decrease in exports of raw gold. During that period, the average gold price in the world market was US Dollar 1,257.12 per ounce compared to US Dollar 1,250.74 per ounce in 2016, equivalent to 0.5 percent increase.

Gemstone

238. In 2017, production of gemstone was 1,185,696.54 kilograms compared to 2,554,932.41 kilograms in 2016, equivalent to a decrease of 53.6 percent. In addition, the value of gemstone exports decreased by 11.4 percent to US Dollar 53.6 million in 2017 from US Dollar 60.5 million in 2016. During that period, the Government conducted the third international auction of raw Tanzanite whereby, 60 companies from seven countries registered and participated. Those countries were Tanzania, Sri Lanka, Hong Kong, India, Thailand, China and United States of America. A total of 47,201.00 grams of raw Tanzanite worth US Dollar 820,744.00 equivalent to shillings 1,839,476,075.13 were sold at the auction. Basing on the sales, the Government was expecting to earn a royalty and inspection fee worth US Dollar 57,452.08, equivalent to shillings 128,673,325.26. In addition, Simanjiro District Council was expecting to earn service levy amounting to shillings 5,518,428.23. Similarly, the Government is finalizing rules and regulations to manage mineral auctions in order to increase revenue, efficiency and productivity in the subsequent auctions.

Coal

239. In 2017, there was a significant increase in coal production due to various reasons including: improved production of coal at TANCOAL and Magamba

mines; commencement of coal production at Edenville International (T) Ltd mine and Kabulo mine which is owned by STAMICO; and increased number of coal buyers following government ban on importation of coal. Coal production increased by 102.4 percent to 558,553.14 tons in 2017 from 276,030 tons in 2016. In addition, value of coal exports increased by 92.1 percent to US Dollar 22.25 million in 2017 from US Dollar 11.58 million in 2016.

Other Minerals

240. Kaolin production increased to 13,815.62 tons in 2017 from 656.31 tons in 2016. The increase was due to commencement of kaolin extraction in Kisarawe district, where Kaolin is used in the new tiles industries in Kibaha and Mkuranga. In addition, value of kaolin exports increased by 105.2 percent to US Dollar 62,380.38 in 2017 from US Dollar 30,400.89 in 2016. Gypsum production was 123,644.69 tons in 2017 compared to 213,743.57 tons in 2016. The value of gypsum exports was US Dollar 3.19 million in 2017 compared to US Dollar 6.28 million in 2016.

241. In 2017, salt production was 100,017.07 tons compared to 145,718 tons in 2016, equivalent to a decrease of 31.4 percent. The value of salt exports was US Dollar 3.80 million compared to $ US Dollar 4.8 million in 2016, equivalent to 20.8 percent decrease. The production of tin was 91.42 tons in 2017 compared to 138.22 tons in 2016. The value of tin exports was US Dollar 1.04 million in 2017 compared to US Dollar 1.5 million in 2016. In addition, limestone production was 3,300,898.66 tons in 2017 compared to 4,170,056.87 tons in 2016, equivalent to a decrease of 20.8 percent. The value of limestone exports increased by 21.6 percent to US Dollar 27.61 million in 2017 from US Dollar 22.71 million in 2016.

Mineral Value Addition

242. In 2017, the Government amended the Minerals Act of 2010 to encourage investment in mineral value addition. During that period, 103 gemstone dealers were registered and invested 357 gemstones machines for cutting, sculpturing and polishing. In addition, Tanzania Gemmological Centre in Arusha continued to conduct gemstone sculpture trainings whereby, 18 students were admitted for short courses in 2017 and thus making a cumulative number of 83 graduates since the inception in 2014.

MINERAL PRODUCTION

Table No. 46

TYPE OF MINERAL	Unit	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Diamond	Carat	237,676	181,874	80,498	28,378	127,174	179,633	252,875	216,491	237,685	304,456
Gold	Kg	36,434	39,112	39,448	37,085	39,012	42,534	40,481	43,293	45,155	43,490
Gemstones	Kg	1,858,287	1,068,481	2,646,109	1,241,581	1,237,625	1,692,436	3,083,765	1,872,915	2,554,932	1,186,237
Salt	Ton	25,897	27,393	34,455	32,297	34,016	36,032	54,757	92,158	145,718	100,017
Phosphate	Ton	28,684	752	17,180	848,512	570,626	397,020	738,000	222,800	23,658	1,351
Limestone	000 Ton	1,282	1,284	1,437	202	1,224	35,529	873	2,945	4,170	3,301
Tin Ore	Ton	-	-	3	-	-	2	79	179	138	91
Gypsum	Ton	55,730	8,105	26,918	9,288	91,610	171,567	200,179	239,302	213,744	123,645
Coal	Ton	15,242	1	179	80,710	78,672	84,772	246,128	257,321	276,030	563,053
Pozolana	Ton	260,403	61,501	60,320	113,489	75,193	79,452	68,925	342,628	230,045	79,085
Kaolin	Ton	13,926	18,624	58	178	1,422	907	3,809	1,953	656	13,816
Silver	Kg	10,388	8,231	12,470	10,399	11,227	12,159	14,493	15,569	17,984	10,911
Copper	Pound	6,288,503	4,451,697	11,741,898	7,531,164	12,426,025	12,749,548	14,027,008	14,252,341	15,762,430	2,933,941
Bauxite	Ton	20,601	122,920	39,326,000	29,520,000	28,433,930	39,977,300	25,641,201	204,956	72,779	12,090

Source: Ministry of Minerals

- Figures not available

Carat = 0.205 gm

MINERAL EXPORTS 2013 - 2017

Table No. 47

Type of Mineral	Unit	Quantity Sold					Value ('000 US $)				
		2013	2014	2015	2016	2017	2013	2014	2015	2016	2017
Diamond (Rough)	'000 Carats	179,633	252,875	216,491	239,305	304,456	46,013	82,053	56,003	85,090	67,510
Diamond (Cut)	'000 Carats	-	-	-	-	-	-	-	-	-	-
Diamond (Contract goods)	'000 Carats	-	-	-	-	-	-	-	-	-	-
Gold	'000 Grams	42,534	40,481	43,358	45,155	43,490	1,735,708	1,640,072	1,609,392	1,824,815	1,636,575
Gemstones	'000 Grams	1,086,532	3,083,765	1,872,915	2,944,107	1,185,697	62,453	49,146	46,067	60,483	53,596
Salt	Ton	33,210	54,757	92,158	145,718	100,017	3,785	5,275	5,071	4,806	3,803
Phosphate	Ton	397,020	738,000	222,800	23,658	1,351	225	140	126	721	585
Tin Ore	Ton	-	79	179	138	91	-	907	959	1,499	1,037
Gypsum	Ton	-	200,179	235,920	213,744	123,645	231	2,518	4,445	6,279	3,187
Graphite	Ton	-	25	30	1,180	128	-	3	5	2,132	18
Silver	000Grams	11,013	14,493	15,569	17,984	10,911	17,214	10,283	7,626	9,901	5,850
Copper	0001b	12,654,045	14,027,008	14,252	16,247	2,934	42,134	43,675	35,658	35,421	7,741
Industrial mineral	Ton	-	98	151,297	4,769,577	708,047	-	9	3,254	78,491	29,896
Bauxite	Ton	39,977,300	25,641,201	204,956	74,660	12,090	35,827	20,014	325	1,242	898
Total ('000 US $)							**1,943,590**	**1,854,095**	**1,768,930**	**2,110,877**	**1,810,697**

Source: Ministry of Minerals, Minerals Department

- Figures not available

CHAPTER 14

INDUSTRIES AND TRADE

Small Scale Industries and Businesses

243. In the process of developing small scale industries and businesses, the National Entrepreneurship Development Fund (NEDF) trained 54,894 entrepreneurs in 2017 compared to 39,319 entrepreneurs trained in 2016. The trainings focused on good farming practices, making modern bee hives, cloth designing and tailoring, food processing, manufacturing of tools and various machines, use of improved seeds, edible oil processing and production of various products. The increase in participation was an indication of entrepreneurship awareness in exploiting emerging economic opportunities aimed at increasing income and economic development. In addition, the Fund issued loans worth shillings 61,374.2 million to 87,315 entrepreneurs compared to shillings 49,073.8 million issued to 66,253 entrepreneurs in 2016. The loans created 178,438 employment opportunities compared to 133,506 employment opportunities created in 2016.

244. In 2017, the Government through TanTrade trained 410 producers and business persons in Kigoma, Kagera, Shinyanga, Mwanza, Lindi, Mtwara and Dar es Salaam regions to enable them to be more competitive by focusing on quality in the value chain of sunflower, honey and leather products. The entrepreneurs were trained on best production methods, packaging, quality enhancement and marketing strategies for those products. In addition, the Government through TanTrade mentored 20,036 entrepreneurs to enable them to conduct their business more competitively. The mentorship was on: how to design, establish and operate business through groups; drafting project proposals; products branding; production of company logo; publications of brochures for products promotion; and the importance of participating in exhibitions with a view to promoting their business.

245. In 2017, a total of 1,577 companies dealing with the sales of spices, honey, beans, peas, soya beans, vegetables and fruits, tea, coffee, cashewnuts, sugarcane, sisals, animals feeds, fish keeping and processing, leather products and construction materials were linked to buyers of those products in domestic and foreign markets to ensure increase in exports.

246. In 2017, a total of 312 technologies were invented and 775 small-scale machines were manufactured under the supervision of SIDO through seven technology development centers compared to 252 technologies and 659 small-scale machines manufactured in 2016. In addition, 40 new machines made from new technologies were distributed to small entrepreneurs compared to 33 machines in 2016. This was due to increased demand for new technologies and new machines. Further, the number of entrepreneurs received consultancy services on the use of new machines was 1,592 compared to 1,253 entrepreneurs in 2016. Furthermore, a total of 23,376 entrepreneurs formalized their business compared to 13,249 entrepreneurs in 2016, equivalent to an increase of 76.4 percent. The increase was due to the provision of trainings on the importance of business formalization.

Production in Selected Industries

247. In 2017, production of selected industrial products increased as follows: battery 76.81 percent; wheat flour 21.54 percent; paints 14.39 percent; pesticides from pyrethrum 6.65 percent; wooden layers 6.63 percent; biscuits and noodles 4.81 percent and beer 3.55 percent. The increase in production of these products was due to increased demand for industrial products in the domestic and foreign markets. However, production in some of the industrial products decreased as follows: sisal ropes 49.17 percent; fishing nets 37.10 percent; textile 31.90 percent; chibuku 14.67 percent; iron 11.40 percent; konyagi 11.12 percent; cigarettes 8.39 percent; cement 7.63 percent and iron sheet 7.53 percent.

248. Generally, total production costs in 2017 increased to shillings 6,029,305 million from shillings 5,963,094 million in 2016, equivalent to an increase of 1.1 percent. This resulted from increased labour costs as well as price of imported industrial raw materials.

International Trade Fairs

249. In 2017, the Government through TanTrade organized and conducted the 41st International Trade Fair in Dar es Salaam, whereby a total of 2,520 domestic companies participated compared to 2,500 companies in the 40th exhibitions of 2016, equivalent to an increase of 0.8 percent. Moreover, in 2017, number of foreign companies participated in the 41st exhibitions were 515 compared to 501 companies in 2016, equivalent to an increase of 2.8 percent. Likewise, ministries and various government institutions participated in the exhibitions and provided opportunities to the public to understand and receive services offered by those institutions. In addition, a total of 30 countries participated in the exhibitions, same as it was in the 40th exhibitions of 2016.

Countries participated in the exhibition include: South Africa, Burundi, China, Ghana, India, Indonesia, Iran, Italy, Japan, DRC, Kenya, Lebanon, Malawi, Malaysia, Morocco, Egypt, Mozambique, Namibia, Pakistan, Rwanda, Singapore, Southern Sudan, Syria, Uganda, the United Arab Emirates, the United States, the United Kingdom, Turkey, Germany and Vietnam.

250. In 2017, the Government through TanTrade organized the Second Tanzania Industrial Exhibition, whereby a total of 506 companies participated and advertised their products and businesses. During the exhibition, a total of 150 large and medium scale industries, 333 small scale industries, 21 institutions and two (2) ministries participated. The exhibition motto was *"Tanzania Sasa Tunajenga Viwanda"* (which literally means Tanzania is embarking on industrialization) aimed at creating patriotism for Tanzanians to prefer local products. In addition, in 2017, Tanzania participated in various International Trade Fairs held in: Kigali - Rwanda whereby 18 companies from Tanzania participated; Manzini - Swaziland (11 companies); Uganda (10 entrepreneurs); Nairobi - Kenya (28 entrepreneurs); and Mauritius (five entrepreneurs). The exhibitions aimed at exploring market opportunities for Tanzanian products in respective countries whereas some companies managed to obtain orders to sell their products.

PRODUCTION AND CONSUMPTION OF CEMENT

Table No. 48

Year	Imported	Exports	Production	Ton	
				Consumption	Change, %
2000	7,281	30,497	833,092	809,876	-0.6
2001	56,395	53,517	900,430	903,308	11.5
2002	149,079	37,203	1,026,082	1,137,958	26.0
2003	166,446	34,396	1,186,434	1,318,484	15.9
2004	125,007	37,655	1,280,851	1,368,203	3.8
2005	120,200	40,430	1,375,222	1,454,992	6.3
2006	92,711	98	1,421,460	1,514,073	4.1
2007	101,827	52,170	1,629,890	1,679,547	10.9
2008	356,468	99,688	1,755,862	2,012,642	19.8
2009	516,182	57,569	1,940,845	2,399,458	19.2
2010	566,828	189,321	2,312,055	2,689,562	12.1
2011	768,343	217,944	2,408,765	2,959,164	10.0
2012	1,013,986	145,793	2,557,798	3,425,991	15.8
2013	1,218,453	154,481	2,369,819	3,433,791	0.2
2014	1,428,995	142,001	2,795,687	4,082,681	18.9
2015	1,257,578	126,391	3,273,000	4,404,187	7.9
2016	1,306,732	194,338	4,916,400	6,028,794	36.9
2017	188,067	226,588	4,222,764	4,184,243	-30.6

Source: National Bureau of Statistics

PRODUCTION IN SELECTED INDUSTRIES

Table No. 49

Products	Unit	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	Change (%) 2016/17
Canned beef	000 Ton					-						-
Biscuits & macaroni	Ton	15,435	15,200	7,435	12,053	16,423	17,440	18,225	19,204	15,890	16,654	4.8
Wheat flour	Ton	287,925	368,885	444,242	439,926	442,345	516,778	529,797	533,257	498,940	606,432	21.5
Konyagi	000 Liter	4,049	10,201	11,186	15,432	16,229	20,680	31,963	29,491	28,754	25,555	-11.1
Beer	000 Liter	291,178	284,906	242,689	323,393	338,041	374,238	379,913	386,310	383,251	396,864	3.6
Chibuku	000 Liter	10,235	16,141	21,037	23,474	22,359	19,935	20,301	23,028	26,513	22,624	-14.7
Cigarettes	Million	6,101	5,831	6,181	6,630	7,723	7,710	8,028	7,837	8,091	7,412	-8.4
Textiles	000 M^2	140,531	91,501	103,177	101,820	81,437	97,522	119,458	100,491	76,436	52,052	-31.9
Sisal ropes	Ton	7,783	7,913	6,872	6,976	7,927	7,542	7,871	8,851	9,216	4,685	-49.2
Fish nets	Ton	-	64	247	164	272	297	279	311	312	196	-37.1
Canvas	000 M^2	-	37,152	-	-	-	-	-	-	-	-	
Wood product	M^2	44,547	266	-	30,589	38,871	36,935	38,913	36,317	34,983	37,302	6.6
Pyrethrum products	Ton	73	-	49	53	70	83	136	118	126	134	6.7
Fertilizer	Ton	-	25,762	-	11,200	-	-	-	-	-		
Paints	000 Liter	24,857	-	28,201	31,211	35,025	36,623	38,308	38,372	35,096	40,146	14.4
Petroleum products	000 Ton	-	1,941	-	-	-	-	-	-	-	-	
Cement	000 Ton	1,756	34,793	2,313	2,409	2,558	2,369	2,795	3,135	4,572	4,223	-7.6
Iron	Ton	39,969	34,793	33,384	39,955	46,690	48,500	56,752	62,612	65,686	58,199	-11.4
Iron sheets	Ton	31,743	50,664	71,276	76,912	81,427	85,314	86,825	91,385	91,421	84,541	-7.5
Aluminium	Ton	105	58	59	33	23	37	27	32	14	-	
Radio	000 number	-		-	-	-	-	-	-	-	-	
Batteries	Million	53	78	93	89	68	75	93	87	69	122	76.8

Source: National Bureau of Statistics and Ministry of Industry and Trade

\- No production

INDUSTRIES - ESTIMATED NUMBER OF EMPLOYEES

Table No. 50

ISIC (Rev 3)	Activity	2013	2014	2015	2016	2017	2013	2014	2015	2016	2017	2013	2014	2015	2016	2017
151-4	Food processing	63,863	67,056	70,409	73,929	77,625	21,466	22,540	23,667	24,850	26,092	85,330	89,596	94,076	98,779	103,718
155	Beverages	6,919	7,265	7,629	8,010	8,410	85	89	93	98	103	7,004	7,354	7,722	8,108	8,513
160	Tobacco and cigarettes	5,103	5,358	5,626	5,908	6,203	6	6	7	7	7	5,109	5,365	5,633	5,915	6,210
171-2, 181	Textile manufacturing	27,102	28,457	29,880	31,374	32,942	21,151	22,209	23,319	24,485	25,709	48,253	50,666	53,199	55,859	58,651
191	Leather and leather products	1,410	1,480	1,554	1,632	1,713	316	332	348	366	384	1,726	1,812	1,902	1,998	2,097
201-202	Timber and timber products	7,209	7,570	7,948	8,346	8,763	2,209	2,319	2,435	2,557	2,685	9,418	9,889	10,383	10,903	11,448
210-221-222	Manufacture of paper product, printing	5,391	5,661	5,944	6,241	6,553	201	211	222	233	244	5,592	5,872	6,165	6,473	6,797
241-2	Manufacture of chemicals	7,209	7,569	7,948	8,345	8,762	227	238	250	263	276	7,436	7,808	8,198	8,608	9,038
251	Bidhaa za mpira na Plastiki	4,286	4,500	4,725	4,961	5,209	57	59	62	65	69	4,342	4,559	4,787	5,027	5,278
261-9	Manufacture of non-metallic products	8,093	8,497	8,922	9,368	9,837	1,292	1,357	1,424	1,496	1,570	9,385	9,854	10,347	10,864	11,407
271-369	Others	30,303	31,818	33,409	35,079	36,833	17,201	18,061	18,964	19,912	20,908	47,503	49,879	52,373	54,992	57,741
	Total	**166,889**	**175,233**	**183,994**	**193,193**	**202,852**	**64,210**	**67,421**	**70,792**	**74,331**	**78,047**	**231,098**	**242,654**	**254,786**	**267,524**	**280,899**

Source: National Bureau of Statistics

* Output estimated based on the Census of Industrial Production, 2013

Industries covered engage ten or more employee (10+)

INDUSTRIES - ESTIMATED LABOUR COSTS

Table No. 51 (TZS.million)

ISIC (Rev 3)	Activity	Salaries					Other Payment					Total				
		2013	2014	2015	2016	2017	2013	2014	2015	2016	2017	2013	2014	2015	2016	2017
151-4	Food processing	165,024	166,675	168,341	170,025	171,725	48,796	49,284	49,777	50,275	50,778	213,821	215,959	218,119	220,300	222,503
155	Beverages	101,137	102,148	103,169	104,201	105,243	69,423	70,117	70,818	71,526	72,241	170,559	172,265	173,987	175,727	177,484
160	Tobacco and cigarettes	45,051	45,501	45,956	46,416	46,880	20,349	20,553	20,758	20,966	21,176	65,400	66,054	66,715	67,382	68,056
171-2, 181	Textile manufacturing	50,198	50,700	51,207	51,719	52,236	42,794	43,222	43,654	44,090	44,531	92,992	93,922	94,861	95,810	96,768
191	Leather and leather products	2,852	2,881	2,910	2,939	2,968	466	470	475	480	485	3,318	3,351	3,385	3,419	3,453
201- 202	Timber and timber products	13,279	13,412	13,546	13,681	13,818	3,037	3,067	3,098	3,129	3,160	16,316	16,479	16,644	16,810	16,978
210-221-222	Manufacture of paper product, printing	24,130	24,371	24,615	24,861	25,110	8,641	8,728	8,815	8,903	8,992	32,771	33,099	33,430	33,764	34,102
241-2	Manufacture of chemicals	32,758	33,086	33,417	33,751	34,088	8,268	8,351	8,434	8,519	8,604	41,026	41,437	41,851	42,269	42,692
251	Rubber and plastic products	16,834	17,002	17,172	17,344	17,517	3,998	4,038	4,079	4,119	4,161	20,832	21,041	21,251	21,463	21,678
261-9	Manufacture of non-metallic products	44,344	44,788	45,236	45,688	46,145	21,708	21,925	22,144	22,366	22,589	66,052	66,713	67,380	68,054	68,734
271-369	Others	73,154	73,886	74,625	75,371	76,125	24,588	24,834	25,082	25,333	25,586	97,742	98,720	99,707	100,704	101,711
	Total	**568,762**	**574,449**	**580,194**	**585,996**	**591,856**	**252,068**	**254,589**	**257,135**	**259,706**	**262,303**	**820,830**	**829,038**	**837,329**	**845,702**	**854,159**

Source: National Bureau of Statistics

* Output estimated based on the Census of Industrial Production, 2013

Industries covered engage ten or more employee (10+)

SUMMARY - INDUSTRY STATISTICS

Table No. 52

ISIC (Rev 3)	Activity	Gross Output					Costs					Value Added				
		2013	2014	2015	2016	2017	2013	2014	2015	2016	2017	2013	2014	2015	2016	2017
151-4	Food processing	4,231,129	4,273,440	4,316,175	4,359,336	4,446,523	2,322,611	2,345,838	2,350,020	2,296,401	2,321,700	1,908,518	1,927,603	1,966,155	2,062,936	2,124,824
155	Beverages	1,744,910	1,762,360	1,779,983	1,797,783	1,833,739	724,600	731,846	728,859	694,919	697,789	1,020,310	1,030,514	1,051,124	1,102,864	1,135,950
160	Tobacco and cigarettes	655,707	662,264	668,886	675,575	689,087	245,768	248,226	246,568	232,469	232,687	409,938	414,038	422,318	443,106	456,400
171-2, 181	Textile manufacturing	512,018	517,138	522,309	527,532	538,083	280,298	283,101	283,592	277,064	280,101	231,720	234,037	238,718	250,468	257,982
191	Leather and leather products	57,467	58,042	58,623	59,209	60,393	42,063	42,484	42,753	42,558	43,242	15,405	15,559	15,870	16,651	17,150
201-202	Timber and timber products	155,563	157,119	158,690	160,277	163,483	68,791	69,479	69,297	66,484	66,876	86,772	87,640	89,393	93,793	96,607
210-221-222	Manufacture of paper product, printing	281,228	284,040	286,881	289,750	295,545	191,843	193,761	194,796	193,132	196,029	89,385	90,279	92,085	96,617	99,516
241-2	Manufacture of chemicals	615,973	622,133	628,354	634,638	647,331	423,562	427,798	430,133	426,659	433,112	192,411	194,335	198,222	207,979	214,218
251	Rubber and plastic products	632,722	639,049	645,440	651,894	664,932	446,088	450,549	453,169	450,160	457,145	186,634	188,500	192,270	201,734	207,786
261-9	Manufacture of non-metallic products	807,924	816,003	824,163	832,405	849,053	475,805	480,563	482,015	473,415	479,293	332,119	335,440	342,149	358,990	369,760
271-369	Others	1,242,153	1,254,575	1,267,121	1,279,792	1,305,388	807,373	815,447	819,210	809,834	821,331	434,780	439,128	447,910	469,958	484,057
	Total	**10,936,795**	**11,046,163**	**11,156,625**	**11,268,191**	**11,493,555**	**6,028,804**	**6,089,092**	**6,100,412**	**5,963,094**	**6,029,305**	**4,907,992**	**4,957,072**	**5,056,213**	**5,305,097**	**5,464,250**

Source: National Bureau of Statistics

* Output estimated based on the Census of Industrial Production, 2013

Industries covered engage ten or more employee (10+)

INDUSTRIES - REGION SUMMARIES

Table No. 53

	Number of Workers					Permanent Employees					Salaries (TZS Million)					Gross Value Added (TZS. Million)				
Jina la mkoa	**2013**	**2014**	**2015**	**2016**	**2017**	**2013**	**2014**	**2015**	**2016**	**2017**	**2013**	**2014**	**2015**	**2016**	**2017**	**2013**	**2014**	**2015**	**2016**	**2017**
Dodoma	5,032	5,284	5,548	5,825	6,116	3,239	3,401	3,571	3,749	3,937	3,848	3,886	3,925	3,964	4,004	22,501	22,726	23,181	24,322	25,052
Arusha	15,482	16,257	17,069	17,923	18,819	13,015	13,665	14,349	15,066	15,819	36,788	37,156	37,527	37,903	38,282	222,748	224,976	229,475	240,771	247,994
Kilimanjaro	9,034	9,485	9,960	10,458	10,980	7,073	7,426	7,798	8,188	8,597	43,613	44,049	44,489	44,934	45,384	148,593	150,079	153,080	160,615	165,434
Tanga	12,785	13,425	14,096	14,801	15,541	10,603	11,133	11,689	12,274	12,887	22,653	22,880	23,108	23,339	23,573	165,283	166,936	170,275	178,656	184,016
Morogoro	20,992	22,042	23,144	24,301	25,516	16,739	17,576	18,455	19,378	20,347	44,971	45,421	45,875	46,334	46,797	619,838	626,036	638,557	669,989	690,089
Pwani,	5,137	5,394	5,664	5,947	6,245	3,271	3,435	3,607	3,787	3,976	6,862	6,930	7,000	7,070	7,140	19,648	19,845	20,242	21,238	21,875
Dar es Salaam	53,137	55,794	58,584	61,513	64,588	43,688	45,872	48,165	50,573	53,102	163,138	164,770	166,418	168,082	169,762	1,354,652	1,368,198	1,395,562	1,464,257	1,508,184
Lindi	2,756	2,894	3,039	3,191	3,350	1,476	1,550	1,627	1,708	1,794	925	934	943	953	962	4,700	4,747	4,842	5,081	5,233
Mtwara	3,231	3,392	3,562	3,740	3,927	1,680	1,764	1,852	1,945	2,042	2,464	2,489	2,514	2,539	2,564	27,969	28,248	28,813	30,232	31,139
Ruvuma	7,015	7,366	7,734	8,121	8,527	2,520	2,646	2,778	2,917	3,063	2,159	2,180	2,202	2,224	2,246	12,690	12,817	13,073	13,717	14,128
Iringa	9,453	9,926	10,422	10,943	11,491	6,844	7,186	7,546	7,923	8,319	11,438	11,553	11,668	11,785	11,903	64,853	65,502	66,812	70,101	72,204
Mbeya	9,576	10,055	10,557	11,085	11,639	6,246	6,558	6,886	7,231	7,592	27,089	27,360	27,633	27,910	28,189	184,137	185,979	189,698	199,036	205,007
Singida	5,281	5,545	5,823	6,114	6,419	3,480	3,654	3,836	4,028	4,230	1,686	1,703	1,720	1,737	1,754	20,053	20,254	20,659	21,676	22,326
Tabora	2,728	2,865	3,008	3,158	3,316	1,778	1,867	1,960	2,058	2,161	7,078	7,149	7,220	7,293	7,366	49,174	49,666	50,659	53,153	54,748
Rukwa	2,088	2,192	2,302	2,417	2,538	806	846	889	933	980	722	729	736	744	751	34,757	35,105	35,807	37,569	38,696
Kigoma	2,652	2,785	2,924	3,070	3,224	1,321	1,387	1,456	1,529	1,605	1,470	1,485	1,500	1,515	1,530	18,215	18,397	18,765	19,688	20,279
Shinyanga	8,966	9,415	9,886	10,380	10,899	7,201	7,561	7,939	8,336	8,752	109,752	110,849	111,958	113,077	114,208	535,417	540,771	551,587	578,738	596,100
Kagera	12,654	13,287	13,951	14,649	15,381	9,005	9,455	9,928	10,424	10,945	8,332	8,415	8,499	8,584	8,670	52,448	52,973	54,032	56,692	58,392
Mwanza	9,133	9,589	10,069	10,572	11,101	7,317	7,683	8,067	8,470	8,894	20,983	21,193	21,405	21,619	21,835	169,923	171,623	175,055	183,672	189,182
Mara	12,611	13,241	13,904	14,599	15,328	5,969	6,267	6,581	6,910	7,255	18,615	18,801	18,989	19,179	19,370	614,399	620,543	632,954	664,110	684,033
Manyara	10,515	11,040	11,592	12,172	12,781	7,653	8,036	8,437	8,859	9,302	9,479	9,574	9,670	9,767	9,864	45,947	46,407	47,335	49,665	51,155
Njombe	4,931	5,177	5,436	5,708	5,993	2,427	2,549	2,676	2,810	2,950	1,542	1,557	1,573	1,588	1,604	14,689	14,836	15,133	15,878	16,354
Katavi	460	483	508	533	560	294	309	324	341	358	32	32	33	33	33	1,514	1,530	1,560	1,637	1,686
Simiyu	1,988	2,087	2,191	2,301	2,416	928	974	1,023	1,074	1,128	237	239	242	244	246	4,078	4,119	4,201	4,408	4,540
Geita	3,459	3,632	3,814	4,005	4,205	2,318	2,434	2,555	2,683	2,817	22,887	23,116	23,347	23,581	23,817	499,762	504,759	514,855	540,198	556,404
Total	**231,098**	**242,654**	**254,786**	**267,524**	**280,899**	**166,889**	**175,233**	**183,994**	**193,193**	**202,852**	**568,762**	**574,449**	**580,194**	**585,996**	**591,856**	**4,907,992**	**4,957,072**	**5,056,213**	**5,305,097**	**5,464,250**

Source: National Bureau of Statistics

* Output estimated based on the Census of Industrial Production, 2013

IIndustries covered engage ten or more employee (10+)

PERFORMANCE INDICATORS IN THE MANUFACTURING ACTIVITIES

Table No. 54

Year	% Share to GDP (At current prices)	Growth in Manufacturing (At constant 2007)	% Share to Exports	% Share to Non-traditional Exports	% Change in Industrial Exports
2005	7.29		9.3	11.81	
2006	7.50	8.4	11.2	13.81	25.4
2007	7.02	11.5	15.3	18.14	57.9
2008	6.97	11.4	20.7	28.48	139.9
2009	6.88	4.7	15.4	21.35	-31.7
2010	6.89	8.9	22.4	30.34	90.3
2011	7.64	6.9	16.9	22.99	-10.6
2012	7.49	4.1	17.6	24.91	20.4
2013	6.45	6.5	20.4	28.95	3.3
2014	5.58	6.8	23.3	32.63	15.6
2015	5.25	6.5	25.3	33.14	10.1
2016	4.92	7.8	21.10	25.48	-20.00
2017	5.52	7.10	16.60	24.16	-25.00

Source: Ministry of Finance and Planning

CHAPTER 15

CONSTRUCTION AND LAND DEVELOPMENT

CONSTRUCTION

Road Network

251. The country's road network has a total of 86,472 kilometers. The network consists of 12,786 kilometers of trunk roads which connects regions and neighboring countries; 22,214 kilometers of regional roads connecting districts and towns; and 51,472 kilometers of roads connecting districts and villages.

252. In 2017, a total of 32,169 kilometers of trunk roads, regional roads and district roads were in bitumen and gravel standards compared to 30,265 kilometers in 2016, equivalent to an increase of 6.3 percent. The increase was due to upgrading of some district roads to regional roads and transfer of roads under PO-RALG to TANROADS. Out of 32,169 kilometers, 11,681 kilometers equivalent to 36.3 percent were in good condition compared to 12,388 kilometers in 2016. The roads in good conditions decreased due to heavy rainsl which destroyed road infrastructure. In addition, 16,639 kilometers of roads, equivalent to 51.7 percent were in fair condition compared to 13,643 kilometers in 2016; and 3,849 kilometers equivalent to 12.0 percent were in bad condition compared to 4,235 kilometers in 2016.

253. As of December 2017, a total of 10,065 kilometers of trunk roads were in bitumen and gravel standards compared to 9,953 kilometers in 2016, equivalent to an increase of 1.1 percent. Out of those, 6,351.9 kilometers, equivalent to 63.1 percent were in good condition compared to 6,672 kilometers in 2016. Roads with good condition decreased due to delay in maintenance. In addition, 2,734.9 kilometers, equivalent to 27.2 percent were in fair condition compared to 2,386 kilometers in 2016. The roads with fair condition increased due to timely rehabilitation as a result of low maintenance cost. Further, 977 kilometers of trunk roads, equivalent to 9.7 percent were in bad condition compared to 896 kilometers in 2016. This was due to untimely rehabilitation of many roads which were in good condition.

254. In 2017, regional roads with bitumen and gravel standards were 21,660 kilometers compared to 20,312 kilometers in 2016. Out of those, 5,285 kilometers equivalent to 24.4 percent were in good condition compared to 5,716 kilometers in 2016. The roads in good conditions decreased due to heavy rains

which destroyed the road infrastructure. In addition, 13,663 kilometers, equivalent to 63.1 percent were in fair condition compared to 11,256 kilometers in 2016. The roads with fair condition increased due to regular maintenance. Similarly, 2,712 kilometers equivalent to 12.5 percent were in bad condition compared to 3,339 kilometers in 2016. The roads with bad conditions decreased due to continuous construction of roads in bitumen/gravel standard.

255. As of December 2017, district roads in bitumen and gravel standard were 445 kilometers. Out of those, 44.2 kilometers equivalent to 10.0 percent were in good condition; 240.9 kilometers, equivalent to 54.1 percent were in fair condition; and 159.9 kilometers, equivalent to 35.9 percent were in bad condition. **Table 15.1** shows a summary of the trunk, regional and rural roads constructed in bitumen and gravel standards.

Table No. 15.1: Road Network Condition as of December 2017

Type of Roads	Road Network Condition						Grand Total
	Good		Fair		Bad		
	Km	%	Km	%	Km	%	
Trunk Road in Bitumen	5,648	79.0	994	13.9	509	7.1	7,152
Trunk Roads in Gravel	703.9	24.2	1,740.9	59.8	468	16.1	2,913
Sub-Total-Trunk Roads	**6,351.9**	**63.1**	**2,734.9**	**27.2**	**977**	**9.7**	**10,065**
Regional Roads in Bitumen	719	56.2	331	25.9	230	18.0	1,280
Regional Roads in Gravel	4,566	22.4	13,332	65.4	2,482	12.2	20,380
Sub-Total - Regional Roads	**5,285**	**24.4**	**13,663**	**63.1**	**2,712**	**12.5**	**21,660**
District Roads in Bitumen	5	23.8	3.3	15.7	13.3	63.3	21
District Roads in Gravel	39.2	9.3	237.6	56.2	146.6	34.7	423
Sub-Total –District Roads	**44.2**	**10.0**	**240.9**	**54.1**	**159.9**	**35.9**	**445**
Grand Total	**11,681**	**36.3**	**16,639**	**51.7**	**3,849**	**12.0**	**32,170**

Source: Ministry of Works, Transport and Communication

Maintenance of Roads, Vehicles, Bridges and Ferries

256. In 2017, the Government continued with maintenance of trunk roads and bridges depending on the availability of funds in order to avoid accumulation of new arrears. During the period, a total of 26,712 kilometers of trunk and regional roads were maintained compared to 33,058 kilometers in 2016. In

addition, 2,742 bridges were maintained in 2017 compared to 2,934 bridges in 2016.

257. In 2017, the Government completed assembling of a new ferry known as MV Kazi, capable of carrying 170 tons (equivalent to 800 passengers and 22 small vehicles) providing services between Magogoni and Kigamboni, Dar es Salaam. In addition, the Government through the Tanzania Electrical, Mechanical and Electronics Services Agency (TEMESA) maintained 14,380 vehicles compared to 11,417 vehicles in 2016. The increase in maintenance of vehicles was due to improvement in service and garage equipment as well as provision of training to technicians to enhance their skills. Similarly, the Government continued to recruit engineers and assistant technicians for the workshops and thus increased efficiency.

Road Fund Board

258. In 2017, the Road Fund Board collected a total of shillings 793 billion compared to shillings 819 billion in 2016. Revenue collection decreased by 3.2 percent due to a decrease in the quantity of imported diesel and gasoline (from which the levy is collected). Funds released to institutions implementing road projects were shillings 758 billion in 2017 compared to shillings 637 billion in 2016. In addition, the Board inspected 762 road projects compared to 692 projects in 2016.

Tanzania Buildings Agency

259. In 2017, the Government continued the construction and renovation of 292 housing projects compared to 110 projects in 2016. As of December 2017, a total of 128 renovation projects of buildings were implemented compared to 63 projects in 2016. The increase in the construction and renovation of Government buildings was a result of: the use of new construction and renovation technology; the use of new modern plants including concrete mixers with the capacity of mixing 60 cubic meters per hour; use of new equipment to assess the quality of buildings without destroying them and purchase of raw materials for construction as well as charging a small fee for supervision of construction and renovation. In addition, as of December 2017, the number of residential and commercial houses leased to civil servant and general public were 5,941 compared to 2,518 in 2016. The increase was due to increased demand for housing.

Contractors Registration Board

260. In 2017, the Board registered 875 new contractors compared to 774 contractors in 2016. This increased number of registered contractors to 9,065 as of December 2017 compared to 8,418 contractors in the corresponding period in 2016. In addition, 10 registered contractors were rescinded compared to seven registered contractors in 2016 due to various reasons, including non-compliance with labour regulations and their professional ethics and failure to pay the annual fees. Similarly, the Board registered 3,600 construction projects compared to 3,556 projects in 2016 whereby, 3,256 projects were inspected compared to 2,934 projects in 2016. Out of the inspected projects, 2,213 projects equivalent to 68.0 percent had no queries and 1,043 projects equivalent to 32.0 percent had various queries including: projects implemented by unregistered contractors; unregistered projects; no construction posters were kept in place; and non-compliance of workers health, occupation and safety regulations. Legal actions such as fines, suspension or prosecution in a court of law were taken against projects with defects and implemented by non-contractors.

Engineers Registration Board

261. In 2017, Engineers Registration Board registered 20,138 engineers compared to 1,892 engineers in 2016. This was attributed to increased number of registered graduates due to increased demand of engineer profession particularly in industrial production and construction of railways, roads, ports and airports infrastructure. Among the registered engineers, 18,405 were Tanzanians and 1,733 engineers were foreigners. In addition, the Board registered 318 consultancy companies whereby, 224 were local companies 94 were foreign companies compared to 14 companies registered in 2016, of which 8 were local companies and 6 were foreign companies. Similarly, a total of 4,692 engineers were trained compared to 459 engineers in 2016. Moreover, the Board registered 723 construction projects and inspected 97 projects compared to 847 registered projects and 210 inspected projects in 2016. Projects registration decreased due to lack of awareness to stakeholders on the importance of registering their projects.

Architects and Quantity Surveyors Registration Board

262. In 2017, the Architects and Quantity Surveyors Registration Board registered 907 experts compared to 830 experts in 2016, equivalent to an increase of 9.3 percent. This was due to increased number of graduates for the Board's examination as a result of sensitization which would have increased their chances of employment in the public and private sectors. During the same

period, 363 architects and quantity surveyors companies were registered compared to 346 companies in 2016, equivalent to 4.9 percent increase. This was due to the efforts of the Board to sensitize Real Estate Developers to use services of the registered professionals in accordance with the Act No. 4 of 2010. Out of the registered companies, 353 were local companies and 10 were foreign companies.

263. In 2017, a total of 1,943 projects were inspected compared to 2,153 projects in 2016, equivalent to a decrease of 10.8 percent. The decrease was due to inadequate awareness to many developers on the importance of using architects and quantity surveyors services in developing their projects, including developers of private residence (single storey and small community projects). In addition, 800 construction projects were registered compared to 780 projects registered in 2016, equivalent to an increase of 2.6 percent. The increase was due to efforts made to educate the community and real estate developers on the importance of using the consultancy services of architects and quantity surveyors in construction projects.

National Construction Council

264. In 2017, the National Construction Council conducted technical inspection in 190 projects compared to 151 projects inspected in 2016. In addition, the Council resolved 46 new construction disputes compared to 23 disputes in 2016. The increase in resolution of conflict stemmed from understanding among many stakeholders about their legal and contractual rights. Similarly, the Council trained 8 stakeholders of the works sector compared to 119 stakeholders in 2016. All trained stakeholders in 2017, were from project inspection profession. The decrease in number of trained stakeholders was due to shortage of funds.

LAND DEVELOPMENT

Title Deeds Preparation, Inspection and Verification

265. In 2017, the Government continued to inspect land ownership in eight zones, whereby 39,418 land ownership documents were inspected, verified and title deeds were prepared compared to 32,230 land ownerships in 2016. In addition, 1,242 notices of nullification of ownership were sent to tenants who violated terms of land lease compared to 5,016 notices in 2016. Similarly, 6,811 land disputes were administratively resolved compared to 820 disputes in 2016. This was due to the Fifth Phase Government to closely identify, monitor and resolve land disputes. On the other hand, a total 87,703 customary land titles were issued to the public in 2017 compared to 7,833 customary land titles in 2016. This was due to an increase in the implementation pace of Property and

Business Formalization Program parallel to the implementation of Land Tenure Support Program.

Registration of Title Deeds and Legal Documents

266. In 2017, a total of 49,728 title deeds and legal documents were registered compared to 91,187 title deeds and legal documents in 2016. Out of those, land title deeds were 21,743; unit titles were 827; and other legal documents were 27,158.

Table No.15.2: Registration of Title Deeds and Legal Documents

	2014	2015	2016	2017
Land Titles registered under Title Deed Registration Act	29,951	31,254	33,257	21,743
Unit Titles registered under Unit Title Act No. 17/2008.	1,027	1,541	1,410	827
Legal Documents registered under Land Registration Act CAP No. 334	39,540	29,546	34,682	13,821
Documents Registered under Registration of Document Act CAP No. 117	13,403	13,041	20,525	13,027
Documents registered under Chattels Transfer Act CAP No. 210	3,100	2,082	1,313	310
Total	**87,021**	**77,464**	**91,187**	**49,728**

Source: Ministry of Lands, Housing and Human Settlements Developments

Assets Valuation for Multiple Purposes

267. In 2017, the government approved 14,483 valuation reports compared to 9,047 reports in 2016. The approved reports included those from Local Government Authorities, private valuation companies and Central Government. The valuation was carried out for different purposes such as vacating areas for development projects and estimating compensation payments, property taxes and land rent.

Plots and Farms Survey

268. In 2017, a total of 170,442 plots and 445 farm maps were approved compared to 123,727 plots and 391 farm maps approved in 2016. The breakdown of the approved farm and plots maps is shown in **Table 15.3**.

Table No.15.3: Surveyed Plots and Farms

Regions	Approved Maps 2015		Approved Maps 2016		Approved Maps 2017	
	Plots	Farms	Plots	Farms	Plots	Farms
Arusha	1,209	58	1769	19	1392	18
Pwani	20,227	241	21539	190	36974	107
DSM	22,178	0	29985	1	28079	0
Dodoma	2,512	0	1653	0	3622	5
Geita	2,688	0	1808	0	5279	0
Iringa	2,606	9	1893	38	4531	26
Kagera	804	14	1211	9	2959	2
Katavi	5936	0	767	0	2858	1
Kigoma	3120	0	4773	0	1893	2
Kilimanjaro	833	144	1284	58	1532	36
Lindi	2786	0	3000	4	7253	0
Manyara	192	7	1198	14	1668	86
Mara	4983	17	4998	0	2326	16
Mbeya	2735	11	2093	15	3473	17
Morogoro	4877	80	6538	4	5298	73
Mtwara	1825	2	4847	2	4737	1
Mwanza	7369	4	6042	0	22910	0
Njombe	1955	3	1829	11	2870	6
Ruvuma	1700	0	2368	0	1112	0
Rukwa	659	0	248	8	2388	9
Simiyu	1232	0	832	0	2720	14
Singida	9282	1	4101	1	8934	8
Songwe	0	0	1022	0	98	1
Shinyanga	9230	1	4690	0	5028	0
Tabora	16248	0	11524	0	4265	1
Tanga	8247	44	1715	17	6223	26
Jumla	**135,433**	**636**	**123,727**	**391**	**170,422**	**455**

Source: Ministry of Lands, Housing and Human Settlements Developments

Land Use Plans

269. In 2017, land-use plans for 47 villages were prepared in 15 districts compared to land-use plans for 79 villages in 25 districts in 2016. The aim of these plans is to avoid land disputes and ensure proper land use for farming, animal keeping and other purposes.

Table No.15.4: Villages with Land Use Plans in the Year 2017

Region	District	Village Name	Number of Villages
Mara	Tarime	Matongo, Bisarwi, Weigita, Keisaka	4
	Serengeti	Motukeri, Nyamisingisi, Nyibereketa, Marasomote	4
Katavi	Tanganyika	Songambele, Kapalamsenga, Kapanga, Bujombe, Nkungwi, Mnyagala	6
	Mpanda	Igongwe	1
Morogoro	Ulanga	Isyaga, Kituti, Mbangayao, Lyandu, Minepa, Kivukoni, Mbuyuni , Nakafulu, Idunda, Ikungua	10
Iringa	Kilolo	Lyamko	1
	Mufindi	Kiyowela, Lugolofu, Lugema, Isaula	4
Lindi	Liwale	Darajani	1
Mtwara	Newala	Kadengwa, Mandala, Mitema, Mtongwela,	4
Rukwa	Kalambo	Samazi , Kisala.	2
Tanga	Muheza	Mbomole, Sakale, Mkwinini, Mlesa	4
	Handeni	Ngojolo	1
Ruvuma	Mbinga	Lipilipili, Ukimo	2
Kagera	Misenyi	Kabingo, Buchurago	2
Pwani	Kibaha	Minazimikindani	1
Total			**47**

Source: Ministry of Lands, Housing and Human Settlements Developments

District Land and Housing Tribunals

270. In 2017, a total of 21,183 new disputes were filed in District Land and Housing Tribunals compared to 18,546 disputes in 2016. The number of disputes filed in 2017 makes a cumulative of 45,375 disputes. Out of those, 21,561 disputes were resolved and 23,814 were ongoing compared to 20,667 disputes which were resolved and 24,192 ongoing disputes in 2016.

HOUSING DEVELOPMENT

Construction of Commercial and Residential Houses

271. In 2017, the National Housing Corporation constructed 2,738 commercial and residential houses compared to 2,033 commercial and residential houses in 2016. Out of those, residential houses were 1,804 and commercial houses were 934 compared to 1,410 residential houses, 342 commercial houses and 281 houses for other uses in 2016. Out of residential houses, 616 were low cost houses and 1,188 were medium and high cost houses compared to 492 low cost houses and 918 medium and high costs houses in 2016. In addition, Watumishi Housing Company continued with the construction of 186 houses in different regions in 2017 compared to 592 houses in 2016. Out of those, construction of

134 residential houses and 12 commercial houses were completed while construction of 40 residential houses was ongoing in 2017.

CHAPTER 16

TRANSPORT AND COMMUNICATION

TRANSPORT

Road Transport

272. In 2017, commercial transport licenses issued increase by 9.5 percent to 160,915 licenses from 146,974 licenses issued in 2016. Out of those, 46,612 licenses were issued for long distance and commuter buses, 99,484 licenses for trucks capable of carrying three tons cargo and above and 14,819 licenses for commercial motorcycles and Bajaj.

Table.No. 16.1: Number of Licenses Issued

Licenses	2015	2016	2017	Change (%)
Passenger buses	47,451	46,691	46,612	- 0.2
Cargo vehicles	81,567	87,383	99,484	13.8
Motorcycles/ Bajaj	6,054	12,900	14,819	14.9
Total	**135,072**	**146,974**	**160,915**	**9.5**

Source: SUMATRA

Tanzania Railway Limited (TRL)

273. In 2017, Tanzania Railway Company transported 351,758 tons of cargo covering a distance of 360,955,000 kilometers compared to 209,203 tons transported in 2016 which covered a distance of 230,204,000 kilometers, equivalent to an increase of 68.1 percent. The increase resulted from the rehabilitation of cargo wagons, and damaged parts of the railways and bridges. In addition, 566,135 passengers were transported covering a distance of 386,442,000 kilometers in 2017 compared to 517,358 passengers transported in 2016 covering a distance of 353,245,000 kilometers, equivalent to an increase of 9.4 percent. The increase was due to customer service training to employees as well as bringing services closer to customers through new ticket facility at Kasulu - Kigoma.

Tanzania and Zambia Railway Authority (TAZARA)

274. In 2016/17, TAZARA transported 171,405 tons compared to 128,105 tons transported in 2015/2016, equivalent to an increase of 33.8 percent. The increase was due to the improvement of railway infrastructures as well as rehabilitation of passenger and cargo wagons. During that period, cargo

transported abroad increased by 48.7 percent, imported cargo increased by 19.6 percent and cargo transported within TAZARA increased by 23.7 percent.

Table No.16.2: Cargo Transported

Cargo Classification	2015/2016	2016/2017	Change (%)
Exported Cargo	57,063	84,864	48.72
Imported Cargo	33,050	39541	19.64
Cargo within TAZARA	37,992	47,000	23.71
Total	**128,105**	**171,405**	**33.80**

Source: TAZARA

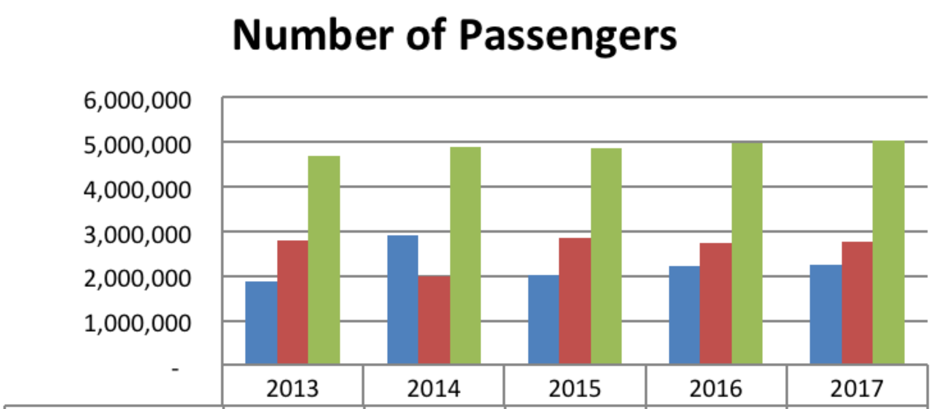
275. In 2016/2017, TAZARA transported 483,856 passengers through main line compared to 414,776 passengers in 2015/2016, equivalent to an increase of 16.7 percent. In addition, Udzungwa train which operates between Kidatu and Makambako (365 km), transported 294,031 passengers in 2016/2017 compared to 225,540 passengers in 2015/2016, equivalent to an increase of 30.4 percent. The increase resulted from the improvement of railway infrastructure and repair of passenger and cargo wagons. In the same period, TAZARA through Dar es Salaam commuter service transported 2,375,436 passengers in 2016/2017 compared to 2,516,202 passengers in 2015/2016, equivalent to a decrease of 5.6 percent. The decrease was attributed to starting of new commuter services from Stesheni to Pugu in Dar es Salaam by Tanzania Railway Limited (TRL).

AIR TRANSPORT

Tanzania Civil Aviation Authority (TCAA)

276. In 2017, a total of 45 airline companies were providing air transport services compared to 61 companies in 2016, equivalent to a decrease of 26.2 percent. As of December 2017, there were 30 international airlines companies (domestic and foreign) serving in accordance with the Bilateral Aviation Safety Agreement (BASA) procedures compared to 29 companies in 2016, equivalent to an increase of 3.4 percent. In addition, the number of passengers who arrived in and departed from Tanzania airports increased to 5,013,430 passengers in 2017 from 4,959,652 passengers in 2016, equivalent to an increase of 2.1 percent. This was due to increased aircraft schedule per week by the following service providers: Kenya Airways, Qatar Airways, Air Tanzania, Precision Air and Rwanda Air.

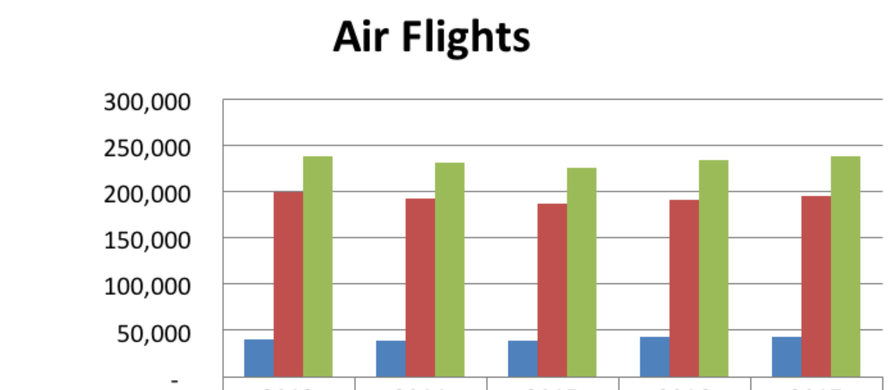
Figure No. 16.1: Number of Passengers Arrived and Departed



	2013	2014	2015	2016	2017
INTERNATIONAL	1,876,311	2,903,472	2,004,032	2,226,011	2,257,058
DOMESTIC	2,794,069	1,975,923	2,845,985	2,733,641	2,756,372
TOTAL	4,670,380	4,879,395	4,850,017	4,959,652	5,013,430

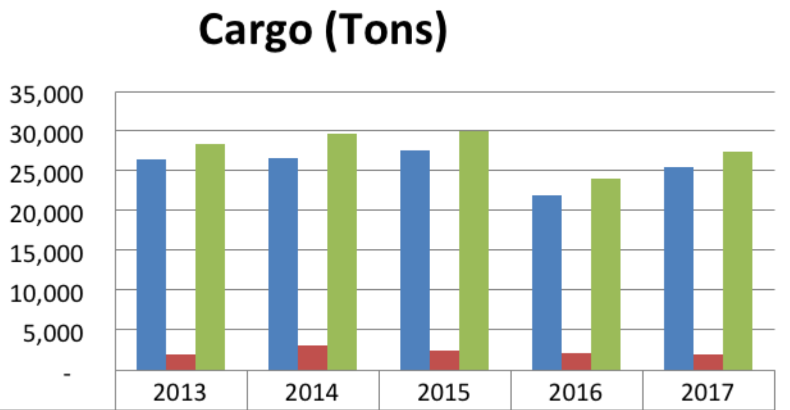
277. In 2017, number of flights increased by 1.8 percent from 233,260 flights in 2016 to 237,382 flights. The increase was a result of continued service by Air Mauritius and Air Zimbabwe. In addition, cargo transported increased by 0.3 percent from 27,362 tons to 27,448.6 tons in 2017. The increase resulted from the importation of machines for investment and construction of infrastructure such as Standard Gauge Railway.

Figure No. 16.2: Number of flights, 2013 - 2017



	2013	2014	2015	2016	2017
INTERNATIONAL	39,258	38,784	38,375	42,838	42,977
DOMESTIC	199,126	192,088	186,728	190,422	194,405
TOTAL	238,384	230,872	225,103	233,260	237,382

Figure No.16.3: Cargo transported, 2013 - 2017



	2013	2014	2015	2016	2017
INTERNATIONAL	26,524	26,571	27,601	21,988	25,482
DOMESTIC	1,924	3,023	2,422	2,042	1,967
TOTAL	28,448	29,594	30,023	24,030	27,449

Air Tanzania Company Limited – ATCL

278. In 2016/17, Air Tanzania Co. Limited transported 107,207 passengers compared to 49,173 passengers in 2015/16, equivalent to an increase of 118 percent. This is due to Government efforts to increase number of aircrafts, improve the working environment and ensure proper management of the company.

Tanzania Port Authority (TPA)

279. In 2016/17, Tanzania Port Authority handled 14.733 million tons of cargo compared to 15.293 million tons in 2015/16, equivalent to a decrease of 3.7 percent. During the same period, cargo handled at the ports of Mtwara, Mwanza and Kyela increased while cargo handled at the ports of Dar es Salaam, Tanga, Kilwa, Lindi, Mafia and Kigoma decreased. The decrease was due to limited number of cargo ships; frequent breakdown of ships, thus leading to the use of roads for cargo transportation; and continued use of private docks at the Lake Ports.

Table No. 16.3: Cargo Transported (Million, Tons)

Stations (Ports)	2014/2015	2015/16	2016/17	Percentage change
Major Coastal Ports				
Dar es Salaam	14.803	14.033	13.561	-3.4
Tanga	0.645	0.677	0.486	-28.2
Mtwara	0.2966	0.273	0.378	38.5
Sub –Total	**15.74465**	**14.983**	**14.425**	**-3.7**
Minor Ports and Great Lakes Ports				
Kilwa, Lindi and Mafia	0.0 26	0.046	0.041	-10.9
Mwanza	0.129	0.123	0.124	0.8
Kigoma	0.099	0.139	0.137	-1.4
Kyela	0.002	0.0004	0.006	
Sub –Total	**0.231**	**0.264**	**0.308**	**0**
Grand Total	**16.001**	**15.293**	**14.733**	**-3.7**

Source: Tanzania Port Authority

280. In 2016/17, the number of container handled by general cargo terminal under TPA decreased from 130,893 TEUs in 2015/16 to 108,088 containers (TEUs), equivalent to a decrease of 17.4 percent. In addition, Tanzania International Container Terminal Services (TICTS) handled 445,494 containers (TEUs) compared to 497,769 containers (TEUs) in 2015/16, equivalent to a decrease of 10.5 percent.

Table No. 16.4: Cargo containers handled (TEUs) at the Port of Dar es Salaam

	2015/2016	2016/17
TICTS	497,769	445,493
General Cargo	130,893	108,088
Sub – Total	**628,662**	**553,581**
Tanga	8,118	8,048
Mtwara	14,337	30,371
Sub – Total	**22,455**	**38,419**
Grand Total	**651,117**	**592,000**

Source: Tanzania Port Authority (TPA)

281. In 2016/17, TPA served a total of 2,037,853 passengers compared to 1,827,666 passengers in 2015/16, equivalent to an increase of 11.5 percent. During that period, number of passengers served at the port of Dar es Salaam, Kigoma and Kyela increased while those served at Mwanza port decreased.

Table No.16.5: Number of Passengers Served, 20012/13 -2016/17

Ports	2012/13	2013/14	2014/15	2015/2016	2016/17
DSM	1,373,146	1,412,357	1,569,053	1,614,831	1,848,937
Tanga	23,287	12,747	-	-	10,508
Mwanza	395,808	735,794	340,125	206,763	165,098
Kigoma	20,063	15,239	38,749	4,700	9,895
Kyela	13,759	12,325	15,541	1,372	3,415
Total	**1,826,063**	**2,188,462**	**1,963,468**	**1,827,666**	**2,037,853**

Source: Tanzania Port Authority (TPA)

Time Taken by Ship Before Offloading

282. The average time taken by ship before offloading increased to 2.1 days in 2016/17 from 2.0 days in 2015/16. For general cargo, average time taken before offloading increased to 2.7 days from 2.5 days in 2015/16. Likewise, the average number of days taken after offloading cargo containers from the ship and before handing over to the owner increased to 11.5 days from 10.2 days in 2015/16. In addition, the average number of days taken by the oil terminal decreased to 3.0 days from 3.2 days in 2015/16.

Neighbouring Countries' Cargo

283. In 2016/17, a total of 4,785,219 tons of consignment to neighbouring countries were handled at Dar es Salaam port compared to 4,839,467 tons in 2015/16, equivalent to a decrese of 1.1 percent. The consignment to Democratic Republic of Congo and Zambia, which have the largest share of consignment, decreased by 22.1 percent and 6.2 percent respectively. The decrease was due to competition from neighboring countries' ports. However, cargo to Malawi, Uganda, Rwanda and Burundi increased by 103.8 percent, 53.7 percent, 20.6 percent and 3.4 percent respectively.

Table No.16.6: Neighbouring Countries' Cargo

Countries	2012/13	2013/14	2014/15	2015/16	2016/17
Zambia	1,858,718	1,818,141	1,737,650	1,819,069	1,705,659
D. R. Congo	965,377	1,352,457	1,677,527	1,464,847	1,141,611
Burundi	308,180	346,159	332,263	351,044	363,060
Rwanda	636,998	670,634	724,683	839,826	1,012,889
Malawi	93,411	141,536	94,294	106,883	217,852
Uganda	190,876	122,318	127,737	156,105	239,953
Others	70,148	118,206	319,298	101,693	104,195
Total	**4,123,708**	**4,569,451**	**5,013,452**	**4,839,467**	**4,785,219**

Source: Tanzania Port Authority

Lake Transportation

The Marine Service Company Limited (MSCL)

284. In 2017, a total of 49,885 passengers were transported compared to 101,103 passengers in 2016, equivalent to a decrease of 50.7 percent. During the period, 12,773 tons of cargo was shipped compared to 18,419 tons in 2016, equivalent to a decrease of 30.7 percent. In addition, transportation of passengers and cargos decreased due to halting of services by MV. Clarias, MV. Serengeti, MV. Liemba, MV. Songea and MV. Sangara in different periods due to wear out of various machines for the respective ships. Further, MV Umoja, a cargo ship stopped its operation between Mwanza and Portbel-Uganda for long time due to the decline in cargo transportation business.

Chinese-Tanzanian Joint Shipping Company (SINOTASHIP)

285. In 2017, cargo trasported by SINOTASHIP company increased by 48.7 percent to 580,000 tons from 390,000 tons in 2016. The increase was due to leasing of MV. Changshun II from COSCO Shipping Lines Company, which has a capacity of carrying 57,000 tons at a time. In addition, the number of containers handled by the Company at the port of Dar es Salaam increased to 20,880 containers from 8,800 containers in 2016. The increase was associated with an increase of routes from Asia by COSCO Shipping Lines Company from two routes to four.

Tanzania Meteorological Agency (TMA)

286. In 2017, the Tanzania Meteorological Agency provided meteorological services in the Indian Ocean to 3,100 ships and boats compared to 2,586 ships and boats in 2016, equivalent to an increase of 19.9 percent. This was due to increased demand on meteorological services. During that period, the number of customers of meteorological services in aviation sector increased to 42,000 from 40,082 customers in 2016. In addition, weather forecasts accuracy increased from 84.0 percent in 2016 to 87.1 percent in 2017. This was due to increase in technical capacity to technicians by TMA and use of modern equipment in weather forecasts.

Table No.16.7: Performance Indicators for Weather Forecast

Key Perfomance Indicators	Descriptions	2015	2016	2017

(KPI)				
Rate of accuracy for daily and seasonal forecast (percentage)	Rate of accuracy	81.0	84.0	87.1
Number of clients and users of meteorological services	Aviation Sector	38,761	40,082	42,000
	Ships and Boats	2,651	2,586	3,100
	Specific services	193	268	530
Rate of satisfication of client and users of meteorological services (Percentage)	Rate of satisfaction from service users.	85.0	86.0	88.7

Source: Tanzania Meteorological Agency

Communication Services
Postal Services

287. In 2017, a total of 6,750,443 inland letters were posted by Tanzania Posts Corporation compared to 24, 445,425 letters in 2016, equivalent to a decrease of 72.4 percent. During the same period, a total of 1, 852,600 letters were posted abroad compared to 3,405,317 letters in 2016. This was due to increase in competition and use of ICT.

288. The number of parcels posted within the country was 68,214 in 2017 compared to 86,902 parcels posted in 2016, equivalent to a decrease of 21.5 percent. Further, parcels posted abroad decreased by 18.6 percent to 3,455 parcels in 2017 from 4,242 parcels in 2016. The decrease in number of parcels posted abroad was due to change of procedures whereby customers are required to submit several permits.

289. A total of 347,879 registers were posted within the coutry in 2017 compared to 578,731 registers posted in 2016, equivalent to a decrease of 39.9 percent. In addition registers posted abroad declined by 50.9 to 22,605 registers in 2017 from 46,069 registers in 2016. This was due to decrease in the number of registers posted by civil society organisations.

290. In 2017, inland documents and parcels posted through Expedited Mail Services (EMS) decreased by 12.9 percent to 719,390 compared to 825,479 documents and parcel posted in 2016. In addition, the number of documents and parcels posted abroad through EMS in 2017 were 13,220 compared to 54,755 documents and parcel posted in 2016, equivalent to a decrease of 75.9 percent.

The decrease in number of parcels posted abroad was due to change of procedures whereby customers are required to submit several permits.

291. In 2017, a total of 10,944 letters and documents were received and distributed trough city urgent mail services compared to 72,327 letters and documents distributed in 2016, equivalent to a decrease of 84.9 percent. The decrease was on account of withdrawal by some institutions which established their own distribution networks.

292. In 2017, the number of financial transactions carried out through electronic money transfer was 531 compared to 516 transactions in 2016, equivalent to an increase of 2.9 percent. In addition, Money Gram Services continued through 57 centers in 2017 as it was in 2016. Further, a total of 448 financial transactions were transferred through Universal Postal Union System compared to 7,039 financial transactions in 2016, equivalent to a decrease of 93.6 percent. The decrease was due to closure of such services in some countries with huge customers' debts and some foreign commercial banks operating in Tanzania opening branches in countries where those services are rendered. Consequently, many customers opted for bank services. Furthermore, a total of 151,980 customers were served through Post Giro's services compared to 168,867 customers in 2016. This service is used to pay retirement benefits through social security funds and dividends of companies listed at the Dar es Salaam Stock Exchange.

Telecommunication Services

293. As of December 2017, mobile phone networks had a total of 39,953,860 SIM cards compared to 40,173,783 SIM cards in 2016, equivalent to a decrease of 0.6 percent. This was due to cautious measures of registering SIM cards under supervision of the Tanzania Communication Regulatory Authority and decrease in communication costs within and across networks, thus discouraging possession of more than one SIM card. Out of those, 39,498,921 were officially registered, equivalent to 99.0 percent. In addition, out of those cards, Vodacom accounts for 32.2 percent share; Tigo (27.7 percent); Airtel (27.2 percent); Halotel (9.5 percent); Zantel (2.3 percent); TTCL (0.8 percent) and Smart (0.3 percent). In the same period, the number of landline users decreased by 1.9 percent to 127,094 users in 2017 from 129,597 users in 2016.

Table No.16.8: Number of SIM Cards and Landline Customers

Telecommunication Companies	Number of SIM Cards			Change (%)
	2015	2016	2017	

Airtel	11,047,505	10,456,117	10,855,955	3.82
Smart	1,560,343	803,251	131,501	-83.63
Halotel	1,226,678	3,438,509	3,799,691	10.50
Tigo	11,115,991	11,677,344	11,062,852	-5.26
TTCL	304,214	293,495	302,726	3.15
Vodacom	12,714,297	12,419,425	12,866,059	3.60
Zantel	1,839,391	1,085,642	935,076	-13.87
Total Number of Mobile Phone Subscribers	**39,808,419**	**40,173,783**	**39,953,860**	**-0.55**
Telecommunication Companies	**Number of Landline Customers**			
TTCL	138,754	127,112	127,009	-0.08
Zantel	4,065	2,485	85	-2,401
Total of Landline Subscribers	**142,819**	**129,597**	**127,094**	-1.93

Source: Tanzania Communication Regulatory Authority

National ICT Infrastruture Backbone

294. As of December 2017, a total of 28,560 kilometres of the National ICT Infrastruture Backbone were constructed, including 7,560 kilometres constructed by the Government and 21,000 kilometres by telecommunications service providers. In addition, a total of 451 wards with 1,954 villages were connected through Government's subsidy granted to service providers. A total of 3,712 villages were connected through collaboration between the Government and Viettel Company. Further, National ICT Infrastruture Backbone was connected to 119 councils, 55 postal stations; 121 police stations; 95 district hospitals; 25 courts; and 425 secondary schools.

SCIENCE, TECHNOLOGY AND INNOVATION

Human Resource Development

295. In 2017, the Government continued with efforts to increase human resources in technology and innovation industry. During that period, a total of 4,180 students were admitted at Ardhi University. In addition, Mbeya University of Science and Technology admitted 4,218 students, of which 3,509 students were male and 709 were female. Further, the Dar es Salaam Institute of Technology admitted 2,089 students, of which 1,648 students were male and 441 female.

Radiation Control

296. In 2017, Tanzania Atomic Energy Commission received and assessed 237 applications regarding the usage and ownership of radioactive materials compared to 273 applications in 2016, whereby all applications were approved

in accordance with the Atomic Energy Act No. 7 of 2003. The Act requirement involves source of radioactive materials, professional qualifications of the transporter and users and sustainable environment preservation plan of the remains of the source of radioactive materials. Further, in 2017 the Commission examined the extent of radiation to 423 staff in 68 centers compared to 317 staff in 51 centers examined in 2016. The radiation rate to staff within three months was less than 5 mSv which is accepted internationally. Further, the Commission examined 23 radioactive centers and advised them to improve user's safety and environment compared to 13 centers in 2016. In 2017, there were 70 new radiation centres which make a total of 788 radiation centers in the country.

297. In 2017, the Commission examined radiation centres in the ports of Dar es Salaam, Zanzibar, Tanga and Mtwara as well as borders of Namanga, Tarakea, Sirari, Holili, Horohoro, Mtukula, and Tunduma in order to evaluate the conditions of the equipment used if they conform to requirements of the law. In the examined areas, the Commission conducted radiation tests for 2,012 samples compared to 1806 samples in 2016. Out of those, 1,002 samples were imported food stuffs, 602 samples of exported food stuffs, 238 samples of animal foods and 58 samples of cigarettes. In addition, in 2017 the Commission repaired 43 electronic devices, nine (9) troxler gauges, and a calibration irradiation machine.

INFORMATION, CULTURE, ARTS AND SPORT

Information Sector

298. In 2017, a total of 161 newspapers and magazines were registered compared to 26 newspapers and magazines in 2016. The increase in registration was due to media's compliance to the Tanzania Media Service Act, 2016 and its Regulations of 2017 which required a fresh registration of newspapers and magazines. As of end 2017, there were 152 radio stations and 35 television stations. During the period under review, a total of 6 radio and 3 television stations were registered compared to 23 radio and 6 television stations registered in 2016. The decline in the number of registered radio and television stations was due a decrease in frequency range in major cities, particularly in Morogoro, Dodoma, Mbeya, Mwanza and Dar es Salaam regions.

Table No. 16.9: Number of Registered Newspapers, Radio and Television Stations 2010 - 2017

Year	Newspapers/ Magazines	Radio Stations	Television stations

Year	Newspapers/ Magazines	Radio Stations	Television stations
2010	8	14	1
2011	41	12	0
2012	29	12	0
2013	36	4	0
2014	23	8	3
2015	39	22	1
2016	26	23	6
2017	161	6	3

Source: Ministry of Information, Communication and Sports

Arts Development Sector

299. In 2016/17, the Government through the Tanzania Film Board issued 153 permits for film production, documentary and moving pictures to local and international companies compared to 168 permits issued in 2015/16, equivalent to a decrease of 8.9 percent. This decrease was caused by rapid growth of technology and inability to meet requisite criteria.

Table No. 16.10: Number of Film Permits Issued, 2011/12 – 2016/17

Year	Foreign Permits	Local Permits	Total
2011/12	84	21	105
2012/13	123	30	153
2013/14	125	33	158
2014/15	133	36	169
2015/16	137	31	168
2016/17	123	30	153

Sources: Tanzania Film Board, 2017

National Swahili Council Services

300. During 2016/17, National Swahili Council prepared and aired a total of 87 radio and television programs compared to 110 radio and television programs aired in 2015/16, equivalent to a decrease of 20.9 percent. In addition, the Council offered language affirmation service to books intended to be used in schools whereby, in 2016/17 the Council affirmed 61 submissions compared to 60 submissions in 2015/16, equivalent to an increase of 1.7 percent. This increase was due to the increased awareness of Authors and Publishers.

301. In 2016/17 National Swahili Council translated 268 documents and edited 10 documents compared to 350 documents translated and 20 edited in 2015/16, equivalent to the decrease of 23 and 50 percent respectively. The decrease was due to low turn up of customers in need of those services. In addition, there

were three interpretation services in 2016/17 compared to two services in 2015/16, equivalent to an increase of 50 parcent. This resulted from increased number of customers from abroad. Further, the Council identified a total of 805 mistakes in various media in 2016/17 compared to 1,048 mistakes in 2015/16, equivalent to a decrease of 23.2 percent. These achievements resulted from regular public sensitization campaigns on the proper use of Swahili words.

Table No. 16.11: Service provided, 2010 -2017

Year	Television and Radio Programmes	Affirmation service	Translation Services	Interpretation service	Editing Service	Identified mistakes used in medias
2010	156	24	300	3	9	1,300
2011	156	27	350	4	10	1,248
2012	156	25	280	5	9	1,248
2013	156	30	400	5	10	1,120
2014	156	24	410	3	7	1,010
2015	118	121	320	3	8	1,200
2016	110	60	350	2	20	1,048
2017	87	61	268	3	10	805

Source: National Swahili Council

SPORTS DEVELOPMENT

Registration of Sport Clubs

302. In 2017, a total of 288 sport clubs were registered compared to 331 clubs in 2016, equivalent to a decrease of 13 percent. The decrease was on account of various reasons including registrations of many clubs in 2016. In addition, a total of 29 sport associations were registered in 2017 compared to 9 associations registered in 2016. This increase was due to compliance to the law governing sport associations, which prohibits unregistered associations to organize competitions. Similarly, a total of 13 sport centers were registered in 2017 compared to 15 centers in 2016, equivalent to a decrease of 13 percent. Further, in 2017, the Government started to register sport agencies and developers, whereby a total of 14 sport agencies and developers were registered.

Table No. 16.11: The Trend of Registered Sport Clubs, Associations, Academies and Agencies, 2010 – 2017

Year	Sports Clubs	Sports Associations	Sports Academies	Sport Developers/ Sports Agencies
2010	272	9	9	-
2011	168	5	2	-
2012	339	26	5	-
2013	285	37	12	-
2014	464	17	7	-
2015	224	15	12	-
2016	331	9	15	-
2017	288	29	13	14

Source: Ministry of Informations, Communication and Sports

TANZANIA RAILWAYS CORPORATION (TRC)

Table No. 55

Item	Unit	2009	2010	2011	2012	2013	2014	2015	2016	2017
Railway length (mainline	KM	2,707	2,707	2,707	2,707	2,707	2,707	2,707	2,707	2,707
Locomotive engines:	Number	43	25	22	20	45	45	30	44	44
Steam	Number	1	-	-	-	-	-	-	-	-
Diesel	Number	-	-	-	-	-	-	-	-	-
Mainlain		5	21	19	16	38	38	21	40	40
Shunting		38	4	3	4	7	7	9	4	4
Total Wagons	Number	1,357	1,071	1,326	1,162	1,200	1,214	1,155	426	426
Passengers	Number	68	50	53	36	91	91	56	56	56
General use	Number	1,093	648	658	635	681	590	561	22	22
Oil tanks	Number	178	179	335	208	178	203	196	123	123
Livestock	Number	39	88	88	80	39	64	64	27	27
Others	Number	105	106	192	203	211	266	278	198	198
Transportation	Number									
Passengers	000	285	284	227	339	373	170	196	1,707	2,150
Freight	000 Ton	237	265	138	154	185	127	283	102	170

Source: Tanzania Railways Corporation

THE UHURU RAILWAY - TAZARA

Table No. 56

Item	Unit	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Railway length	Km	1,860	1,860	1,860	1,860	1,860	1,860	1,860	1,860	1,860	1,860
Locomotive engines:	Number	10	16	15	13	13	15	16	17	21	17
Mainline	Number	8	11	10	9	9	11	13	12	14	12
Shunting	Number	2	5	5	4	5	4	3	6	7	7
Passenger Rolling Stock:	Number	62	53	36	36	35	52	50	51	56	49
Passenger Coaches	Number	53	44	31	30	30	45	44	43	48	40
Restaurant Unit	Number	4	3	2	3	2	3	3	3	4	4
Luggages	Number	5	6	3	3	3	4	3	5	4	5
Freight Rolling Stock:	Number	1,371	1,412	1,620	930	858	1,391	1,101	1,142	1,221	1,033
Luggages	Number	1,217	1,174	1,381	795	765	1,229	966	1,007	1,077	972
Livestock	Number	-	-	-	-	-	-	-	-	-	-
Oil Tanks	Number	114	196	197	93	59	104	82	82	89	26
Refrigerated Units	Number	4	7	7	7	-	5	5	5	5	-
Other Units	Number	2	2	2	2	1	1	1	1	1	1
Brake Units	Number	17	16	16	16	16	35	30	30	32	30
Ballast Units	Number	17	17	17	17	17	17	17	17	17	4
Freight (Ton)	000	525	333	540	248	259	245	33	81	96	171
Passengers	000	1,177	923	758	414	678	654	287	327	440	443

Source: Tanzania Zambia Railway Authority

\+ Actual length is 1860.54 km, and 974.814 km are inside Tanzania

SHIPPING STATISTICS: DAR ES SALAAM

Table No. 57

Item	Unit	2009	2010	2011	2012	2013	2014	2015	2016	2017
Total number of ships	Number	1,842	1,229	1,567	1,445	1,298	1,600	1,617	1,684	1,688
Net registered capacity	000	17,472	23,131	24,240	24,496	27,805	31,936	31,614	31,278	31,287
Total passengers	000	141	892	1,266	1,268	1,472	1,433	1,612	1,735	1,874
Total cargo handled	000 Dwt	4,946	9,110	10,390	12,038	13,510	14,476	14,601	13,580	13,761
Off-loading	**000wt**	**4,382**	**7,552**	**8,470**	**9,974**	**11,380**	**11,763**	**11,901**	**11,260**	**11,460**
General cargo	000wt	2,430	4,343	4,846	6,053	6,642	7,100	6,657	6,087	6,376
Cement	000wt	-	-	-	-	-	-	-	-	-
Petroleum	000wt	1,852	2,933	3,287	3,687	4,471	4,357	4,882	4,772	4,740
Others	000wt	100	276	336	234	267	306	362	401	344
Loading	**000wt**	**497**	**1,454**	**1,782**	**1,977**	**1,943**	**2,298**	**2,499**	**2,031**	**2,045**
General cargo	000wt	466	1,388	1,705	1,924	1,892	2,232	2,137	1,915	1,986
Petroleum	000wt	24	34	44	25	37	66	362	116	59
Others	000wt	7	32	33	28	14	-	-	-	-
Transhipments	000wt	68	103	139	87	187	415	201	289	256

Source: Tanzania Harbours Authority

1 Such as fertilizer, mollasses, tallow fats etc.

\- Figures not available

SHIPPING STATISTICS: TANGA

Table No. 57 (cont.)

Item	Unit	2009	2010	2011	2012	2013	2014	2015	2016	2017
Total number of ships	Number	144	101	77	97	86	68	63	87	72
Net registered capacity	000	671	1,337	1,162	1,533	1,456	1,403	1,018	1,258	1,041
Total passengers	000	-	-	-	-	-	-	-	-	-
Total cargo handled	000wt	359	427	500	644	458	368	645	677	486
Off-loading	**000wt**	**213**	**269**	**373**	**463**	**345**	**265**	**561**	**614**	**436**
General cargo	000wt	147	225	355	457	334	259	483	398	141
Petroleum	000wt	66	44	18	6	11	6	78	216	295
Loading	**000wt**	**145**	**158**	**126**	**182**	**113**	**103**	**83**	**63**	**50**
General cargo	000wt	145	158	126	182	113	103	83	63	50
Petroleum	000wt	-	-	-	-	-	-	-	-	-
Transhipments	000wt	-	-	-	-	-	-	-	-	-

Source: Tanzania Harbours Authority

- Figures not available

SHIPPING STATISTICS: MTWARA

Table No.57 (cont.)

Item	Unit	2009	2010	2011	2012	2013	2014	2015	2016	2017
Total number of ships	Number	32	16	30	62	41	65	46	113	105
Net registered capacity	000	31	249	229	654	540	841	593	460	457
Total passangers	000	-	-	-	-	-	-	-	-	-
Total cargo handled	000	95	93	171	159	277	365	248	375	378
Off-loading	**000wt**	**23**	**25**	**67**	**52**	**157**	**249**	**109**	**158**	**91**
General cargo	000wt	23	22	56	52	141	249	108	147	91
Petroleum	000wt	-	3	11	-	16	-	1	10	-
Loading	**000wt**	**72**	**68**	**71**	**117**	**120**	**117**	**139**	**218**	**286**
General cargo	000wt	72	68	104	107	120	116	139	218	286
Petroleum	000wt	-	-	-	10	-	0	-	-	-
Transhipments	000wt	-	-	-	-	-	-	-	-	-

Source: Tanzania Harbours Authority

- Figures not available

POSTAL SERVICES STATISTICS

Table No. 58

Item	Unit	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Sub Post Office	Number	167	202	171	105	65	74	74	65	65	66
Franchised Post Offices	Number	113	81	81	151	112	89	89	90	90	87
Departmental Post Offices	Number	172	170	170	163	147	160	160	158	158	154
Total	Number	**452**	**453**	**422**	**419**	**324**	**323**	**323**	**313**	**313**	**307**
Private Boxes Installed	000	174	117		146	162	173	142	160	160	161
Rented Boxes	000	130	87	120	130	140	148	128	138	138	143
Unfullfilled Requests/Waiting Applicants	000	5	4	-	21	28	25	18	4	1	1
Rented Postal bags	Number	182	62	183	361	278	212	260	180	180	342
Posted Letters:	Mill.	15	14	29	27	15	26	15	10	4	5
Registers and money orders	000	307	377	480	347	397	568	455	402	297	269
Inland parcels	000	18	9	15	10	15	29	12	17	36	51
International	000	6	2	7	11	12	9	5	9	2	3
Stamp Vendors	Number	6,242	6,256	25,145	28,257	33,311	2,637	3,715	-	-	4,635
Registered and urgent letters:	"										
Inland parcels	"	216,762	493,709	283,711	501,635	404,453	620,478	406,732	416,007	452,827	560,710
International	"	14,650	4,012	18,766	16,965	24,347	17,130	20,564	308,288	6,364	9,534
EMS Money Fax	"	366,382	23,165	82,002	36,357	2,940	550	745	748	272	18
EMS Fax (Fax message received)	"	121,901	103,558	31,594	1,595	876,187	544	1,194	3,844	2,518	129
Overnight Mail Services	"					9,963	115,126	-	-	-	-
Letters' bags transported	"	85,595	68,912	76,983	115,403	50,082	87,051	46,652	53,639	57,605	24,966
Newspapers parcels transported	"	12,754	13,934	2,752	12,040	10,652	18,784	8,700	9,130	113,448	2,120
Post Mini Bus Services											
Letters' bags transported	"	4,328	268	-	193	24,095	849	714	9,576	-	-
Express money order (EMO) transported	"	-	20,057	8,169	4,717	3,087	2,034	845	58,423	272	127
Express money order (EMO) paid		93,508	23,069	11,881	17,397	516	555	-	-	-	-
Speed Cash/Interstate Money Order											
Sent	"	1,354	1,030	1,027	998	369	478	325	221	220	8
Received	"	671	150	150	217	77	83	227	283	116	43
Postal Order Sold	"	8,062	8,831	1,924	633	414	684	261	251	107	45
Postal Order Paid	"	5,709	5,490	3,262	1,662	252	166	67	25	18	8
Savings Bank Transportation											
Deposit	"	24,574	9,535	18,863	13,438	6,260	21,491	12,732	21,541	261,423	59,249
Withdrawal	"	21,122	11,663	23,025	72,358	17,527	37,556	12,807	18,098	45,449	76,926

Source: Tanzania Posts Corporation

NUMBER OF MOBILE AND LANDLINE SUBSCRIBERS

Table No. 59

Company	2009	2010	2011	2012	2013	2014	2015	2016	2017	Change (%)
A. Mobile Phones										
Mobitel/Tigo	4,178,089	4,477,510	5,450,766	6,370,796	6,297,288	8,624,638	10,639,610	11,677,344	11,062,852	-5.3
Vodacom	6,883,661	8,670,536	11,625,775	9,357,672	10,288,972	11,810,064	12,520,645	12,419,425	12,866,059	3.6
Airtel	4,910,359	6,021,091	6,993,418	8,356,095	8,995,824	9,551,977	10,887,742	10,456,117	10,855,955	3.8
Zantel	1,378,595	1,715,985	1,524,601	3,083,889	1,814,444	1,730,105	1,563,503	1,085,642	935,076	-13.9
Benson	3,101	2,396	1,558	725	528	528	528	803,251	131,501	-83.6
TTCL Mobile	115,681	246,019	225,578	221,663	210,766	296,618	165,460	293,495	302,726	3.1
Sasatel		24,827	5,824	4,810	-	-	-	-	-	-
Hallotel							-	3,438,509	3,799,691	10.5
Sub-total	**17469486**	**21,158,364**	**25,827,520**	**27,395,650**	**27,607,822**	**32,013,930**	**35,777,488**	**40,173,783**	**39,953,860**	-0.5
B. Land Lines										-
TTCL	157321	159,054	159,364	166,148	158,935	140,391	140,391	127,112	127,009	-0.1
Zantel	15601	15,457	1,699	10,219	6,064	10,833	10,833	2,485	85	-96.6
Sub-total	**172922**	**174,511**	**161,063**	**176,367**	**164,999**	**151,224**	**151,224**	**129,597**	**127,094**	-1.9
Grand Total	**17642408**	**21,332,875**	**25,988,583**	**27,572,017**	**27,772,821**	**32,165,154**	**35,928,712**	**40,303,380**	**40,080,954**	-0.6

Source: National Bureau of Statistics and Tanzania Communication Regulatory Authority (TCRA)

AIR TANZANIA CORPORATION (ATCL)[+]

Table No.60

Item	Unit	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Ton - Kilometers:											
Available	000	-	5,313	9,482	1,662	1,932	6,154	3,052	60,042	3,937	863,107
Used	000	-	1,508	2,888	268	815	2,503	117	30,889	1,756	89,092
Utilization	%	-	28	31	16	42	41	4	54	47	10
Seats - kilometers:											
Available	000	469,426	41,396	59,724	7,140	15,131	54,665	3,680	21,693	37,877	225,259
Used	000	129,000	16,469	30,527	2,946	10,209	27,279	946	11,472	20,692	122,532
Utilization	%	27	40	51	41	67	50	26	53	56	54
Passangers [++]	000	188	27	41	9	11	35	56	31	28	129
Excess load	Ton	30	9	8	2	0	45	-	53	1	41
Load carriage	Ton	1,044	54	145	4	5	35	45	42	7	50
Postal mail	Ton	162	11	30	-	-	25	405	4	-	32

Source: Air Tanzania Corporation

+ Scheduled traffic only

++ Full-fare passengers

- Figures not available

CHAPTER 17

ENERGY

Electricity Generation

303. In 2017, electricity generation capacity was 1,424.60 MW compared to 1,469.39 MW in 2016, equivalent to a decrease of 3.0 percent. During that period, electricity generation through IPTL power plants which has a capacity to generate 100 MW was suspended and generation capacity of Kinyerezi II power plants increased by 55.94 MW following completion of the plant. Maximum electricity demand was 1,051.27 MW in 2017 as it was in 2016. In addition, electricity generated from various sources was 7,115.32 GWh compared to 7,092.13 GWh generated in 2016, equivalent to an increase of 0.3 percent. Out of those, 6,800.67 GWh was generated from national Grid sources; 208.86 GWh from off Grid sources; and 105.79 GWh imported.

304. Analysis of electricity generated from national Grid sources in 2017 showed that 2,349.91 GWh was generated through hydropower; 4,226.35 GWh through gas; and 224.41 GWh through Heavy Furnace Oil (HFO) and diesel. Electricity generated from TANESCO's plants was 5,469.57 GWh in 2017 compared to 5,153.07 GWh generated in 2016, equivalent to an increase of 6.1 percent. This increase was due to additional of 55.94 MW generated from Kinyerezi II power plant. Independent Power Producers (IPPs) jointly generated a total of 1,539.97 GWh in 2017 compared to 1,795.46 GWh in 2016, equivalent to a decrease of 14.2 percent. The decrease was a result of expired licenses of some Independent Power Producers generating emergency power. Likewise, electricty imported from Kenya, Uganda na Zambia was 105.79 GWh in 2017 compared to 101.54 GWh in 2016, equivalent to 1.5 percent of total electricity generated in 2017.

305. Electricity sold to customers was 5,956.18 GWh in 2017 compared to 5,871.47 GWh in 2016, equivalent to 1.4 percent increase. Electricity lost due to depreciation of transmission lines and distribution plants was 1,159.10 GWh, equivalent to 16.29 percent of the total electricity generated compared to 1,220.66 GWh, equivalent to 17.2 percent of the total electricity generated in 2016. In addition, Energy Access Situation Survey, 2016 revealed that 32.8 percent of households in Tanzania mainland had access to electricity, whereby rural area access was 16.9 percent and 65.3 percent in urban areas.

ELECTRICITY: INSTALLED CAPACITY AND TOTAL UNITS GENERATED BY UNIT

Table No. 61

Station	Capacity (MW)	Generated (GWh)
Kidatu	204.0	941.4
Kihansi	180.0	815.4
Mtera	80.0	276.4
New Pangani Falls	68.0	50.5
Hale	21.0	22.2
Nyumba ya Mungu	8.0	219.5
Uwemba	0.8	1.1
Mwenga Min Hydro	4.0	16.3
Yovi	1.0	4.9
Matembwe	0.6	0.3
Darakuta	0.3	1.9
Sub-total	**567.7**	**2349.9**
Ubungo Gas Plant I	102.0	593.6
Tegeta Gas Plant	45.0	241.8
Ubungo Gas Plant II	129.0	959.0
Zuzu	7.4	0.7
Nyakato	63.0	148.1
Biharamuro	4.1	0.7
Kinyerezi I	150.0	951.3
Kinyerezi II	55.9	15.8
Total Thermal	**556.5**	**2910.8**
IPTL	-	52.1
Songas	189.0	1465.0
Imports from SPPs	10.5	22.8
Total Independet Power Produce	**199.5**	**1540.0**
Total Grid	**1323.7**	**6800.7**
ISOLATED STATIONS		
Kigoma	6.3	27.7
Songea	8.2	9.2
Mpanda	5.7	10.5
Mbinga	2.0	5.3
Ngara	2.5	5.6
Mafia	2.2	5.0
Tunduru	2.1	6.5
Ludewa	1.3	1.4
Liwale	0.9	2.7
Somanga	7.5	13.9
Sumbawanga	5.0	3.4
Kasulu	2.5	7.2
Kibondo	2.5	4.8
Loliondo	5.0	1.2
Namtumbo	0.3	1.2
Mtwara	17.9	81.8
Inyonga	0.5	0.1
Madaba	0.5	0.0
Bukoba	2.6	0.4
Ngombeni	1.2	0.0
Tulila	5.0	18.4
Andoya	0.5	2.6
Imports from Neighbouring Countri	19.0	105.8
Total Off Grid	**100.9**	**314.7**
Grand Total	**1424.6**	**7115.3**

Source: Tanzania Electric Supply Company (TANESCO)

MW Megawatt

GWH GigaWatt-Hour = Million KWH

ELECTRICITY SALES BY TYPE OF USE

Table No.62 **GWH**

Year	Tanzania Bara			Zanzibar	Total	Power Transmission Loss	Total Power Generation
	Public Lighting (D1)	Domestic (T1)	Commercial and Industrial (T2,T3 & T8)	T5			
2011	328.8	1,270.8	2,118.0	277.2	3,994.7	1,158.7	5,153.5
2012	320.8	1,480.1	2,301.8	298.6	4,401.4	1,048.3	5,449.6
2013	280.6	1,747.0	2,560.4	218.7	4,806.7	1,139.5	5,946.2
2014	217.0	1,891.0	2,595.0	348.5	5,051.5	1,135.3	6,186.8
2015	148.8	2,082.7	2,721.1	344.6	5,297.1	1,119.7	6,416.9
2016	345.3	2,263.4	2,887.2	375.6	5,871.5	1,220.7	7,092.2
2017	301.5	2,371.0	2,893.3	390.4	5,956.2	1,159.1	7,115.3

Source: Tanzania Electric Supply Company (TANESCO)

QUANTITY OF ELECTRICITY SOLD BY REGION (GWH)

Table No. 63

Mkoa	2009	2010	2011	2012	2013	2014	2015	2016	2017
Dodoma	79	83	86	94	105	111	116	137	150
Arusha	236	269	240	286	316	326	311	357	366
Manyara	17	19	20	23	24	25	26	29	32
Kilimanjaro	88	124	118	138	144	154	151	182	179
Tanga	166	209	219	245	264	266	300	322	330
Morogoro	121	179	163	207	221	232	212	240	243
Coast	94	106	116	142	171	199	220	260	302
Dar-es-Salaam	1,014	1,615	1,387	1,548	1,932	2,118	2,229	2,398	2,413
Lindi	11	13	14	15	18	23	22	24	23
Mtwara	29	27	30	34	35	9	51	49	48
Ruvuma	15	21	21	24	27	28	31	34	35
Iringa	85	101	92	102	105	107	112	107	98
Mbeya	125	139	132	150	153	170	164	177	178
Singida	26	26	23	29	32	35	47	43	44
Tabora	84	97	95	103	109	60	52	57	56
Rukwa	12	17	19	19	20	22	23	28	27
Kigoma	12	16	18	21	23	25	28	29	35
Shinyanga	253	313	310	279	280	359	417	428	372
Kagera	33	44	29	55	53	54	60	72	77
Mwanza	192	215	200	224	231	241	236	262	283
Mara	52	110	109	108	125	134	135	142	157
Njombe							-	69	36
Katavi							-	4	11
Geita							-	34	43
Simyu							-	8	18
Songwe						6	11	5	10
Total Tanzania Mainland	**2,744**	**3,743**	**3,441**	**3,846**	**4,388**	**4,703**	**4,953**	**5,496**	**5,566**
Zanzibar	186	174	277	299	219	348	345	376	390
Grand Total	**2,930**	**3,917**	**3,718**	**4,144**	**4,607**	**5,051**	**5,297**	**5,871**	**5,956**

Source: Tanzania Electric Supply Company (TANESCO)

MW Megawatt

GWH GigaWatt-Hour = Million KWH

OIL AND NATURAL GAS EXPLORATION

Natural Gas

306. In 2017, production of natural gas in Songosongo and Mnazi Bay gas fields decreased by 1.8 percent to 47.46 billion cubic feet from 48.32 billion cubic feet in 2016. This was due to closure of Kiliwani North natural gas field in 2017. In addition, completion of natural gas pipeline from Mtwara and Lindi to Dar es Salaam increased consumption of natural gas to an average of 175 million cubic feet per day in 2017 from 145 million cubic feet per day in 2016, equivalent to an increase of 20.7 percent. Earnings derived from natural gas sales decreased by 18.7 percent to US Dollar 42,261,263 in 2017 compared to US Dollar 51,991,433 in 2016. The decrease was due to the closure of Kiliwani North natural gas fields.

307. As of December 2017, a total of 57.55 trillion cubic feet of natural gas were discovered whereby, 10.41 trillion cubic feet were offshore and part of it is used to produce gas for electricity generation and industrial use. The remaining quantity of about 47.13 trillion cubic feet was discovered in deep sea (onshore). In addition, in 2017, the Government started preparations of the Natural Gas Utilization Master Plan (NGUMP, 2016 - 2045) Phase II which involves distribution of natural gas in Morogoro, Dodoma, Tanga, Kilimanjaro, Arusha, Mwanza and Mbeya regions. The supply of natural gas in those regions will increase the pace for industrial development as well as increasing domestic use of reliable and affordable energy.

308. The Government intends to ensure that the onshore natural gas discovered is transformed into Liquidified Natural Gas (LNG) and sold in domestic and international markets. In addition, under the LNG project, a number of activities have been implemented including: completion of various technical researches that provide different options for extraction of onshore gas; Pre-FEED for onshore gas blocks; and acquisition of the project area. Further, negotiations on Host Government Agreement (HGA) were conducted with the aim of identifying rights and obligations of foreign investors and the Government, in the development, construction and operation of the gas project and upon completion the project will continue to the next phase. Similarly, the Government provided capacity building training to the Government Negotiation Team (GNT) and to other professional project developers.

Table No. 17.1: Songo Songo and Mnazi Bay Natural Gas Production

Year	Standard Cubic Feet (SCF)			
	Songosongo	**Mnazibay**	**Kiliwani North**	**Total**
2017	29,496,560,000	17,960,300,000	-	47,456,860,000
2016	29,747,400,000	5,792,141,976	2,783,497,46	48,323,024,922
2015	31,384,100,000	783,595,488	-	37,176,241,976
2014	33,061,500,000	715,942,883	-	33,845,095,488
2013	35,217,410,590	673,870,408	-	35,933,353,479
2012	36,233,010,000	664,980,487	-	36,906,880,408
2011	30,970,500,000	454,123,320	-	31,635,480,487

2010	27,633,000,000	323,686,310	-	28,087,123,320
2009	23,593,000,000	321,239,550	-	23,916,686,310
2008	20,084,000,000	258,186,803	-	20,405,239,550
2007	19,705,000,000	-	-	19,963,186,803
2006	17,907,000,000	-	-	17,907,000,000
2005	14,704,000,000	-	-	14,704,000,000
Jumla	**246,901,960,000**	**27,948,067,225**	**2,783,497,46**	**396,260,172,743**

Source: Tanzania Petroleum Development Corporation -TPDC

Table No. 17.2: Songo Songo and Mnazi Bay Natural Gas Earnings (US Dollar)

Year	Songo Songo	Mnazi Bay	Total
2017	22,795,142	19,466,121	42,261,263
2016	38,172,718	13,818,715	51,991,433
2015	43,854,236	1,921,965	45,776,201
2014	58,761,119	1,762,977	60,524,096
2013	50,582,385	1,592,879	52,175,264
2012	35,026,145	1,525,251	36,551,396
2011	38,337,903	1,444,856	39,782,759
2010	25,607,621	1,080,131	26,687,753
2009	21,403,804	396,109	21,799,913
2008	19,521,646	388,449	19,910,095
2007	16,861,492	305,236	17,166,727
2006	14,966,409	-	14,966,409
2005	9,019,384	-	9,019,384
Total	**394,910,004**	**43,702,689**	**438,612,693**

Source : Tanzania Petroleum Developement Corporation-TPDC

Oil Imports

309. Oil imports decreased by 2.3 percent to 5,361.5 million cubic liters in 2017 from 5,486.9 million cubic liters in 2016. This was due to decrease in imported oil for domestic consumption. During that period, oil imported for domestic consumption decreased by 3.3 percent from 3,302.3 million cubic liters in 2016 to 3,193.2 million cubic liters in 2017. In addition, oil in transit decreased by 0.8 percent from 2,185.1 million cubic liters in 2016 to 2,168.2 million cubic liters in 2017.

Table No. 17.3: Oil Imports in 2017

Month	Diesel	Petrol	Kerosene	JetA1	Heavy Furnace Oil (HFO)	Total
January	123,866,676	39,192,399	2,272,969	12,999,188		178,331,232

February	112,648,188	75,344,036	794,877	18,859,311	-	207,646,411
March	93,370,625	82,451,785		12,135,008	22,188,529	210,145,948
April	92,420,003	53,812,639	1,128,246	15,394,035		162,754,924
May	75,443,928	54,823,939	978,551	16,936,649		148,183,067
June	105,529,141	78,930,449	1,001,413	15,907,399	-	201,368,403
July	116,048,620	59,145,683	1,553,372	9,791,418		186,539,093
August	165,889,892	66,809,164	3,851,902	14,695,790		251,246,748
September	99,308,313	110,742,113	3,167,355	18,616,925	5,606,778	237,441,483
October	243,605,222	105,366,218	3,471,079	24,395,144		376,837,662
November	139,317,287	116,782,919	3,244,495	20,379,300		279,724,001
December	139,646,419	100,413,504	4,559,062	14,338,368	17,305,832	276,263,185
Add Localization Jan- Nov 2017	236,662,193	234,619,617	4,641,442	847,351	-	476,770,603
Grand Total	**1,743,756,506**	**1,178,434,465**	**30,664,762**	**195,295,886**	**45,101,139**	**3,193,252,759**

Source: EWURA

Table No. 17.4: In Transit Oil in 2017

Month	Diesel	Petrol	Kerosene/Jet A1	Heavy Furnace Oil (HFO)	Total
January	146,195,172	60,061,434	5,656,000	-	211,912,607
February	109,586,649	94,968,844	6,012,897		210,568,390
March	97,048,367	110,500,219	7,480,297	11,263,101	226,291,984
April	82,944,292	66,254,251	8,105,290	-	157,303,833
May	99,190,465	86,458,565	10,910,208	-	196,559,238
June	80,084,228	56,838,131	13,466,185	-	150,388,544
July	75,349,067	49,307,094	15,604,913		140,261,074
August	199,210,277	103,460,773	15,401,415		318,072,465
September	168,136,720	118,725,056	11,479,615	2,038,828	300,380,219
October	219,488,667	63,332,311	12,583,913		295,404,891
November	131,700,500	93,947,644	14,406,707		240,054,851
December	119,240,155	66,296,769	12,228,457		197,765,381
Less Localization Jan- Nov 2017	236,662,193	234,619,617	5,488,793		476,770,603
Grand Total	**1,291,512,366**	**735,531,474**	**127,847,104**	**13,301,930**	**2,168,192,874**

Source: EWURA

Oil Price Trends

310. In 2017, average oil prices in the world market were higher compared to 2016. During that period, average price of petrol, diesel and kerosene was US Dollar 540, US Dollar 484 and US Dollar 503 per metric tons compared to US Dollar 462, US Dollar 380 and US Dollar 407 per metric tons in 2016 respectively. This was equivalent to an increase in price by 16.9 percent for petrol ; 27.4 percent for diesel; and 23.6 percent for kerosene. The increase in oil prices in the world market was a result of increase in price of crude oil by 24 percent in 2017. In addition, the average oil price were high in December compared to other months. During that period of December, average price of petrol per metric tons was US Dollar 599, US Dollar 549 for diesel and US Dollar 587 for kerosene.

Table No. 17.5: Oil Prices in the World Market (FOB) – US Dollar per Metric Tons

Oil Type	Petrol			Diesel			Kerosene		
Month/Year	**2015**	**2016**	**2017**	**2015**	**2016**	**2017**	**2015**	**2016**	**2017**
January	449	398	497	468	258	421	495	284	442
February	539	357	502	573	280	468	576	312	499
March	509	431	542	593	333	485	540	361	504
April	529	467	557	622	352	505	553	381	510
May	594	497	531	669	401	470	597	425	476
June	562	498	555	689	429	480	577	451	497
July	495	440	521	643	397	455	509	419	474
August	442	464	503	539	389	454	457	411	464
September	449	478	510	503	399	462	467	425	485
October	433	512	560	485	449	516	455	473	529
November	407	471	600	469	417	546	435	440	570
December	329	532	599	438	461	549	363	498	587
Average Price (USD/MT)	**478**	**462**	**540**	**558**	**380**	**484**	**502**	**407**	**503**
Average Annual Increase (%)		**-3.3**	**17**		**-32**	**28**		**-19**	**23**

Source: EWURA

311. In 2017, the average oil prices in domestic market increased compared to the average prices in 2016. Average pump/ ceiling price in domestic market increased to shillings 2,004 per litre of petrol; shillings 1,873 per litre of diesel; and shillings 1,832 per litre of kerosene compared to shillings 1,845; shillings 1,673; and shillings 1,644 in 2016 respectively. This is equivalent to an average increase of 8.6 percent, 12.0 percent and 11.4 percent for petrol, diesel and kerosene respectively. The average increase in prices was a result of increased price of oil in the world market in 2017.

Table No.17.6: Oil Prices Trend in Dar es Salaam

Month/ Year 2016	Petrol (TZS/LT)	Diesel (TZS/LT)	Kerosene (TZS/LT)	Month/ Year 2017	Petrol TZS/LT)	Diesel (TZS/LT)	Kerosene (TZS/LT)
January	1,898	1,747	1,699	January	1,890	1,732	1,700
February	1,842	1,600	1,699	February	1,959	1,861	1,852
March	1,811	1,486	1,465	March	2,060	1,913	1,852
April	1,728	1,516	1,501	April	2,057	1,925	1,858
May	1,785	1,602	1,578	May	2,027	1,844	1,842
June	1,867	1,633	1,607	June	2,052	1,888	1,825
July	1,888	1,720	1,687	July	1,978	1,830	1,830
August	1,905	1,811	1,759	August	1,867	1,719	1,719
September	1,840	1,747	1,673	September	1,989	1,887	1,811
October	1,827	1,699	1,658	October	1,993	1,897	1,810
November	1,860	1,720	1,669	November	2,014	1,999	1,938
December	1,890	1,798	1,737	December	2,160	1,984	1,942
Annual Average Price 2016	**1,845**	**1,673**	**1,644**	**Annual Average Price 2017**	**2,004**	**1,873**	**1,832**
Annual Average Price 2015	**1,973**	**1,808**	**1,739**	**Annual Average Price 2016**	**1,845**	**1,673**	**1,644**
Percentage Change(%)	**-6.5**	**-7.5**	**-5.5**	**Percentage Change (%)**	**8.6**	**12.0**	**11.4**

Source: EWURA

Alternative Sources of Energy

Waterfalls

312. In 2017, electricity generated through waterfalls increased by 49.7 percent to 55.0 MW from 36.74 MW in 2016. The increase was due to completion of Kiliflower waterfalls power project - Arusha (1.5 MW), Darukuta-Manyara (2 MW) and Luponde-Njombe (3.5 MW). In addition, 0.6 million KW from Darukuta project were transmitted to the National Grid. Electricity generated from those waterfalls was used in various activities including irrigation, domestic use by communities surrounding production areas and in various government institutions including schools and dispensaries.

Biomass, Biogas and LPG

313. In 2017, electricity generated through biogas was 42.0 MW compared to 38.0 MW in 2016. Out of those, 10.5 MW were transmitted into the national Grid and 31.5 MW were used in sugar and forestry industries. In addition, the Government continued to promote usage of biogas in order to reduce consumption of charcoal and firewood for cooking, whereby, as of December 2017, a total of 30,000 plants were installed compared to 28,000 plants installed in 2016. On the other hand, domestic use of Liquefied Petroleum Gas (LPG) continued to increase particularly in urban and some rural areas. This was a result of increased use of gas for cooking rather than

charcoal and firewood as well as increased gas sales in rural areas by distribution and marketing companies.

Solar Power

314. In 2017, use of solar energy increased as a result of generation of more than 15 MW through Solar Home Systems. In addition, electricity generated through Solar Min Grid systems to areas which had not been covered by national Grid increased to about 5 MW.

CHAPTER 18

WATER

Management and Development of Water Resources

315. In 2017, the Government continued with the strategies of conserving water sources whereby 261 sources were found to be at risk of being affected and damaged due to various reasons including an increase in human activities compared to 269 sources in 2016. Out of those, 85 sources were demarcated and are in the process of being gazetted as conserved areas compared to 59 sources in 2016. In addition, 18 water sources were gazetted as conserved areas. During that period, there were 694 centers for measuring volume and quality of surface and underground water resources. Similarly, the Government in collaboration with various stakeholders assessed the quality of water in water sources and water distribution channels.

316. As of December 2017, a total of 3,471 samples of clean water were collected and tested whereby 2,844 samples were for domestic use. The results showed that 2,174 samples, equivalent to 76.4 percent met the quality standards while 670 samples, equivalent to 23.6 percent did not meet the standards. Failure to meet the quality standards was due to the presence of high concentration of chemicals such as iron, manganese, sodium chloride and microbes in the samples taken from Tunduru, Pangani, Handeni and Mbeya districts.

317. In 2017, 318 water samples were collected and tested in order to assess the quality of water used for industrial, construction, irrigation and research activities. Out of those, 268 samples were for industrial use, construction (10 samples), irrigation (8 samples) and 32 samples for research activities. The findings of the assessment revealed that all samples met the quality standards for respective use. In addition, up to December 2017, a total of 256 samples of waste water meant for recycle purposes were tested and 167 samples equivalent to 65.2 percent did not meet the acceptable standards.

Rural Water Service

318. In 2017, the Government continued to implement rural water projects through Water Sector Development Program aimed at increasing the availability and access to water in rural areas. As of December 2017, constructions of 1,493 water projects infrastructure were completed and 366 projects were at different levels of construction. These projects include the rural water supply and sanitation project, strategic projects, expansion and rehabilitation of water infrastructure projects as well as projects sponsored by Development Partners. During that period, constructed water infrastructure had a total of 123,888 water points capable of serving 30,972,000 people, equivalent to 85.2 percent of the rural population. Out of those, 85,286 water points are operational and serves 21,321,500 people equivalent to 58.7 percent. This was a result of limited capacity to manage and run water projects at council's level.

Urban Water Services

319. In 2017, Urban Water Supply and Sewerage Authorities provided water services to a total of about 4.8 million people at an average of 78 percent compared to about 4.5 million people at an average of 86 percent in 2016. Limited water supply was due to an increase of the served areas as a result of expansion of some urban boundaries, the establishment of townships and depreciation of water supply infrastructure. On the other hand, water production in regional headquarters increased by 1.2 percent to 148.82 million cubic meters from 147.11 million cubic

meters in 2016. In addition, the number of customers receiving water services increased to 462,790 customers from 428,435 customers in 2016, equivalent to an increase of 8 percent. Revenue collected increased by 21.1 percent from shillings 110.68 billion in 2016 to shillings 134.04 billion in 2017. In terms of district headquarters, small towns and areas served through national projects, water supply services reached an average of 60 percent of residents. Similarly, water production increased to 62 million cubic meters in 2017 from 59 million cubic meters in 2016. Further, the number of customers receiving water services increased to 161,925 customers in 2017 from 147,163 customers in 2016, equivalent to an increase of 10 percent.

320. On average, the availability of clean and safe water in Dar es Salaam City increased from 72 percent in 2016 to 75 percent in 2017 as about three million customers were connected. In addition, the availability of water services in Dar es Salaam and areas of Kibaha and Bagamoyo improved after completion of water production projects and rehabilitation of old water pipes. Further, the number of customers receiving water services increased from 171,748 customers in 2016 to 207,477 customers in 2017, equivalent to an increase of 20.8 percent.

Irrigation Sector

321. As of December 2017, a total of 468,338 hectares were irrigated compared to 461,326 hectares in 2016. The irrigated area contributes 24 percent of country's food demand. During that period, the feasibility study of Paddy production expansion Project for Infrastructure schemes was completed for Njage and Msolwa Ujamaa (Kilombero), Mvumi (Kilosa), Kigugu and Mbogo (Mvomero). In addition, training was conducted for 50 farmers who are leaders of the committee for internal and external disputes settlement and resolution. Further, in the capacity building programme for irrigation zones experts, district councils and farmers, a total of 35 experts from 7 irrigation zones, 30 experts from district councils and 300 farmers benefited from training on Irrigation Guidelines.

URBAN WATER PRODUCTION AND EARNINGS RECEIVED

Table No. 64

Authority	Water Production (Cubic Metres)	Earnings (Shs)	Water Production (Cubic Metres)	Earnings (Shs)	Water Production (Cubic Metres)	Earnings (Shs)	Aveage Water Supply in 2017 (%)
	2015		2016		2017		
Arusha	15,267,200	9,189,207,260	15,267,200	11,385,681,743	16,063,140	13,266,008,384	48
Babati	1,565,467	1,210,094,769	1,565,467	1,443,980,929	2,197,237	1,996,989,394	78
Bukoba	3,111,505	1,354,793,498	12,038,250	1,879,612,507	2,579,696	2,402,314,859	9
Dodoma	12,038,250	10,473,029,627	5,384,053	12,222,417,151	14,342,862	15,784,277,531	56
Iringa	5,384,053	4,402,847,990	481,226	5,726,246,072	5,064,617	8,253,626,402	87
Kigoma	2,693,846	1,411,612,380	15,680,862	1,495,898,490	2,340,622	1,727,740,848	24
Lindi	481,226	256,676,508	11,642,401	198,582,859	391,293	229,473,270	86
Mbeya	15,680,862	8,099,457,867	10,771,035	8,789,113,162	14,874,398	10,109,520,093	29
Morogoro	11,642,401	6,586,853,102	3,093,413	7,726,217,100	10,678,558	8,192,719,085	18
Moshi	10,771,035	6,142,186,713	3,391,420	7,616,200,285	11,851,809	8,346,772,210	84
Mtwara	3,093,413	2,037,164,193	3,818,506	2,652,851,020	29,903,362	3,350,692,910	64
Musoma	3,391,420	2,256,894,510	2,515,028	2,377,423,671	5,368,089	3,028,380,267	81
Mwanza	27,140,398	16,882,598,795	2,851,497	21,047,423,562	28,943,933	24,442,226,082	29
Shinyanga	3,818,506	3,554,969,593	4,786,207	4,416,379,733	3,964,787	5,319,707,891	69
Singida	2,515,028	1,658,438,213	10,288,619	2,137,392,972	2,415,323	2,500,977,359	62
Songea	2,851,497	2,109,228,289	1,342,230	2,352,913,720	2,926,061	2,550,495,722	67
Sumbawanga	1,598,912	776,913,969	192,467	940,707,565	3,574,900	2,452,594,849	40
Tabora	4,786,207	3,153,920,080	1,237,511	3,906,149,905	4,462,058	6,587,593,839	63
Tanga	10,288,619	9,453,232,952	91,479	10,752,460,576	10,135,778	11,552,081,699	62
Mpanda	1,342,230	321,938,674	27,140,398	399,069,657	1,020,865	515,082,997	59
Bariadi	192,467	97,084,376	3,111,502	113,235,333	185,375	143,533,808	75
Njombe	1,237,511	444,136,912	1,598,912	918,031,280	1,174,500	822,846,568	44
Geita	91,479	55,062,750	2,693,846	184,353,437	1,272,343	461,359,520	93
Total	**140,983,532**	**91,928,343,020**	**140,983,529**	**110,682,342,730**	**175,731,606**	**134,037,015,587**	

Source: Ministry of Water and Irrigation

DEMAND AND ACCESS TO WATER IN URBAN AREAS FOR 2017

Table No. 65

Water Authorities	Water demand per year (Cubic Meters)	Number customers in the water networks	Number of Customers with water meter (Number)	Percentage of Customers with water meter (%)	Number of Customers on sewerage networks (Number)	Uncounted for Water (%)	Average hours for water access (hours)
Arusha	33,544,800	47,819	47,819	100	5,201	46	15
Babati	2,821,500	6,894	6,894	100	-	42	18
Bariadi	2,049,024	899	617	69	-	28	20
Bukoba	4,630,439	9,394	8,815	94	-	59	21
Dodoma	16,560,000	37,949	37,620	99	5,659	28	23
Geita	5,366,340	3,900	3,160	94	-	24	15
Iringa	5,888,000	20,129	20,129	100	1,975	28	10
Kigoma	7,949,784	10,411	10,072	97	-	29	14
Lindi	2,185,506	2,691	2,202	82	-	38	6
Mbeya	17,616,000	52,046	52,046	100	2,166	34	23
Morogoro	16,570,832	29,302	26,010	89	1,780	37	6
Moshi	14,682,960	31,556	31,556	100	2,731	23	24
Mpanda	3,515,000	4,571	3,587	78	-	23	11
Mtwara	4,346,910	11,836	11,836	100	-	30	20
Musoma	8,640,000	12,584	10,377	82	-	61	20
Mwanza	43,191,734	70,946	70,946	100	4,063	36	3
Njombe	2,955,701	6,519	5,045	77	-	27	10
Shinyanga	6,281,509	18,955	18,949	100	-	18	23
Singida	3,905,730	10,586	10,586	100	-	19	16
Songea	4,971,510	14,297	14,035	98	1,338	23	23
Sumbawanga	4,769,780	7,373	5,377	73	-	31	20
Tabora	10,159,794	15,824	15,824	100	385	27	16
Tanga	10,899,425	36,837	36,837	100	2,769	26	23
Total	**233,502,278**	**463,318**	**450,339**	**97**	**28,067**	**32**	**17**

Source: Ministry of Water and Irrigation

CHAPTER 19

EDUCATION AND TRAINING

Pre – primary Education

322. In 2017, 1,177,670 students were enrolled in primary education compared to 1,562,770 students enrolled in 2016, equivalent to a decrease of 2.9 percent. Out of these, 751,774 were girls, equivalent to 49.5 percent of all pupils and 765,896 were boys. Students in Government schools were 1,436,322 in 2017 compared to 1,488,439 students in 2016, equivalent to a decrease of 3.5 percent. Out of those, girls were 712,022 and boys were 724,300. In addition, in the same period, the number of students in non-governmental schools was 81,348 compared to 74,331 students in 2016, equivalent to an increase of 9.4 percent. The ratio of a qualified teacher to pupils in government pre-primary schools was 1:183 in 2017 compared to 1:169 in 2016 while the internationally agreed standard ratio is 1:25. Following the situation, the Government continues to intensify efforts to strengthen training of primary education teachers in Governments' teachers colleges to achieve internationally agreed standard.

Primary Education

323. In 2017, the number of primary schools was 17,357 compared to 17,174 schools in 2016. Out of these, Government schools were 16,140 compared to 16,109 schools in 2016, equivalent to an increase of 0.2 percent. In addition, the number of non-governmental schools increased from 1,065 in 2016 to 1,217 schools in 2017, equivalent to an increase of 14.3 percent.

324. In 2017, the number of students in primary education increased by 7.9 percent to 9,317,791 pupils from 8,639,202 pupils in 2016. Out of these, boys were 4,629,215 and girls were 4,688,576, equivalent to 50.3 percent of all pupils. In addition, the number of pupils in government schools increased from 8,342,284 pupils in 2016 to 8,969,110 pupils in 2017, equivalent to an increase of 7.5 percent. Of the increase, girls were 337,575 and boys were 289,251. The number of pupils in non-governmental schools was 348,681 compared to 296,918 pupils in 2016, equivalent to an increase of 17.4 percent. Enrolment of standard one pupils decreased from 2,120,667 pupils in 2016 to 2,078,377 pupils, equivalent to a decrease of 2.0 percent. Similarly, the enrolment rate of targeted peer age group of pupils (7-13 years) decreased from 85.6 percent in 2016 to 84.0 percent in 2017.

325. In 2017, pupils who completed primary education were 909,950 compared to 789,479 pupils in 2016, equivalent to an increase of 15.3 percent. Out of these, girls were 480,784, equivalent to 52.8 percent and boys were 429,166. The pass rate increased from 70.4 percent in 2016 to 72.8 percent in 2017.

326. In 2017, the number of qualified teachers in government schools was 176,876 compared to 188,668 teachers in 2016, equivalent to a decrease of 6.3 percent. In 2017, the teacher to pupils ratio was 1:47 compared to 1:42 in 2016. The international standards for teacher pupils ratio is 1:40. The decrease was attributed to the removal of unqualified teachers in the public service.

Secondary Education

327. In 2017, there were 4,796 secondary schools compared to 4,773 schools in 2016, equivalent to an increase of 0.5 percent. Of these, government schools were 3,604 and private schools were 1,192. In addition, in 2017, there were 1,908,857 students in forms one to six compared to 1,806,955 students in 2016, equivalent to an increase of 5.6 percent. Similarly, students enrolled in secondary education in forms one to four in 2017 were 1,767,890 compared to 1,675,593 students in 2016, equivalent to an increase of 5.5 percent. The number of teachers in secondary schools in 2017 was 110,163 compared to 108,596 teachers in 2016, equivalent to an increase of 1.4 percent.

328. In 2017, 374,950 students sat for form four secondary education examinations whereby 287,713 students passed at pass rate of 76.7 percent compared to the rate of 69.8 percent in 2016. In addition, a total number of 62,233 students sat for form six examinations whereby 58,556 students, equivalent to 94.1 percent passed compared to 64,861 students who sat for examinations in 2016 whereby 63,499 students passed, equivalent to 97.9 percent.

Teachers' Education

329. In 2016/17, the number of students in teachers' colleges was 20,324 compared to 19,825 students in 2015/16. Out of these, males were 14,204 and females were 6,120. In addition, public teachers' colleges had 16,861 students in 2016/17 compared to 14,057 students in 2015/16, equivalent to an increase of 19.9 percent. Out of these, females were 4,380 (26.0 percent) and males were 12,481. Similarly, the number of students in private teachers' colleges was 3,463 in 2016/17 compared to 5,768 students in 2015/16, equivalent to a decrease of 40.0 percent. The decrease was attributed to the lack of qualified students enrolled in line with the cost of joining the colleges.

Schools and Colleges' Inspection

330. In 2016/17, the government inspected 12,389 educational institutions equivalent to 61.9 percent compared to a target of inspecting 20,718 institutions during the period. The aim of the inspection is to ensure that education offered at all levels has the quality and standards it deserves.

Table 19.1: Inspection of Education Institutions as at March 2017

Institutions/Schools/ Centers/Colleges	Number of targeted Institutions (2016/17)	Number of Inspected institutions (2016/17)	Performance level (% of targeted number)
Pre – Primary Classes	8,095	5,007	61.9
Primary schools	1,482	709	47.8
Post Primary Vocational Centres	5,264	3,611	68.6
Special Education Centers/Schools	1,353	945	69.8
Centers for Adult Education	211	64	30.3
Secondary Schools	2,966	1,443	48.7
Teachers Colleges	1,347	610	45.3
Total	**20,718**	**12,389**	**372**

Source: Schools' Quality Assurance Statistics, Ministry of Education, Science and Technology

Vocational Education and Training

331. In 2016/17, number of students at vocational training colleges and technical education increased by 9.4 percent to 128,121 students from 117,067 students in 2015/16. Out of these, males were 70,665 (55.2 percent) and females were 57,456. In addition, during the period under review, the Government established eight regional offices of the National Council for Vocational Education.

Technical Education

332. In 2016/17, the number of students enrolled in technical colleges was 130,079 compared to 196,091 students in 2015/16, equivalent to a decrease of 33.7 percent. Out of these, males were 80,135 and females were 49,944 (38.4 percent). This decrease was attributed to majority of pupils joining secondary education following implementation of free education policy for basic education.

Higher Education

333. The number of students in higher education institutions decreased by 42.8 percent to 132,833 students in 2016/17 from 189,857 students in 2015/16. Out of these, females were 49,280, equivalent to 37.1 percent and males were 83,553. The decrease was attributed to the suspension ordered by the Tanzania Commission for Universities to some universities to provide programmes which lacked qualified academicians.

334. In addition, the number of students benefiting from loans increased from 116,706 students in 2016/17 to 122,623 in 2017/18. Out of these, males were 80,953 and females were 41,670.

GOVERNMENT SECONDARY SCHOOLS: NUMBER OF STUDENTS BY FORM

Table No. 66 (Number)

Year	I	II	III	IV	V	VI	Total
2000	43,643	36,734	31,132	25,456	6,654	6,143	149,762
2001	47,204	45,078	30,531	29,188	7,198	6,601	165,800
2002	56,101	50,371	36,989	29,045	7,711	7,126	187,343
2003	52,863	60,643	36,906	35,653	7,780	6,885	200,730
2004	98,738	67,294	46,546	36,385	8,353	7,572	264,888
2005	134,963	109,398	46,188	46,489	9,710	8,444	355,192
2006	196,391	151,448	72,167	42,584	18,211	9,691	490,492
2007	401,011	218,060	105,770	70,796	21,789	11,668	829,094
2008	395,930	332,393	175,353	95,214	25,240	11,743	1,035,873
2009	480,529	308,131	159,789	167,355	31,201	12,695	1,159,700
2010	382,207	398,870	293,519	279,995	26,065	20,674	1,401,330
2011	403,873	396,724	380,528	279,117	30,265	25,164	1,515,671
2012	457,321	386,250	355,740	343,376	31,206	28,859	1,602,752
2013	444,532	506,036	193,901	302,963	30,581	26,698	1,504,711
2014	479,089	506,170	356,787	178,246	33,619	26,899	1,580,810
2015	-	-	-	-	-	-	-
2016	467,982	366,396	263,981	278,690	45,533	47,007	1,469,589
2017	491,535	443,614	296,034	236,775	53,749	43,494	1,565,201
Change (%)							
2016 - 2017	5.0	21.1	12.1	-15.0	18.0	-7.5	6.5

Source: Ministry of Education, Science and Technology

\- Figures not available

NUMBER OF STUDENTS AND TEACHERS IN PRIMARY AND SECONDARY SCHOOLS BY GENDER

Table No. 66A

	2017		
Primary School Education	**Male**	**Female**	**Total**
Total students registered in classes I-VII	4,629,215	4,688,576	9,317,791
Total students registered in government schools in classes I-VII	4,453,570	4,515,540	8,969,110
Total students registered in private schools in classes I-VII	175,645	173,036	348,681
Total teachers in primary schools	96,387	101,176	197,563
Total teachers in government primary schools	85,908	93,383	179,291
Total teachers in private primary schools	10,479	7,793	18,272
Secondary School Education			
Total students registered in form I-VI	947,407	961,450	1,908,857
Total students registered in government schools in form I-VI	781,077	784,124	1,565,201
Total students registered in private schools in form I-VI	166,330	177,326	343,656
Total teachers in government secondary schools	71,707	38,456	110,163
Total teachers in private secondary schools	55,333	34,142	89,475
Total teachers in secondary schools	16,374	4,314	20,688

Source: Ministry of Education, Science and Technology

NUMBER OF EDUCATION INSTITUTIONS

Table No. 66B

Type of Institution	2016 Government	2016 Private	2016 Total	2017 Government	2017 Private	2017 Total
Primary Schools	16,109	1,065	17,174	16,140	1,217	17,357
Secondary Schools	3,614	1,145	4,759	3,604	1,192	4,796
Teachers Education Colleges	-	-	-	-	-	-
Vocational Training	-	-	-	-	-	-
Total	**19,723**	**2,210**	**21,933**	**19,744**	**2,409**	**22,153**

Source: Ministry of Education, Science and Technology
- Figures not available

TEACHERS EDUCATION INTRAINING INSTITUTIONS 2017

Table 66C

Level	2017					
	Government			Private		
	Male	Female	Total	Male	Female	Total
Pre-Service	9,604	2,708	12,312	602	800	1,402
In service	1,043	631	1,674	407	391	798
Certificate Pre service	1,834	1,041	2,875	714	549	1,263
Special Education	-	-	-	-	-	-
In-service Training B/C-A	-	-	-	-	-	-
Total	**12,481**	**4,380**	**16,861**	**1,723**	**1,740**	**3,463**

Source: Ministry of Education, Science and Technology
- Figures not available

NUMBER OF STUDENTS IN HIGHER LEARNING INSTITUTIONS BY GENDER 2016/2017

Table No. 66D

INSTITUTION/COURSE	Number of Students			Number of Tutors		
	Male	Female	Total	Male	Female	Total
UNIVERSITY OF DAR-ES-SALAAM {UDSM)	17,600	9,209	26,809	1,929	584	2,513
SOKOINE UNIVERSITY {SUA)	5,280	2,218	7,498	-	-	517
DAR-ES-SALAAM INSTITUTE OF TECHNOLOGY {DIT)	3,603	623	4,226	165	27	192
MBEYA INSTITUTE OF SCIENCE AND TECHNOLOGY	3,454	655	4,109	204	29	233
INTERNATIONAL MEDICAL AND TECHNOLOGICAL UNIVERSITY {IMTU)	468	277	745	65	10	75
WELL BUGANDO UNIVERSITY COLLEGE OF HEALTH SCIENCES {WBUCHS)	1,564	1,054	2,618	110	35	145
SAINT AUGUSTINE UNIVERSITY OF TANZANIA {SAUT)	4,492	2,989	7,481	181	96	277
MWENGE UNIVERSITY COLLEGE OF EDUCATION {MWUCE)	2,990	1,348	4,338	64	43	107
MOSHI UNIVERSITY COLLEGE OF COOPERATION AND BUSSINESS STUDIES {MUCCOBS)	1,880	1,626	3,506	111	36	147
STEFANO MOSHI MEMORIAL UNIVERSITY COLLEGE	295	275	570	30	17	47
RUAHA UNIVERSITY COLLEGE	3,016	1,932	4,948	109	39	148
IRINGA UNIVERSITY	2,022	1,676	3,698	81	28	109
MKWAWA UNIVERSITY OF COLLEGE EDUCATION	2,897	1,041	3,938	113	64	177
THE AGAKHAN UNIVERSITY	99	101	200	32	13	45
JORDANI UNIVERSITY COLLEGE	1,472	1,026	2,498	73	39	112
MZUMBE UNIIVERSITY	5,687	2,609	8,296	212	81	293
COLLEGE OF BUSINESS EDUCATION-DAR	2,940	2,807	5,747	127	31	158
UNIVERSITY OF DODOMA INSTITUTE OF RURAL DEVELOPMENT PLANNING {MIPANGO)	2,302	2,315	4,617	73	22	95
MADINI INSTITUTE- DODOMA	445	84	529	43	7	50
DODOMA UNIVERSITY {UDOM)	15,898	7,099	22,997	528	226	754
ARUSHA INSTITUTE OF ACCOUNTANCY	1,975	1,722	3,697	76	18	94
HUBERT KAIRUKI MEMORIAL UNIVERSITY {HKMU)	675	720	1,395	34	22	56
ECKERNFORDE TANGA UNIVERSITY	957	568	1,525	28	3	31
ARDHI UNIVERSITY {UCLAS)	2,471	1,669	4,140	170	71	241
INSTITUTE OF SOCIAL WORK	761	1,593	2,354	43	17	60
ST. JOHN COLLEGE OF ENGINEERING & TECHNOLOGY	741	898	1,639	11	30	41
ARUSHA UNIVERSITY	839	734	1,573	10	47	57
ST. JOSEPH UNIVERSITY COLLEGE OF ENGINEERING AND TECHNOLOGY	3,051	828	3,879	73	26	99
ARUSHA TECHNICAL COLLEGE	1,242	375	1,617	69	12	81
MUHIMBILI HEALTH ALLIED SCIENCES UNIVERSITY {MUHAS)	2,053	1,008	3,061	163	141	304
INSTITUTE OF ADULT EDUCATION	1,205	1,496	2,701	70	30	100
DARES SALAAM UNIVERSITY COLLEGE OF EDUCATION	3,818	1,850	5,668	74	132	206
MWL. NYERERE MEMORIAL UNIVERSITY	2,048	2,204	4,252	75	108	183
MARIAN UNIVERSITY	562	248	810	23	5	28
MUSLIM UNIVERSITY	1,467	926	2,393	49	13	62
EASTERN AFRICA STATISTICS TRAINING CENTRE	241	104	345	18	9	27
ST. JOHN UNIVERSITY OF TANZANIA	1,791	1,317	3,108	72	32	104
COLLEGE OF BUSINESS EDUCATION-DODOMA	901	871	1,772	34	8	42
LOCAL GOVERNMENT TRAINING INSTITUTE (LGTI)	1,927	1,153	3,080	59	17	76
KILIMANJARO CHRISTIAN MEDICAL UNIVERSITY COLLEGE (KCMC)	1,234	858	2,092	106	53	159
CENTRE FOR EDUCATION DEVELOPMENT IN HEALTH ARUSHA (CEDHA)	14	17	31	7	4	11
LIVESTOCK TRAINING (LITA TENGERU)	263	203	466	18	4	22
HORTICULTURE RESEARCH AND TRAINING INSTITUTE (TENGERU)	29	35	64	11	6	17
ST. AUGUSTINE UNIVERSITY OF TANZANIA-ARUSHA BRANCH	652	440	1,092	24	14	38
TENGERU INSTITUTE OF COMMUNITY DEVELOPMENT (TICD)	378	699	1,077	22	10	32
TUMAINI UNIVERSITY MAKUMIRA	1,659	1,167	2,826	37	14	51
MOUNT MERU UNIVERSITY	621	429	1,050	48	12	60
NELSON MANDELA AFRICAN INSTITUTION OF SCIENCE AND TECHNOLOGY	157	81	238	38	19	57
JOMO KENYATTA UNIVERSITY OF AGRICULTURE AND TECHNOLOGY	200	159	359	4	1	5
DAR ES SALAAM MARIRIME INSTITUTE (DMI) UNIVERSITY	461	51	512	33	5	38
SEBASTIAN KOLOWA UNIVERSITY	768	415	1,183	56	18	74
TANZANIA INSTITUTE OF ACCOUNTANCY UNIVERSITY (TIA)	2,876	3,712	6,588	39	4	43
THE OPEN UNIVERSITY OF TANZANIA	29,107	17,834	46,941	199	120	319
SAINT AUGUST UNIVERSITY OF TANZANIA (SAUT)-Mbeya branch	1,233	748	1,981	38	15	53
TEOFILO KISANJI UNIVERSITY-Mbeya	870	468	1,338	35	12	47
INSTITUTE OF FINANCE MANAGEMENT UNIVERSITY	4,842	3,386	8,228	122	33	155
MZUMBE UNIIVERSITY-DAR CAMPUS	758	792	1,550	18	9	27
TUMAINI UNIVERSITY -DAR	862	1,110	1,972	36	17	53
TEOFILO KISANJI UNIVERSITY-DAR	210	207	417	17	6	23
TOTAL	**154,323**	**94,059**	**248,382**	**6,309**	**2,544**	**9,370**

Source: National Bureau of Statistics

- Figures not available

PRIVATE SECONDARY SHOOLS: NUMBER OF STUDENTS BY FORM

Table No. 67 (Number)

Mwaka	I	II	III	IV	V	VI	Total
2000	30789	26601	23469	20430	5894	5011	112194
2001	36305	30820	25004	20762	5892	5116	123899
2002	41593	34209	27540	20681	6418	5534	135975
2003	46891	38506	26385	21650	6430	4859	144721
2004	48752	46167	33240	24476	8847	6229	167711
2005	45276	46321	32063	29248	9183	7046	169137
2006	46968	48013	42878	29796	9569	7956	185180
2007	47437	46927	41340	35746	11299	8667	191416
2008	42971	43232	43177	35980	12576	8594	186530
2009	44255	36384	37064	34061	11851	9096	172711
2010	56620	57876	50778	46820	12269	13006	237369
2011	63282	67205	65859	54521	11083	11926	273876
2012	65058	69403	64453	61209	9684	11713	281520
2013	70060	77407	67998	65637	8592	9651	299345
2014	109784	96732	76574	66898	8865	7686	366539
2015	-	-	-	-	-	-	-
2016	70844	81499	72970	73231	21091	17731	337366
2017	71160	79548	77168	72056	24146	19578	343656
Change (%)							
2016 - 2017	0.4	-2.4	5.8	-1.6	14.5	10.4	1.9

Source: Ministry of Education, Science and Technology

- Figures not available

CHAPTER 20
HEALTH AND COMMUNITY DEVELOPMENT

HEALTH

Health Facilities

335. In an effort to improve and extend health services closer to the community the number of health facilities increased by 4.5 percent to 7,678 from 7,346 health facilities in 2016. During the period, a total of 35,082,840 patients attended health centers compared to 32,463,458 patients in 2016, equivalent to an increase of 8.1 percent. This was due to the increase in health facilities and proximity to the community, improved services provided in health facilities and sensitization on the use of health insurance. In addition, the number of patients admitted decreased by 7.1 percent to 1,650,224 patients from 1,775,835 patients admitted in 2016. The number of patients' beds increased to 60,952 beds in 2017 from 59,757 beds in 2016.

Vaccination Service

336. In 2017, the Government purchased and coordinated the use of various vaccines including BCG, Rota, PCV, bOPV, Measles Rubella and TT. The categories of vaccines purchased in 2017 were: 2,383,700 doses of Rota for preventing child diarrhea; 1,000,000 doses of PCV13 for protecting children against pneumonia; 3,326,200 doses of Measles Rubella for protecting children against measles and rubella diseases; 3,966,000 doses of bOPV for preventing paralysis (Polio); 1,179,000 doses of pentavalent; 2,000,000 doses of TT to prevent tetracycline disease; 2,000 doses of BCG for preventing children against tuberculosis; and 999,600 doses of IPV for preventing paralytic diseases.

Medicines and Medical Equipment

337. In 2017, the Government continued to ensure availability of medicines in health facilities in order to enable people access medicines when attending public health facilities. In an effort to reduce cost of purchasing medicines, medical equipment and increasing their availability, the Government through the Medical Store Department (MSD) signed Framework Agreements with 110 pharmaceutical companies and out of which, 10 companies were local factories. This led to a decrease in pharmaceutical product prices to an average of 40 percent compared to the previous procurement procedures which involved agents.

338. As of December 2017, the availability of 135 types of essential medicines at MSD continued to improve at an average rate of 81 percent. In addition, the availability of medicines at health facilities reached an average of 89.6 percent during that period.

Maternal and Child Health

339. In 2017, the Government implemented various programs for improving reproductive and child health in order to reduce maternal mortality. Implementation of the programs encouraged many pregnant women to attend clinic where the number of pregnant women attending the clinic until the fourth antenatal care visit increased from 42 percent in 2016 to 46 percent in 2017 and those who received IPT2 to prevent malaria increased from 60.4 percent in 2016 to 65.9 percent in 2017. In addition, the Government purchased and distributed medicines and contraceptives to health facilities as follows: 2,986,853 Depo-provera vials; 19,357 Microvals; 227,976 norplant; 61,599 intrauterine contraceptive device; 28,953 emergency contraceptives; 209,050 Jadelle; 1,500,000 Microgynon; 6,902,646 male condoms; and 61,599 female condoms.

340. In improving reproductive and child health, the Government procured and distributed 1,141,208 Oxytocin injection vials to control bleeding after childbirth; 76,219 Magnesium Sulphate vials for preventing epilepsy pregnancy; 55,888,500 Fefol tablets to control iron deficiency; 4,086,946 Amoxicillin capsules; and 1,084,780 Zinc/ORS sachets. A total of 952,484 pregnant women were encouraged through mobile phones to attend clinics in health facilities during childbirth and educate them on the importance of attending clinics during pregnancy and after childbirth until the child is at the age of five years. The target is to reach 1,800,000 pregnant women per year.

341. As of December 2017, the Government in collaboration with Development Partners supplied medical equipment for caesarean section in eight health facilities. In addition, the Government identified 203 health facilities from various councils that would undergo major rehabilitation so that they could perform Comprehensive Emergency of Obstetric and Newborn Care (CEmoNC). Out of those, 173 health facilities were given funds to enable them undertake CEmoNC.

Nutrition

342. In 2017, the government launched the project on Addressing Stunting in Tanzania Early (ASTUTE) locally known as “Mtoto Mwerevu project “ which aimed at reducing stunting among children under five years. Stunting is one of the major nutrition problems in the country, according to Tanzania Health Demographic Survey 2015/16, 34 percent of children (approximately 2.7 Million of children) under five are stunted. Stunting (low height for age) results from poor nutrition especially in child’s first 1,000 days from conception up to two years. Stunting affects a child’s physical and brain development, which leads to higher risks of mortality, cognitive deficits, poor school performance and low adult productivity. The ASTUTE project focuses on increasing knowledge and awareness on the importance of nutrition in the first 1000 days; also ensure pregnant women, caregivers and community practice optimal nutrition behaviors in the 1000 days include proper maternal nutrition, exclusive breastfeeding for the six months and appropriate complementary feeding.

Strengthening Medical Specialized Services

343. One of the key roles of the Government in 2017/18 was to sustain provision of specialized medical services. These improvements were aimed at reducing the number of patients referred abroad for medical treatment in order to reduce the cost incurred by the Government. During the period of July 2017 to February 2018, the number of patients referred abroad decreased to 103 patients compared to 304 patients in 2016/17. These developments were on account of improvement in Government hospitals that have now enhanced the capacity to provide specialized services that were not available in the country.

Malaria Control

344. In 2017, the new malaria prevalence for children under-five decreased below an average of 10 percent compared to 15 percent in 2016. This is a result of Government initiatives to supply mosquito nets and ensuring accessibility of anti-malarial drugs. In 2017, the Government distributed 1,175,671 mosquito nets for pregnant women and children under one year and 2,396,732 nets for students at schools. In addition, the Government implemented various interventions including supplying 236,420 litres of pesticides to various councils. Similarly, the Government through MSD has distributed 21,428,725 malaria reagents, 11,300,880 doses of

anti-malaria drug (ALU) and 5,928,700 doses of Sulphadoxine-Pyrimethamine (SP) for immune treatment against malaria for pregnant women.

345. In 2017, the Government in collaboration with the Ifakara Health Institute (IHI); Muhimbili University of Health and Allied Sciences (MUHAS); Kilimanjaro Christian Medical University College (KCMUCo); Catholic University of Health and Allied Sciences Bugando (CUHAS) led by the National Institute for Medical Research (NIMR) conducted monitoring of quality, safety and efficiency of ALU drug and the results revealed that drug is effective in curing malaria for more than 96 percent.

The Fight against HIV and AIDS

346. In 2017, the Government continued with the efforts to fight against HIV/AIDS transmission whereby services to prevent transmission of HIV from mother to child (PMTCT) were provided. During that period, 1,967,260 pregnant women, equivalent to 98.7 percent of 1,993,639 pregnant women were counseled and tested for HIV. Out of those, 79,242 women, equivalent to 4 percent were tested HIV positive. A total of 79,240 women, equivalent to 99.9 percent of HIV-positive women were given antiretroviral (ARVs).In addition, a total of 72,960 children equivalent to 92 percent were tested for HIV, whereby 2,918 children equivalent to 4.0 percent were HIV positive. The rate implies a declining trend of mother-to-child HIV transmission, thus enabling the country to progress towards achieving international goal of eradicating HIV transmission to children. Generally, it is estimated that HIV transmission from mother to child is 4.9 percent in 2017 from 12 percent in 2011.

The Fight against Tuberculosis

347. In 2017, the Government continued to implement various interventions to expand diagnosis scope, whereby new tuberculosis diagnostic services by using genexpert test were introduced in various districts in the country. In 2017, the Government procured and distributed 189 genexpert machines compared to 66 machines in 2016. In addition, the Government continued to expand the scope of treatment to patients with chronic tuberculosis whereby service centers increased to 60 centers in 17 regions from one center in 2015.

Training for Health Care Professions

348. In 2017, the Government enrolled 16,214 students in health colleges. Out of those, 6,564 students were selected to join public colleges and 9,650 students to private colleges in nursing and midwife programs, allied science and community health workers. In addition, a total of 23,098 students sat for final examinations for completion of various programs at different levels. Out of those, 10,669 students were from allied science, 7,300 students from nursing and midwife and 5,129 students from community health workers.

COMMUNITY DEVELOPMENT

Social Welfare and Community Development Training

349. In 2017, the Government continued to oversee the provision of community development training in certificate, diploma and degree levels in the community development colleges. During that period, a total of 2,450 students were admitted, whereby 1,587 were female and 863 male compared to 2,201 students admitted in 2016, equivalent to an increase of 11.3 percent. In addition, a total of 3,847 students graduated from community development colleges, whereby

1,431 were male and 2,416 female compared to 4,502 graduates in 2016, equivalent to a decrease of 14.5 percent. Further, a total of 1,295 students (884 female and 411 male) were admitted at the Institute of Social Work - Kijitonyama compared to 1,277 students admitted in 2016. Out of those, 423 students were admitted to a Certificate level, 409 Diploma, 28 Post Graduate Diploma, 398 Degree and 37 Masters. Likewise, a total of 1,122 students (722 female and 400 male) graduated compared to 1,164 students (783 female and 381 male) graduated in 2016.

350. In 2017, the Government continued to coordinate provision of justice and social welfare services to 514 elderly (267 male and 247 females) living in the Government nursing homes. In addition, the Government facilitated procurement of 10 tri-cycles (bajaji), kitchen equipments and first aid facilities in 17 Government nursing homes. Similarly, the Government enabled 518,453 elderly people to get health insurance cards whereby 263,660 were male and 254,793 female, equivalent to 31.4 percent of 1,653,331 elderly people who were identified.

Social Welfare Services and Child Development

351. In 2017, the Government commenced implementation of the National Plan of Action to end Violence against Women and Children in Tanzania (2017/18 - 2021/22). In the early stage of implementation, the Government trained people of different cadres, including children on the adverse effects of childhood pregnancy and early marriages. In addition, the Government continued to promote development and participation of children by facilitating the formation of 15 children's councils in 15 regions in 2017 compared to 19 councils in 2016. The purpose of these councils is to provide opportunities for children to discuss various issues related to their welfare and rights.

352. In 2017, a total of 61 vulnerable children (27 boys and 34 girls) were counseled and received step-parenting services. The purpose was to enable children to live and being raised within a family according to the Child Act No. 21 of 2009. In addition, 18 licenses for vulnerable children’s home centers were issued so as to enhance stakeholder’s participation in provision of basic services. Further, the Government continued to provide basic services and legal support to 291 children (278 boys and 13 girls) who were in conflict with the law and kept in juvenile detention centers.

353. In 2017, the Government continued to coordinate provision of child care services to under five years in day-care centers. In addition, 47 new day-care centers were registered making a total of 888 centers countrywide compared to 841 centers in 2016, equivalent to an increase of 5.59 percent. Similarly, the Government continued to coordinate child care services in 23 centers whereby, 850 pupils were enrolled.

Non-Governmental Organizations

354. In 2017, a total of 158 organizations were registered under the Non-Governmental Law Act. 24 of 2002, as amended in 2005, compared to 570 organizations registered in 2016. Moreover, the Government verified 3,363 NGOs with the aim of improving NGOs’ database; identifying NGOs registered under other written laws; and identification of active NGOs. Similarly, the Government received and analyzed operational and financial reports of 80 NGOs compared to 699 NGOs in 2016. The objective was to recognize contribution of those organizations in the social development agenda.

NUMBER OF HEALTH FACILITIES

Table No. 68

Type of Facililty	2014			2015			2016			2017		
	Private	Public	Total	Private	Public	Total	Private	Public	Total	Private	Public	Total
Dispensary	1,390	4,523	5,913	1,419	4,724	6,143	1,421	4,789	6,210	1,435	4,925	6,360
Health Center	208	505	713	211	507	718	259	508	767	277	527	804
Hospital	130	124	254	128	124	252	146	119	265	150	123	273
Others*	79	10	89	133	3	136	39	15	54			
Clinic							39	15	54	182	8	190
Maternity Homes									50	50	1	51
Total	**1,807**	**5,162**	**6,969**	**1,891**	**5,358**	**7,249**	**1,865**	**5,431**	**7,400**	**2,094**	**5,584**	**7,678**

Source: Ministry of Health, Social Welfare, Gender, Elderly and Children

* Includes Clinic

HEALTH SERVICES: TRAINING OUTPUT

Table No.69

Type of Training	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
Doctor of Medicine (MO)	278	174	-	204	869	1,072
Advanced Diploma in AMO Anaesthesia	4	2	-	3	3	8
Advanced Diploma in Clinical Dentistry	-	1	-	7	7	1
Advanced Diploma in Clinical Medicine	207	189	59	130	36	56
Advanced Diploma in Ophthalmology	6	6	-	10	4	2
Advanced Diploma in Vector Control	14	20	7	12	3	-
Diploma in Clinical Medicine	444	185	-	700	440	394
Diploma in Dental Laboratory Technology	4	4	4	4	4	3
Diploma in Dental Therapy	50	51	-	47	26	53
Diploma in Diagnostic Radiography	41	45	-	55	55	91
Diploma in Environmental Health Science	159	204	116	136	75	35
Diploma in Health Laboratory Sciences	148	188	44	120	194	223
Diploma in Health Personnel Education	37	38	23	29	21	29
Diploma in Medical Laboratory Sciences	133	174	44	194	40	64
Diploma in Nursing and Midwifery	878	1,052	508	1,804	1,060	623
Diploma in Occupational Therapy	6	14	-	12	-	-
Diploma in Optometry	13	16	-	11	10	15
Diploma in Pharmaceutical Sciences	130	118	40	184	137	88
Diploma in Physiotherapy	19	22	26	20	7	13
Certificate in Clinical Medicine	-	-	-	830	110	138
Certificate in Medical Laboratory Sciences	-	-	-	506	271	217
Certificate in Health Record Technology	-	-	-	48	16	50
Certificate in Pharmaceutical Sciences	-	-	-	150	150	132
Certificate in Nursing	-	-	-	2,740	3,288	1,645
TOTAL	2,571	2,503	871	7,956	6,826	4,952

Source: Ministry of Health, Social Welfare, Gender, Elderly and Children

- Figures not available

NUMBER OF PATIENTS ATTENDED IN HEALTH FACILITIES

Table No.70

Year	Out-Patients			In-Patients
	Hospital	Dispensary	Health Centre	
1995	355,483	6,785,925	545,921	240,707
1996	604,023	9,530,361	927,606	541,781
1997	711,222	10,003,245	1,052,326	559,949
1998	750,465	10,112,305	1,134,242	-
1999	812,891	10,321,654	1,242,354	626,700
2000	989,101	13,697,988	1,874,346	626,700
2001	1,167,139	17,218,371	2,511,624	680,263
2002	1,328,395	19,695,356	3,258,520	701,568
2003	1,491,909	22,935,688	3,659,615	1,390,273
2004	1,532,028	23,552,460	3,758,027	2,125,388
2005	1,619,700	24,900,276	3,973,085	2,237,146
2006	1,754,925	26,979,136	4,304,787	2,837,252
2007	1,842,671	28,328,093	4,520,026	2,979,115
2008	1,934,805	29,744,498	4,746,027	3,128,071
2009	2,128,286	32,718,948	5,220,630	3,440,870
2010	2,341,114	35,990,843	5,742,693	3,784,957
2011	2,622,048	39,917,117	6,431,816	4,239,152
2012	2,815,529	41,333,522	6,657,817	4,388,108
2013	2,903,275	42,682,479	6,873,056	4,529,971
2014	5,910,725	14,008,692	475,295	1,665,935
2015	4,480,781	25,072,487	6,006,466	1,858,956
2016	4,984,645	20,859,281	6,515,219	1,775,835
2017	5,266,252	21,115,639	7,050,725	1,650,224

Source: Ministry of Health, Social Welfare, Gender, Elderly and Children

NUMBER OF HOSPITAL BEDS IN THE COUNTRY

Table No. 71

Type of facility	2016				Total	2017				Total
	Government	Parastatal	Religious Institutions and NGOs	Private		Government	Parastatal	Religious Institutions and NGOs	Private	
Regional Hospitals	5158	260	0	0	5418	6931	260	0	0	7191
District Hospitals	8,693	-	6,618	-	15,311	6,683	-	6,618	-	13,301
Other Hospitals	935	154	2,705	462	4,256	224	97	2,705	529	3,555
Health Centres	8,933	672	3,993	1,506	15,104	9,429	258	3,820	2,185	15,692
Dispensaries	12,166	790	4,127	2,585	19,668	13,299	250	4,110	3,554	21,213
Total	**35,885**	**1,876**	**17,443**	**4,553**	**59,757**	**36,566**	**865**	**17,253**	**6,268**	**60,952**

Source: Ministry of Health, Social Welfare, Gender, Elderly and Children