

The National Annual Policy Dialogue

Commentary on MKUKUTA/MKUZA
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2 December, 2010
Dar es Salaam, Tanzania

Messages coming out of three recent reports

- MAIR: Relatively high growth, stable macro-economy, improvements in education and health fronts,

Key poverty and hunger targets not met (rural poverty 37.6% (HBS), 40% (NPS)), (Zbr: pov 51%)
- NPS: Wide disparities in employment and income,
- HDR: High multidimensional poverty,
- The Question: Are we trapping people in poverty?

MAIR: Some Good Fundamentals but Challenges Remain

- Relatively high growth, and stable macro-economy, but
 - Growth has not been broad based,
 - High growth and macro stability at the expense of the poor?
- Improvements in education and health fronts, but
 - Deteriorating quality of education,
 - High pupil/teacher ratio (54:1 in 2009)
 - Low passing rate at the primary school leaving certificate (52.7% in 2008)
 - Risk of losing ground in recent gains in some areas
 - Enrolment (NPS) and wasted children (DHS), maternal mortality in Zbr

MAIR: Key poverty and hunger targets not met

Rural poverty at 37.6% (HBS), 40% (NPS)

- Agricultural growth at 3.9 Per cent during 2005-2009. Can we blame the weather?

- Still limited access to agricultural inputs

	Supply	Demand
Fertilizer	61.8%	11.6%
Seeds	36.8%	19.5%

- Half of farmers do not benefit from the fertilizer subsidy- no access to alternative credit either
- Area under irrigation only 0.3mn ha (target :1.0mn ha)
- Access to markets quite a challenge
- Limited value addition

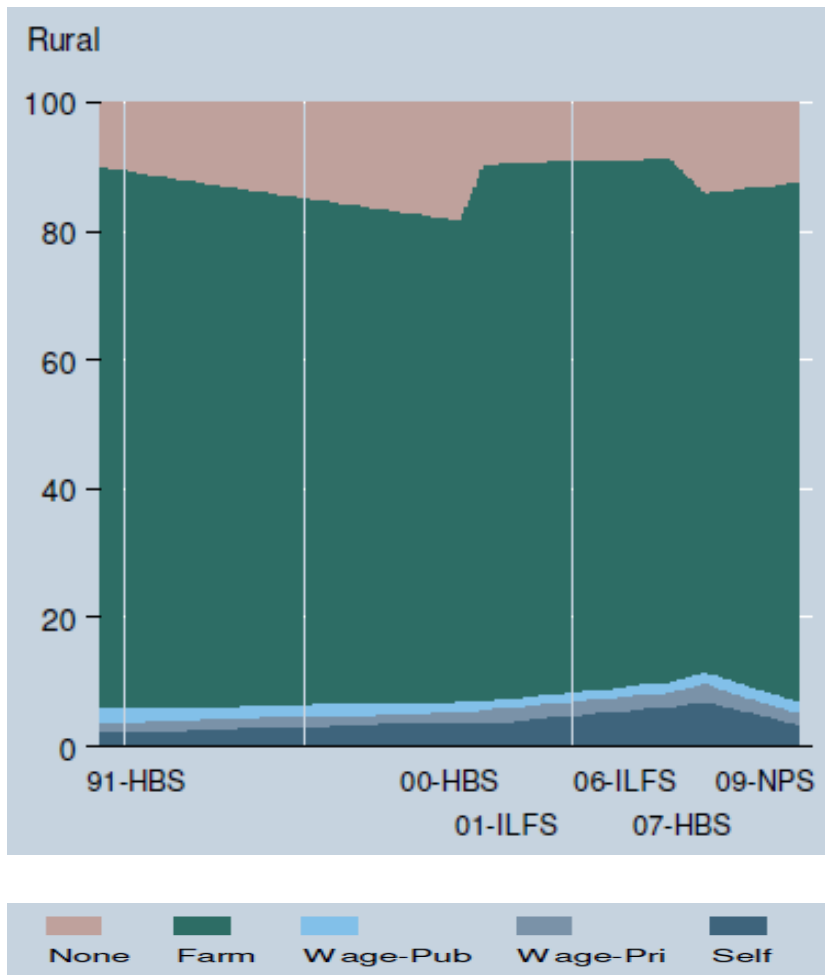
Rural hunger at 18.4% (HBS) 20.4% (NPS)

- Improved food availability (SSR =112) but food shortages in 46.9 districts (MKUKUTA target : 7)
 - Food distribution seem to be an issue

Some Improvements in Infant and child malnutrition

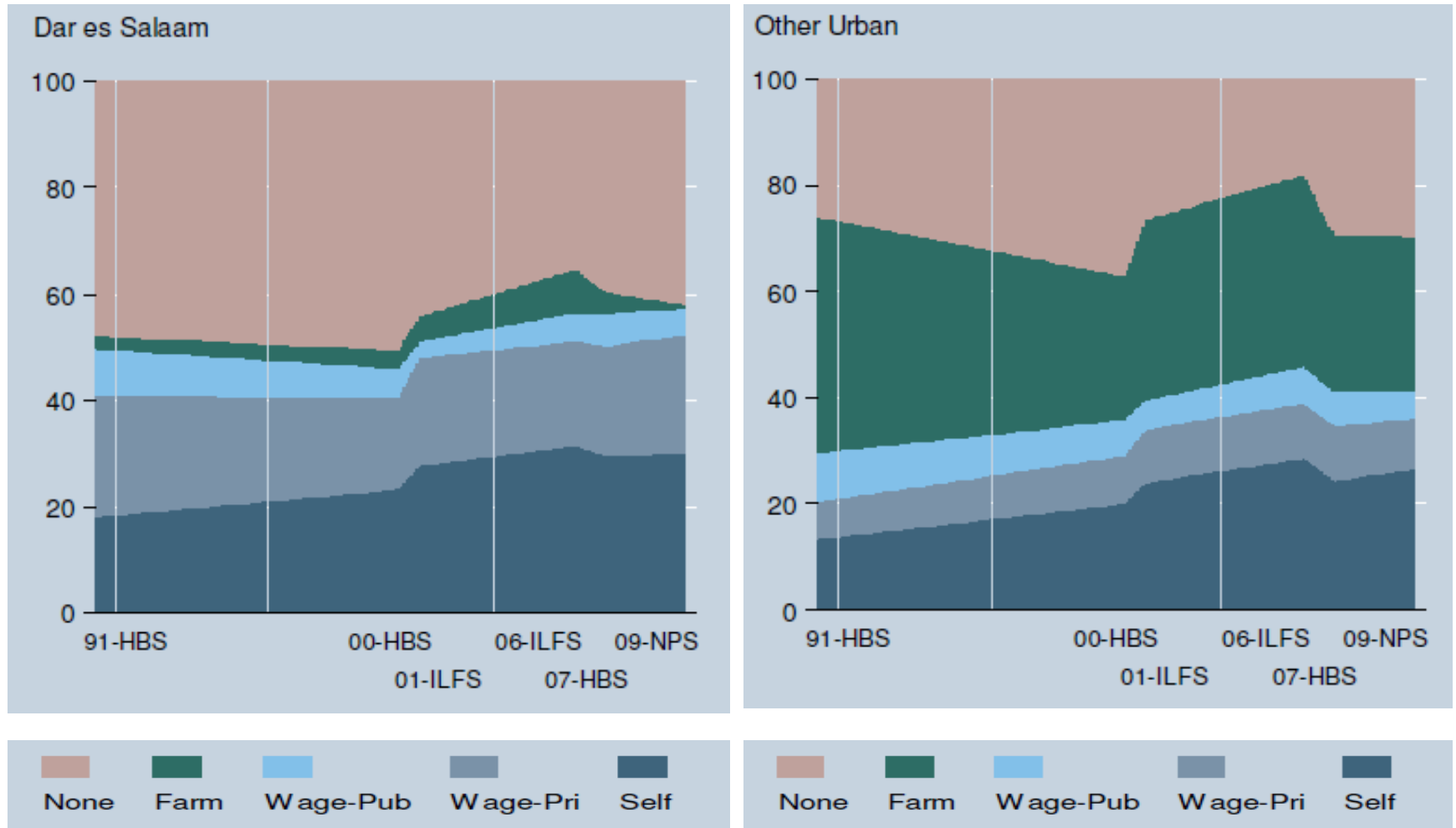
(stunted 38→35, wasted 3 → 4, and underweight 22→21, DHS 2010)

Wide disparities in Employment – Rural Tanzania



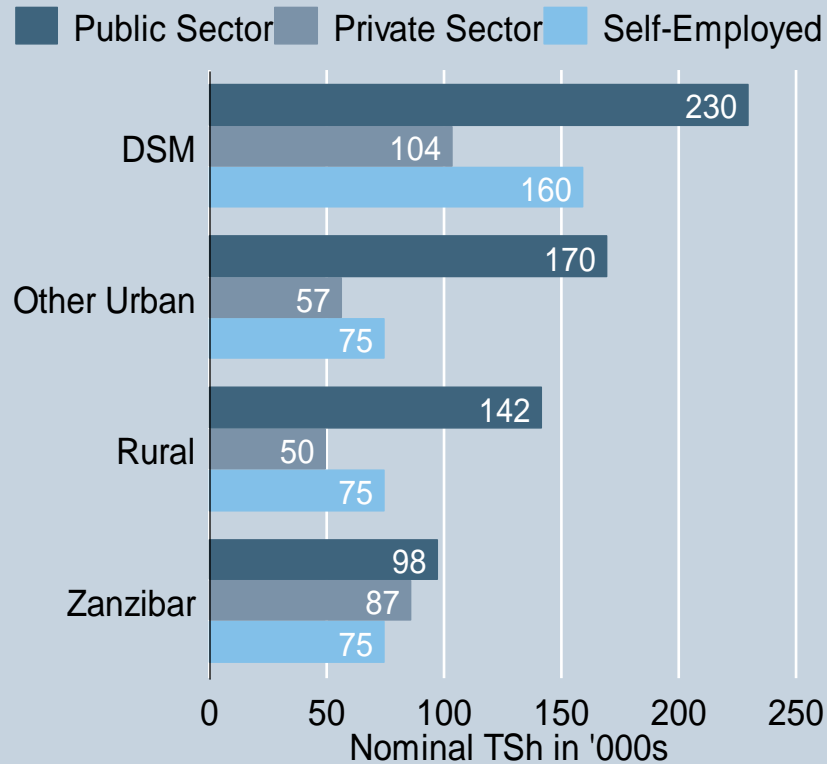
- No structural transformation within agriculture during the past two decades
- A reflection of limited opportunities elsewhere?
- Got trapped in agriculture?

Wide disparities in Employment - Dar and other urban

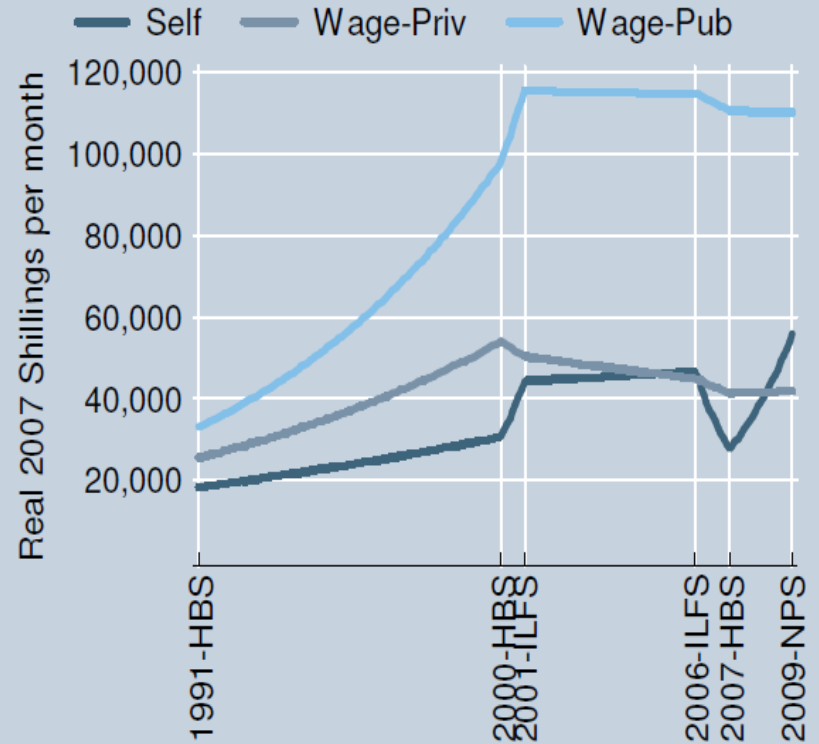


Wide disparities in Earnings

Median monthly earnings

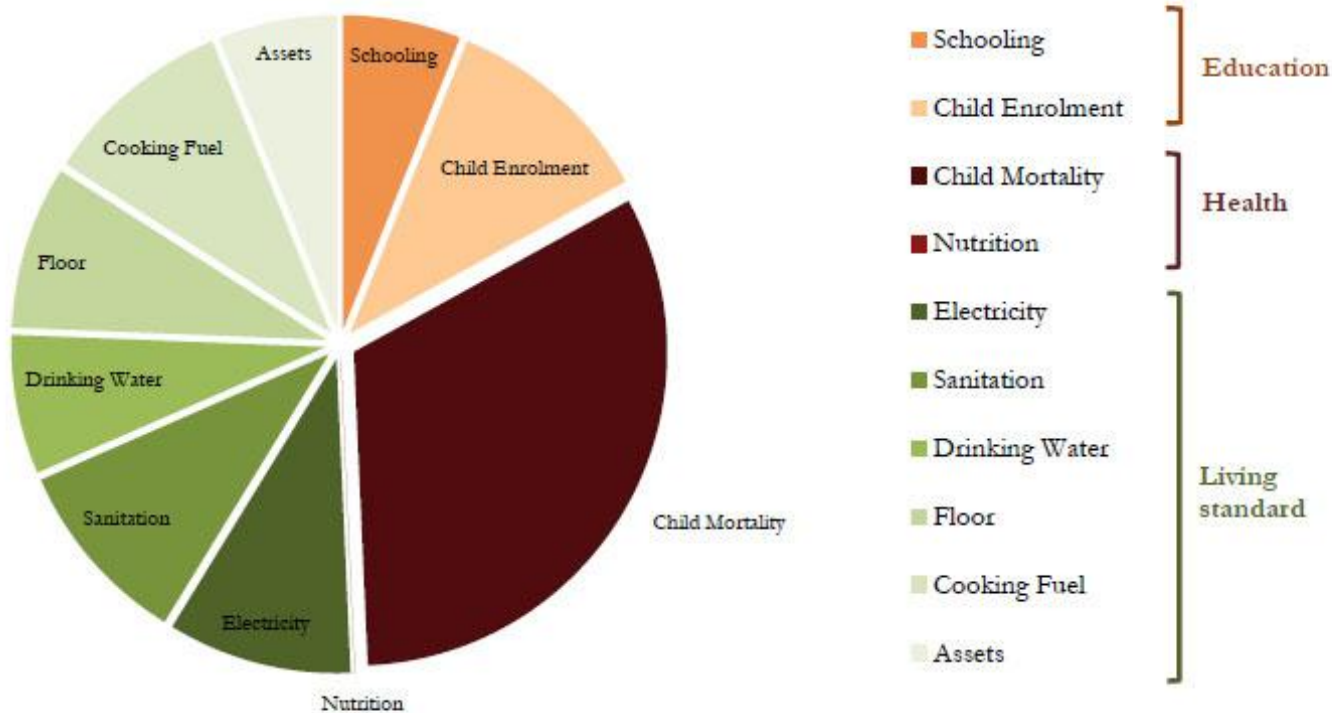


Real median monthly earnings



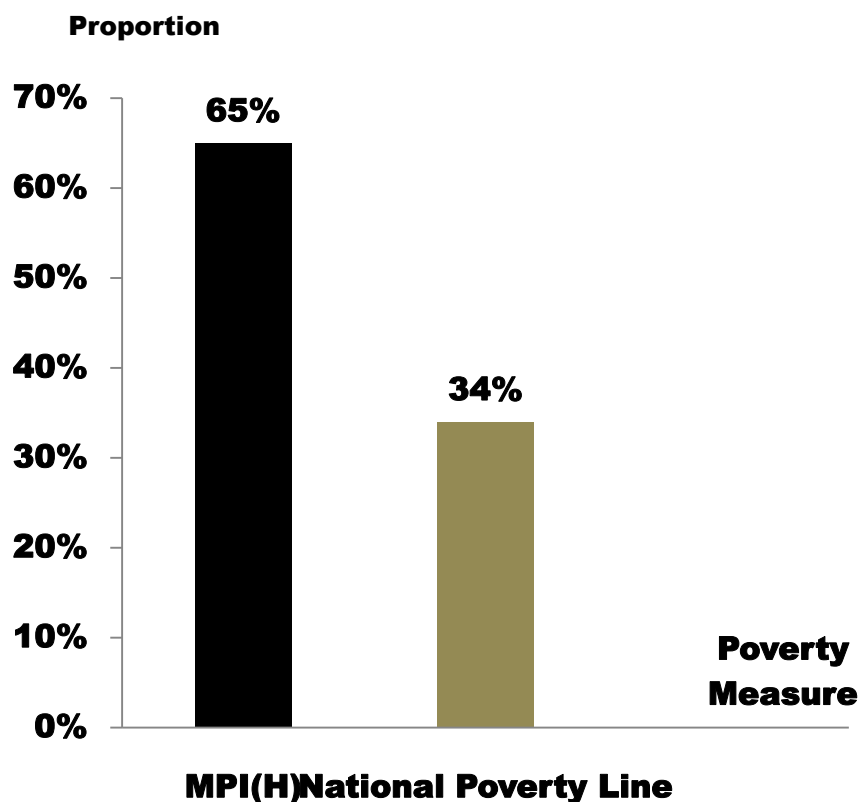
Multidimensional Poverty Index (MPI) - Composition

Contribution of indicators to the MPI



High Multidimensional Poverty

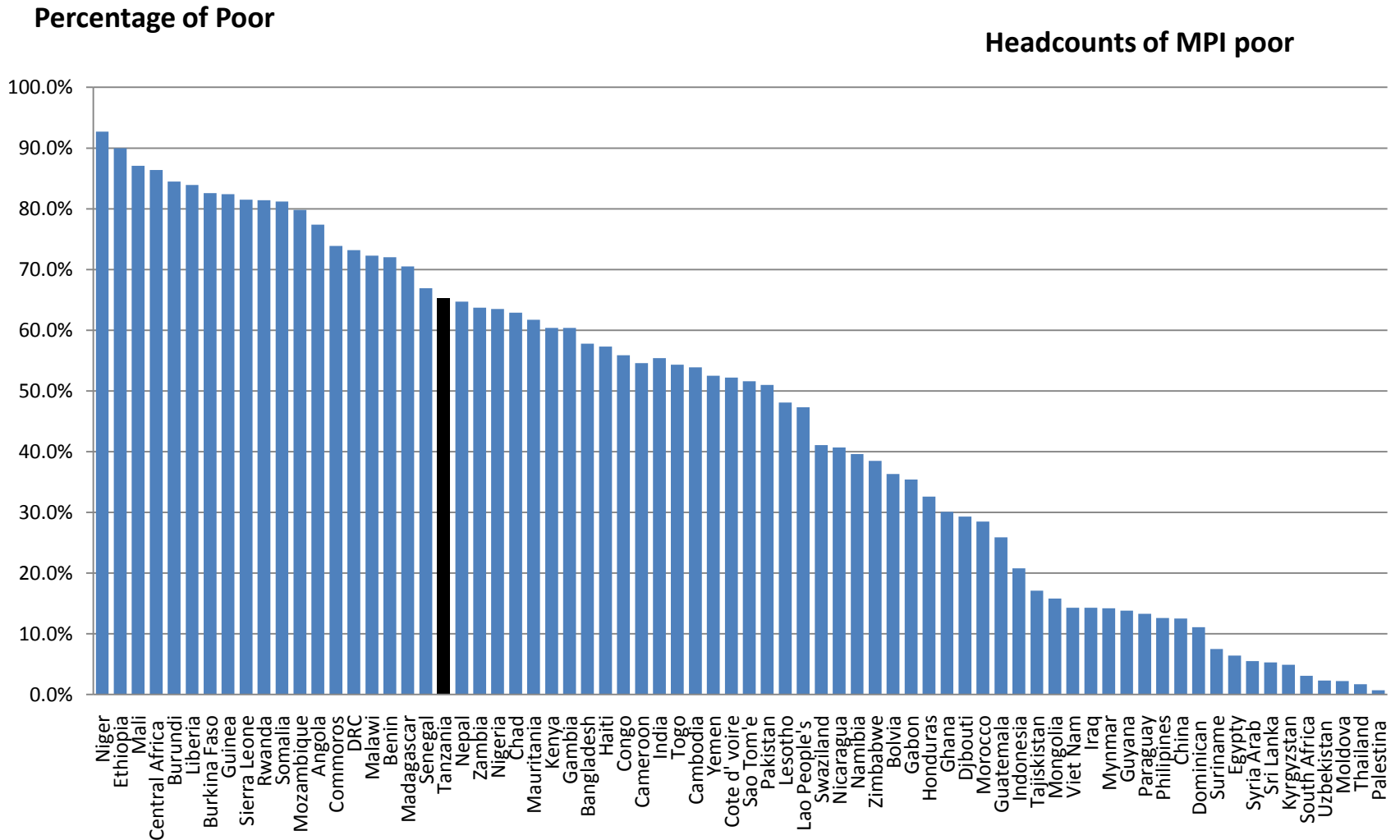
Comparative poverty measures



Summary Statistics

Multidimensional Poverty Index	0.367
Percentage of MPI Poor	0.653
Average Intensity of Deprivation	0.563
Number of MPI Poor (million)	27.0
Percentage of Income Poor (\$1.25 a day)	89%
Percentage of Income Poor (\$2.00 a day)	97%
Percentage of Income Poor (National Poverty Line)	34%

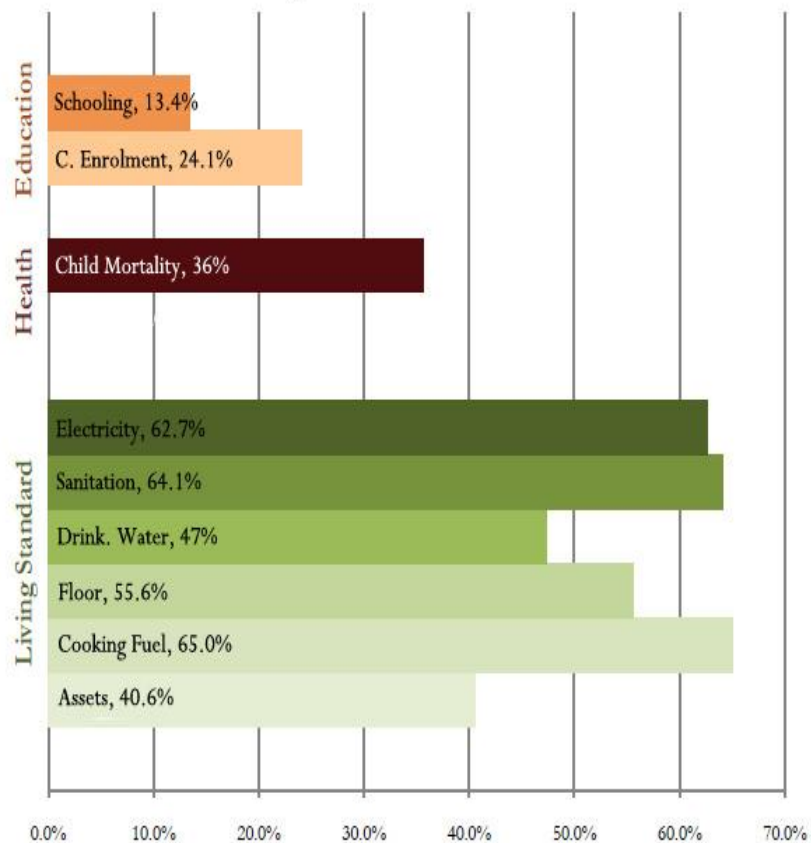
Tanzania's relative standing in MPI



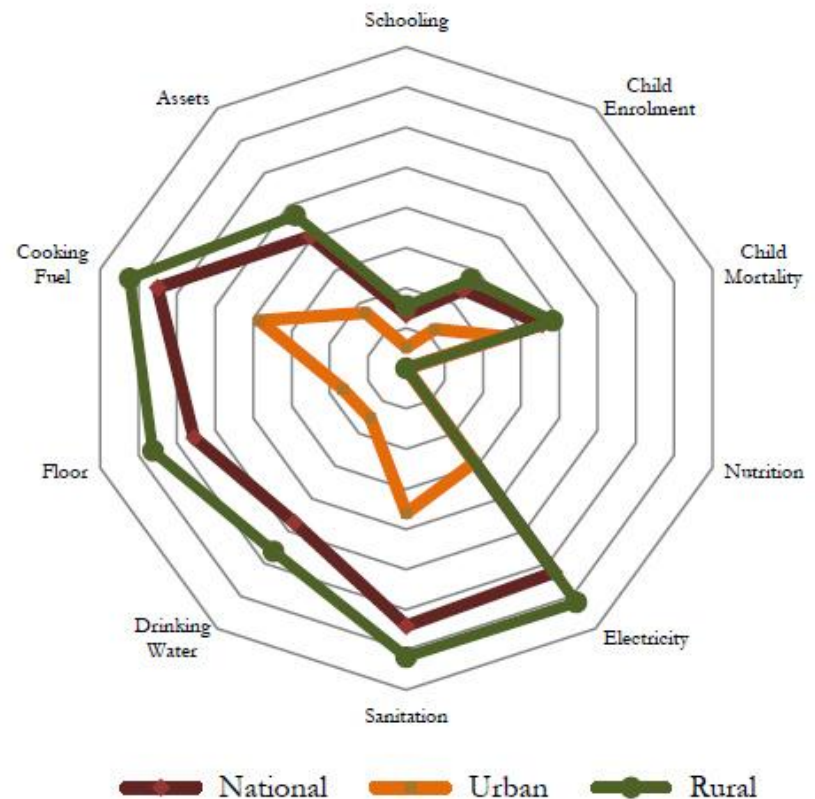
Incidence of Deprivation in Each of the MPI Indicator

Rural-urban gap, many deprived of basic necessities

C. Deprivations in each Indicator



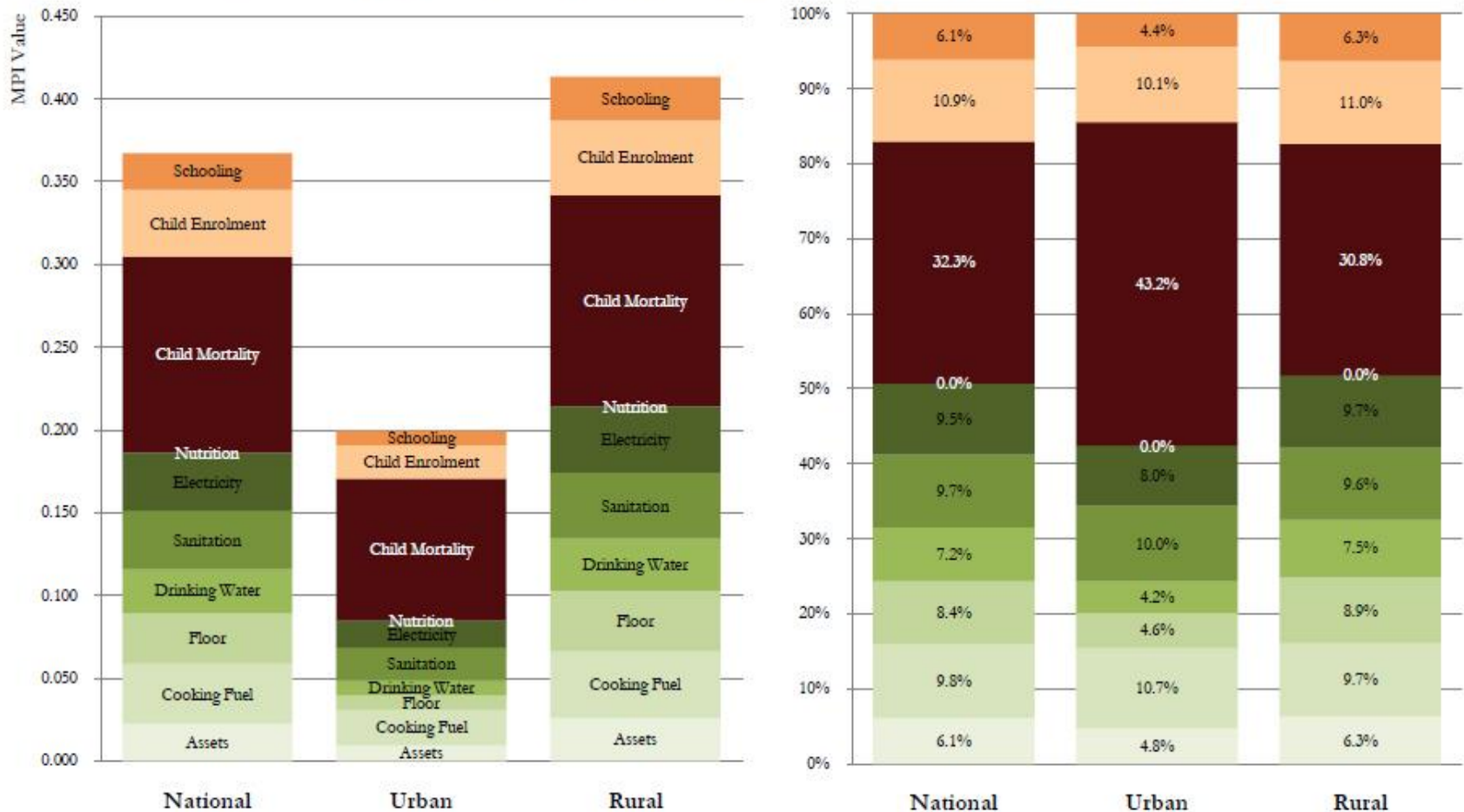
D. Percentage of the Population MPI poor and Deprived



Decomposition of MPI

Hefty gains from reducing child mortality

E. Contribution of Indicators to the MPI at the national level, for urban areas, and for rural areas



The underlying reasons and the way forward

- Lack of prioritization and proper sequencing and therefore the strategy has not been pro-poor / inclusive
- Ineffective implementation of policies and strategies
- And the need to translate MUKUTA II /MKUZA II strategies to concrete policies and actions and implement and monitor them more effectively to achieve the desired goals.



Thank you

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