

CHAPTER V: THE STRATEGY

5.1 Introduction

This chapter presents the strategy details on how the core NSGRP outcomes are going to be achieved. It reflects the concerns of stakeholders and on going economic and social reforms and sectoral and district programmes. It also aims at fostering greater linkages and collaboration among different actors. Details include: specific broad outcomes, goals and operational targets for the three clusters.

MDAs and LGAs and other actors are key implementers through their respective strategic plans and programmes. They will align to the NSGRP by addressing the core NSGRP outcomes. Sectoral linkages and collaboration will lead to efficient attainment of the broad outcomes. On the basis of consultations, areas of collaboration, whereby different actors will contribute to specific goals or targets of the strategy, were identified. These details are included in the Annex.

5.2 Policy environment

The Government is determined to stay the course of economic and social reforms and maintain improved macroeconomic stability. In the course of the NSGRP, real GDP is expected to reach the average growth rate of 6-8 percent per annum between 2005/06 and 2009/10 consistent with the aspirations of Vision 2025. Domestic revenue mobilisation effort will be accelerated and external support utilized to increase the capacity for steady growth. Government will continue to adhere to the objectives of the National Debt Strategy (NDS) and seek further debt relief from the Paris Club and Non-Paris Club Creditors as agreed under the HIPC programme. Projections for 2005/06-2009/10 assume improvements in the productivity of agriculture and other productive and economic service sectors, tourism and mining and a strategic trade regime fostering international competitiveness, promoting private sector development and implementation of policies in respect of the SMEs, micro-finance and cooperatives.

Continued attention will be paid to equitable allocation of public resources, better public finance management and fiscal discipline keeping in focus budget execution, procurement and audits, public service reforms and the necessary Parliament oversight. Capacity building needs at the level of central and local government will be pursued and good governance, accountability and human rights adhered to with a focus on the impact on the poor.

The Government will continue to support social sector reforms in education, health and water. Social welfare and social protection programmes for the vulnerable groups will be covered adequately to reduce risks to vulnerability. Efforts to address budgeting and financing of gender imbalances and other cross-cutting issues will be scaled up. Political reforms will be continued in order to create an

enabling political environment necessary to unleash political support for growth and attainment of the MDGs, NEPAD targets as well as all other regional and international commitments.

5.3 Cluster goals, targets and strategies

Box 1 summarises broad outcomes and goals related to the three major clusters.

Box 5.1: Summary of cluster broad outcomes and goals

<p>Cluster I: Growth and Reduction of Income Poverty</p> <p>Broad outcome: Broad based and equitable growth is achieved and sustained</p> <p>Goals:</p> <ul style="list-style-type: none"> • Ensuring sound economic management. • Promoting sustainable and broad-based growth. • Improving food availability and accessibility. • Reducing income poverty of both men and women in rural areas. • Reducing income poverty of both men and women in urban areas. • Provision of reliable and affordable energy to consumers. <p>Cluster II: Improvement of Quality of Life and Social Well-Being</p> <p>Broad outcomes:</p> <ul style="list-style-type: none"> • Quality of life and social well-being, with particular focus on the poorest and most vulnerable groups improved • Inequalities in outcomes (e.g. education, survival, health) across geographic, income, age, gender and other groups reduced <p>Goals:</p> <ul style="list-style-type: none"> • Ensuring equitable access to quality primary and secondary education for boys and girls, universal literacy among men and women and expansion of higher, technical and vocational education. • Improved survival, health and well-being of all children and women and of specially vulnerable groups • Access to clean, affordable and safe water, sanitation, decent shelter and a safe and sustainable environment and thereby, reduced vulnerability from environmental risk. • Adequate social protection and provision of basic needs and services for the vulnerable and needy. • Effective systems to ensure universal access to quality and affordable public services. <p>Cluster III: Governance and Accountability</p> <p>Broad outcomes:</p> <ul style="list-style-type: none"> • Good governance and the rule of law • Accountability of leaders and public servants • Democracy and political and social tolerance • Peace, political stability, national unity and social cohesion deepened <p>Goals:</p> <ul style="list-style-type: none"> • Structures and systems of governance as well as the rule of law are democratic, participatory, representative, accountable and inclusive. • Equitable allocation of public resources with corruption effectively addressed • Effective public service framework in place to provide foundation for service delivery improvements and poverty reduction • Rights of the poor and vulnerable groups are protected and promoted in the justice system • Reduction of political and social exclusion and intolerance • Improved personal and material security, reduced crime, eliminate sexual abuse and domestic violence • National cultural identities enhanced and promoted
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Specific targets and strategies associated with each goal for each of the three clusters. The Annex traces the same cluster goals and identifies areas of collaboration.

5.3.1 Cluster I: Growth of the economy and reduction in income poverty

The broad outcome that will guide the strategy is achieving and sustaining broad-based and equitable growth. Reduction of poverty requires sustained high growth rate of GDP of at least 6-8 percent per annum over the next decade. In this regard, focus will be on scaling up investments towards modernising small, medium and large-scale agriculture for increased productivity and profitability, promoting off-farm activities, including small and medium size enterprises with particular emphasis on agro-processing. The strategy also gives particular attention to trade, services and marketing infrastructure, and creating conducive environment to attract private investment. Support to the fast growing sectors like tourism and mining will be scaled up and geared towards promotion of employment and appropriate labour relations. Safeguards will be devised to protect the environment from undue depletion caused by such activities. Six specific goals are listed in Box 5.1: operational targets and strategies for each goal are briefly summarised in the subsequent sections.

5.3.1.1 Ensuring sound economic management

Sound management of the economy requires sustained actions that maintain a stable and predictable macroeconomic environment in order to achieve a sustained high growth rate of the economy and to generate rational response to market signals. These conditions are essential for sustained long-term private investment. NSGRP pays special attention to sectoral linkages and complementarities and areas that are drivers of pro-poor growth. Operational targets for this goal are summarised in Box 5.2.

Box 5.2: Operational targets for ensuring sound macro-economic management

- Maintained macro-economic stability: inflation rate at maximum of 4%, maintaining official reserves of at least six months of imports, achieving debt sustainability (containing the external debt to GDP ratio at 50 percent or less);
- Reduced unemployment from 12.9 % in 2000/01 to 6.9% by 2010 and address underemployment in rural areas

Sound economic management is to be achieved through maintaining macroeconomic stability; strategies to that effect include the following:

- Sustaining efforts to contain inflation to a level comparable to that of major trading partners by pursuing prudent fiscal and monetary policies as well as increasing production;
- Ensuring that monetary policy continues to focus on price stability, narrowing the gap between deposit and borrowing rates, improving the commercial banking sector, expanding credit to the private sector, and maintenance of market-determined exchange rate (exchange rate stability) and adequate foreign exchange reserves.

- Achieving improvement in the current account of balance of payments; through promotion of export trade for both traditional and non-traditional exports, with a view to reducing aid dependence, and facilitating expansion of enterprises, especially SMEs in exporting activities.
- Assessing macroeconomic effects of aid inflows on the real exchange rate and on the composition of public spending to prevent problems like the “Dutch disease” and deficient absorptive capacity.
- Implementing trade policy that maximizes the benefits and minimizes risks of globalisation while continuing to advocate for fair trade.
- Continuing to strengthen tax policy and administration reforms,
- Deepening financial sector reforms, in particular implementation of priority reform measures under the Financial Sector Assessment Programme (FSAP), updating legislations, improving access to credit and strengthening supervision.
- Implementing policies, strategies and programmes that create employment opportunities as well as creating environment that encourages self-employment, the aim being to halve unemployment rate between by 2010.

5.3.1.2 Promoting sustainable and broad-based growth

In the post 1990 period Tanzania has managed to reverse the low, and in some years, negative growth rate of the economy experienced in the 1980s. Despite this achievement, there has not been a corresponding fast and significant reduction in the incidence of poverty. Different socio-economic groups have not felt the benefits of improved growth equally. Detailed growth strategies, which require multi-sectoral actions, will be developed within the context of public-private dialogue. Under the NSGRP both sources and patterns of growth will be broad-based.

Operational targets for this goal are summarised in Box 5.3.

Box 5.3: Operational targets for promoting sustainable and broad-based growth

- Accelerated GDP growth rate to attain a growth rate of 6-8% per annum by 2010
- Scaled up participation of the informal sector and SMEs (including cooperatives).
- Increased growth of manufacturing sector from 8.6% to 15% by 2010
- Increased agricultural growth from 5% in 2002/03 to 10% by 2010.
- Increased growth rate for livestock sub sector from 2.7% in 2000/01 to 9% by 2010
- Increased technological innovation, upgrading and use of technologies.
- Promoted regional equity in development and capacity for growth and infrastructure that enables investment and livelihoods diversification
- Repaired 15,000 kms of rural roads annually by 2010 from 4,500 kms in 2003
- Reduced negative impacts on environment and peoples' livelihoods.
- Reduced land degradation and loss of biodiversity.
- Increased export proportion of value added minerals from the current 0.5% to 3.0% by 2010.

Sustainable and broad based growth can only be realised through accelerated GDP growth and widening the spectrum of actors in the economy, particularly the informal sector, SMEs and the cooperatives. It entails: (i) strengthening of the link between agriculture and industry; (ii) raising

contribution of other sectors to GDP; (iii) preventing the negative impacts on environment and people's livelihoods (iv) promoting technological innovations, communication, physical infrastructures such as roads, ports, railway lines and storage facilities; and (v) promotion of regional equity in development is another important dimension for broad-based growth. The TMTP2020 strategic actions address the objective of growth through creation of attractive sites for both domestic and foreign investors so as to accelerate growth in production, per capita incomes, export earnings and employment in the SEZs.

Achievement of sustainable and broad-based growth will incorporate the following strategic actions:

- Promoting investment in the productive and services sectors with a view to increasing productivity and enhancing job creation;
- Empowering Tanzanians to mobilise savings and investments through, among others, sale of units by the Unit Trust of Tanzania, Parastatal Sector Reform Commission and the Capital Markets and Securities Authority and other initiatives;
- Implementing BEST programme, maintaining a predictable business environment and protecting property rights;
- Implementing TMTP 2020
- Modernising and expanding physical infrastructures through enhanced public-private partnership;
- Promoting R&D and patenting of proven technologies including support to R& D institutions;
- Increasing the number of irrigation schemes and area under irrigation and promoting rainwater harvesting;
- Increasing productivity and profitability in agriculture through technological innovations such as use of improved high-yielding and pests-, disease- and drought-resistant varieties, improved tools and equipment and better soil and water management, improved extension services, training and promotion of Integrated Pest Management (IPM);
- Promoting efficient utilization of rangeland, empowering pastoralists to improve livestock productivity through improved access to veterinary services, reliable water supply, recognizing pastoralism as sustainable livelihood;
- Promoting use of ICT, expanding communication networks and supporting institutions which facilitate appropriate and environmentally friendly technology development and transfer;
- Promoting appropriate production and processing technology;
- Promoting regional equity through appropriate investment incentives and refocusing public expenditure;
- Involving communities in construction, maintenance and management of rural roads;
- Updating mining policy and legislation and developing and promoting enabling environment for investment in mineral value-addition;

- Attracting investment in coal and natural gas development and increase contribution of coal and natural gas to GDP.

5.3.1.3 Improving food availability and accessibility

Availability of food, both in required quantity and quality is an important aspect of human well-being and its absence is a manifestation of poverty. Food insecure households, whether for lack of stocks or income for purchasing food, are vulnerable to all sorts of ills, with women and children often being more at a disadvantage. Food security is attained through increased per capita production of food crops, having adequate income and ensuring that in times of shocks enough reserves are maintained to minimise vulnerability. At the national level the Strategic Grain Reserve (SGR) is intended to cater for shocks that lead to food insecurity. Operational targets for this goal are summarised in Box 5.4.

Box 5.4: Operational targets for improving food availability and accessibility

- Increased food crops production from 9 million tons in 2003/04 to 12 million tons in 2010.
- Maintained Strategic Grain Reserve of at least 4 month of national food requirement.

The following strategies will be implemented in order to ensure availability and accessibility of food in both urban and rural areas:

- Providing targeted subsidy to selected food crops, identifying and promoting modern farming technologies especially in rural areas and providing support for increased utilisation of improved technologies for crop and livestock production
- Identifying research activities and promote food storage technologies/ facilities and enhance agro-processing as well as environmentally friendly farming technologies and practices especially for rural areas.
- Improving stock management and monitoring of food situation
- Undertaking a review of the maize supply chain, management and monitoring of emergency food supplies, including further clarification of regulation and means of enhancing trade.
- Improving road network connectivity to facilitate flow of food crops

5.3.1.4 Reducing income poverty of both men and women in rural areas

While income poverty has generally declined between 1991/92 and 2000/01 as revealed by the 2000/01 HBS, the reduction has been relatively higher in urban than in rural areas. Within rural areas women have been even more disadvantaged. Efforts will be stepped up to reduce the proportion of the rural population below the basic needs poverty line from 38.6 percent in 2000/01 to 24 percent by 2010; and food poverty line from 27 percent in 2000/01 to 14 percent by 2010. Operational targets for this goal are summarised in Box 5.5.

Box 5.5: Operational targets for reducing income poverty of men and women in rural areas

- Reduced proportion of rural population (men and women) below the basic needs poverty line from 38.6% in 2000/01 to 24% in 2010
- Reduced proportion of rural food poor (men and women) from 27% in 2000/01 to 14% by 2010.
- Increased productivity and profitability both within agriculture and outside agriculture sector.
- Increased sustainable off-farm income generating activities
- Secured and facilitated marketing of agricultural products.
- Increased contributions from wildlife, forestry, and fisheries, to incomes of rural communities.

The strategy for achieving this goal requires a broad range of actions in production and productivity, improved marketing and diversification in sources of income and rural transformation, including:

- Providing reliable, affordable and efficient energy and alternative rural energy schemes;
- Enhancing life-skills and entrepreneurship training for rural population;
- Increasing access to rural micro-financial services for subsistence farmers, particularly targeting youth and women; promote and sustain community-based savings and credit schemes such as SACCOS and revolving funds;
- Strengthening cooperatives and Export Credit Guarantee Fund for cooperatives and other farmers' organisations;
- Investing in rural infrastructure to facilitate marketing of rural produce;
- Supporting production of crops with high returns;
- Promoting off-farm activities and value-addition schemes to primary agricultural, fishing, forest, wildlife and livestock products through agro-processing SMEs and cooperatives;
- Scaling up community development initiatives e.g. community-based rural road construction and enhancement of programmes such as SIDO, TASAF and SELF that focus at micro level.

5.3.1.5 Reducing income poverty of both men and women in urban areas

Although poverty is mainly a rural phenomenon in Tanzania, the severity of poverty in urban areas calls for special attention. Like their women counterparts in rural areas, urban women are also more disadvantaged. In this regard programmes will be scaled up in order to reduce the proportion of urban population below the basic needs poverty line from 25.8 percent in 2000/01 to 12.9 percent by 2010; and below the food poverty line from 13.2 percent in 2000/01 to 6.6 percent by 2010. Operational targets for this goal are summarised in Box 5.6.

Box 5.6: Operational targets for reducing income poverty of men and women in urban areas

- Reduced proportion of the urban population (men and women) below the basic needs poverty line from 25.8% in 2000/01 to 12.9% in 2010.
- Reducing the proportion of the urban food poor (men and women) from 13.2% in 2000/01 to 6.6%.

The approach to reaching this goal will involve measures targeting access to credit, settlements, skills and entrepreneurship development and employment. The specific strategies will include:

- Supporting SMEs and the informal sector in accessing financial services, and implementing land use and management plans;
- Promoting self-employment and improving quality of labour through apprenticeship and entrepreneurship programmes as well as vocational training;
- Ensuring reliable supply of essential utilities, including energy and water and sanitation.

5.3.1.6 Provision of reliable and affordable energy to consumers

This goal aims at contributing to the quality of life by ensuring reliable power supply to consumer – households and investors alike. It aims at promoting rational and efficient use of power as developing and promoting indigenous energy sources. There will be a need to increase the proportion of rural and urban population with access to electricity and a reduced proportion of population depending on biomass energy for cooking from 90 percent in 2003 to 80 percent in 2010.

Operational targets for this goal are summarised in Box 5.7.

Box 5.7: Operational targets for provision of reliable and affordable energy to consumers

- Liberalization of the power sub-sector effected by 2010.
- At least three (3) Production Sharing Agreements (PSA) negotiated, concluded and signed by June 2010.

The specific strategies to achieve the targets include:

- U-dating regularly the power systems master plan; expedite implementation of power projects according to the Power System and Rural Energy Master Plans and finalise restructuring of power sub-sector;
- Issuing of guidelines and regulations for reduction of energy in transportation, transmission and distribution losses reviewed and enforced; privatise generation and distribution;
- Developing and promoting utilization of indigenous energy resources and diversification of energy sources;
- Promoting on-shore and offshore petroleum exploration.

5.3.2 Cluster II: Improvement of quality of life and social well-being

The Government recognizes the central role of social service sectors in achieving the goal of improving quality of life and social well-being. Efforts have been made to increase expenditure on pro-poor social services, but the intended levels of resources have not been fully realised. There is an urgent need, therefore, to increase funding to the social service sectors. The NSGRP will put emphasis on the desired outcomes that can effectively reduce vulnerability. Greater attention will be paid to equity and quality issues in the delivery of social services recognising the role of LGAs as the primary providers of services at the local level. Attention will also be paid to clean and healthy environment.

The disparities between the rich and poor, cross-age groups and between urban and rural citizens in accessing and use of social services will be minimised. The strategy on the non-income side of the poverty reduction strategy will be guided by the following two broad outcomes:

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

In line with the concerns of the stakeholders and the overarching orientation of Vision 2025 and NPES, the focus on non-income poverty strategy aims at achieving five goals (Box 5.1 above). The following sections describe operational targets and strategies to achieve these goals.

5.3.2.1 Ensuring equitable access to quality primary and secondary education for boys and girls, universal literacy among women and men; and expansion of higher, technical and vocational education

Operational targets (Box 5.8) address early childhood development, increased enrolment, and opportunities for children with disabilities, improved learning environment and access to and quality of education, adult education, and improvement and expansion of vocational and higher education.

Box 5.8: Operational Targets for ensuring equitable access to quality primary and secondary education for boys and girls, universal literacy among women and men and expansion of higher, technical and vocational education

<p>A. Early Childhood</p> <ul style="list-style-type: none"> • Increase in the number of young children prepared for school and life
<p>B. Primary Enrolment</p> <ul style="list-style-type: none"> • Increased gross and net enrolment of boys and girls, including children with disabilities in primary schools from 90.5% in 2004 to 99% in 2010 • Increased proportion of orphans and other vulnerable children enrolled, attending and completing primary education from 2% in 2000 to 30% in 2010
<p>C. Secondary Enrolment</p> <ul style="list-style-type: none"> • Increased percentage of girls and boys with disabilities and OVCs who qualify for secondary education enrol and complete secondary schools by 2010 • At least 50% of boys and girls aged 14-17 years are enrolled in ordinary level secondary schools by 2010 • At least 60% of girls and boys pass Standard VII examinations by 2010 • At least 25% of boys and girls are enrolled in advance level secondary schools by 2010
<p>D. Primary Achievement & Quality</p> <ul style="list-style-type: none"> • Achieving an average daily attendance in primary schools of at least 85% • At least 95% of cohort complete standard IV • At least 90% of cohort completes standard VII.
<p>E. Secondary Achievement & Quality</p> <ul style="list-style-type: none"> • At least 70% of girls and boys pass at Division I-III in Form IV examinations. • Improved learning environment for all children in all schools, with all education institutions safe, violence free, child friendly and gender sensitive • Access to and quality of education in GoT and Non-Government schools regulated. • 90% of primary and secondary schools have adequate, competent and skilled teachers by 2010

<ul style="list-style-type: none"> • Primary and secondary education is of a high quality and promotes the acquisition of critical knowledge, real skills and progressive values.
<p>F. Higher & Technical Education</p> <ul style="list-style-type: none"> • Increased enrolment in higher and technical education in Universities and in Technical Colleges to 30,000 full time students, 10,000 part time, and 15,000 distance learners by 2008. • Improved knowledge on entrepreneurship skills amongst youth
<p>G. HIV/AIDS</p> <ul style="list-style-type: none"> • Effective HIV and AIDS education and life skills programmes offered in all primary, secondary schools and teachers colleges.
<p>H. Adult & Non-Formal Education, & Culture</p> <ul style="list-style-type: none"> • At least 80% of adults, especially women in rural areas, are literate • Reduced number of illiterate adults from 3.8 million (2004/05) to 1.5 million (2007/08). • Reduced numbers of young people involved in COBET from 234,000 in 2004/5 to 70,566 in 2007/08 • Expanded and improved public participation in cultural activities. • Increased numbers of students/youth who are service orientated.

Considerable progress has been made under the Primary Education Development Programme (PEDP). In the first years of PEDP implementation focus was on enrolment expansion, classroom construction, and teacher engagement and deployment. Issues of quality improvement in provision of teaching and learning materials have also been emphasized.

In subsequent years of PEDP, more emphasis will be given to *quality* focusing on in-service and pre-service teacher training, teaching / learning materials, and system-wide management improvements. The thrust of the current strategy comprises increasing both gross and net enrolment of boys and girls in primary schools; and increasing enrolment of children with disabilities and other vulnerable groups in primary schools. The Secondary Education Development Programme (SEDP) will complement the PEDP. Expansion of the post-primary education system will also increase the chances of children from poor families and children with disabilities attending secondary school. The strategy also aims to increase enrolment of boys and girls in secondary education. It put more emphasis on improvement of the attendance rate in primary and secondary education for both Government and non-Government schools. Measures to improve learning environment, increase the number and improve the quality of teachers for both primary and secondary education forms critical ingredients to the strategy.

Since children are sexually active at an early age, effective measures will be taken to control the spread of HIV and AIDS through the education system aimed at protecting children and combat HIV and AIDS as well as poverty.

Concerns regarding the performance (and retention) of girls during their final years of primary education and throughout secondary education are well recognized. More attention will be given to improved retention and performance of girls in primary and secondary education. Focus will be on ensuring equitable access, improving quality and strengthening governance in primary education and expanding access to quality secondary, vocational, adult non-formal education and higher education.