

M A N Y A R A R E G I O N

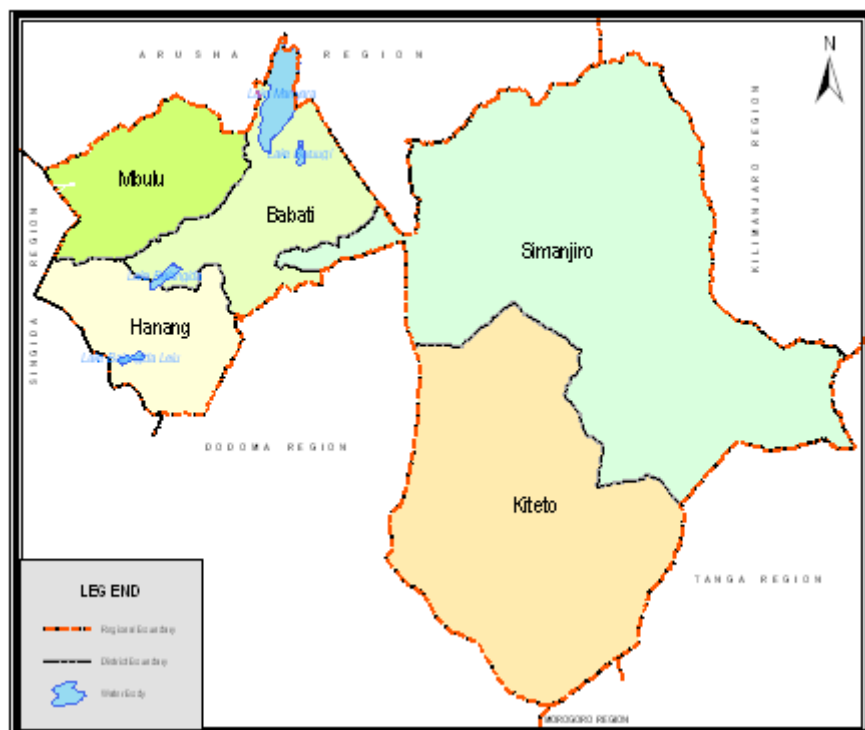


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Abbreviations

RC	Regional Commissioner
RAS	Regional Administrative Secretary
DC	District Commissioner
DED	District Executive Director
MD	Municipal Director
DAS	District Administrative Secretary
GDP	Gross Domestic Product
NBS	National Bureau of Statistics
Govt.	Government
RCC	Regional Consultative Committee
LAPF	Local Authority Provident Fund
PPF	Parastatal Provident Funds
HQ	Head Quarter
SNA	Systems of National Accounts
ECA	Economic Commission for Africa
RGDP	Regional Gross Domestic Product

Preface

This report on Manyara Regional GDP provides the picture of the region in terms of the Gross Domestic Product. This is the first attempt as such it is a benchmark for the future compilation of Manyara RGDP. The report calumniates the teamwork between the Office of RAS Manyara region and the National Bureau of Statistics. It also presents the result of Manyara RGDP in two levels namely districts and regional levels by activities, monetary and non-monetary. The Manyara RGDP is compiled for the years 2001 to 2004, at current prices.

The institutional responsibility set in the production of Manyara RGDP were as follows: data collection was supervised by the office of RAS which assigned the regional professional in various disciplines of the activities in Manyara region for data collection task. The National Bureau of Statistics provided the expert in compilation of the RGDP.

The Manyara RDGP was compiled with the aims of providing a valuable stock of information on Regional GDP to the stakeholders that portray the economic activities in the Manyara region.

The regional GDP methodology used were peer reviewed and endorsed by an international expert on regional GDP of Dr. Mashsha from ECA in Ethiopia. The compilation approach used is consistent with international best practice.

The report proposed areas for improvements which stand as challenges to the Office of RAS in Manyara region and the National Bureau of Statistics in improving quality of the Manyara RGDP estimates. It is expected that the Report will be a useful reference material for all stakeholders.

We would welcome any comments regarding this publication. These comments should be channeled to the:



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Acknowledgements

The compilation of Regional Gross Domestic Product Estimates for Manyara Region took three years and resource – intensive process was made possible by the joint effort of office of RAS and the NBS. The work was started by Manyara regional Commissioner Hon. Anatoly Tarimo and finalized by Hon. Mr. Andrew Shekifu. The individuals officers under the supervision of the office of RAS, Mr. Patropa Minja who coordinated the production of Manyara RGDP. The RC's office also acknowledges the team from the NBS led by Directorate of Economic Statistics, National Bureau of Statistics Mr. Ally Athmani Araba and later Mr. Sange M. Mbaruku. The National Accounts Department managers Ms. Joy E. Sawe and Mr. Morrice N. Oyuke as Departmental Managers at varying times.

The product/study on the compilation of Manyara RGDP was funded by the Government of Tanzania and the experts on Regional GDP compilation under supervision of National Accounts Departmental manager included Gabriel K. Simbila, Adella S. Ndesangia, Daniel W. Masolwa, Fred E. Matola, Gregory E. Millinga and **close supervision of Regional Statistical Manager's Ms. Margaret M. Martin (Arusha) and Juma Shaaban (Manyara) .**

Finally, mention should be made for many staff members from NBS, Office of RAS in Manyara region who, in addition to those mentioned above, contributed immensely to the success of the analysis and drafting process, through harnessing their various professional, technical, administrative and secretarial skills that were required in supporting a complex and overly demanding work of compiling Regional GDP.

1. INTRODUCTION AND BACKGROUND

The report on Manyara Regional Gross Domestic Product is the outcome of the teamwork between the National Bureau of Statistics and the office of RAS in Manyara Region. The process of compiling Manyara Regional GDP started in 2004 with workshop on the Regional GDP compilation at RAS office in Manyara region. The programme for the compilation of Manyara Regional GDP were allocated as follows:

- Regional Administrative Secretary's Office, to coordinate both data collection on all sectors of the economy and actual compilation exercise
- While the National Bureau of Statistics, to draft the questionnaires to suit the Manyara region GDP data collection, Sampling procedures for the sectors where data collection were done on sampling basis and over all expertise on the GDP compilation.

1.1 Regional GDP compilation Method in Tanzania

Manyara Gross Domestic Product is a vital economic indicator that can be used as an input in planning for the Regional development programs.

Inline with the provision of this important indicator to the regions, the NBS has since 1980s produced Regional GDPs by distributing total GDP for Tanzania into regional GDPs, using the proxies such as Crop, Manufacturing & Mining production from the regions and Employment as proxy for other sector. This method is very crude for the estimation of Regional GDPs for Tanzania because of the coverage and accuracy of the proxies used in the estimation.

Assessment of National and other Social economic Programmes as well as research, need reliable data and information for better planning and decision-making. The expected compiled Manyara regional GDP will go along way to improve the Regional and District process.

1.2 The Objective for the compilation of Manyara Regional GDP Estimates

The objectives for the compilation of Manyara Regional GDP estimates were:

- (a) To compile Manyara Regional GDP estimates by economic activity
- (b) To compile Manyara Regional GDP Estimates disaggregated to the districts and by economic activity
- (c) To calculate Regional and Districts per capita GDP
- (d) To compile GDP disaggregated by monetary and non-monetary

The project study involved developing data and methodologies that was used to for the compilation of Manyara regional GDP estimates for 2001- 2004 years and are released with this report.

These estimates are considered to be of acceptable quality at the district level but have not necessarily been subject to detailed analysis at the region by Sector level.

The detailed report, including sampling procedure is in the final stages

1.3 The benefit of the Manyara regional GDP

The project/study was underpinned by the view that enhanced regional economic data are pivotal to regional development policy because they:

- Help achieve a greater understanding of the growth and innovation performance of regions
- Provide a sound basis for monitoring and evaluating economic development trends
- Support central government's ability to target regional development programmes, including the further development and implementation of the MKUKUTA in the Region.

- Provide a more robust basis for economic decision making by regional and districts and the private sector
- Provide a more effective information base for public and community understanding and debate of regional economic development.
- Provide benchmark data that will help to address specific issues such as poverty reduction and industrialization (processing units of agricultural products into integrated producer schemes).
- The study will explore and serve as a catalyst in scarce resource allocation and investment at regional and district levels (DADPS).
- Open up economic ventures by sectors and draw attention for technical know-how movements and integrated industrialization.

The regional GDP methodology here had been peer reviewed and endorsed by an international expert on regional GDP from Ethiopia Dr. Mashsha. The Manyara Regional GDP compilation approach is consistent with international practice.

1.4 Scope and coverage

Manyara Regional GDP methodology and estimates were developed using national accounting concepts. The NBS aspires to produce regional estimates that are consistent with the published national accounts. In other words, the sum of the GDP of the regions equals national level GDP.

Manyara regional GDP are on an annual basis covering the years 2001–2006. This is the first attempt on the production of Manyara regional GDP as such the timeframe for future production of the series has not been established. However, this will be worked out between the NBS and the Manyara Regional Secretariat.

The regional GDP series have been estimated in current prices. However, an attempt to develop constant 2001 price not perfected, but this could potentially be investigated as a future enhancement.

Manyara Regional GDP was compiled by sectors. A 9- Activity breakdown is available, based on the national accounts activity classification. Due to the application of confidentiality rules it is often difficult to provide estimates at a greater level of detail. The 9 activities in the regional GDP estimates are:

- Agriculture
 - Crops
 - Livestock
 - Forestry
 - Hunting
 - Fishing
- Mining and Quarrying
- Manufacturing
- Electricity, gas and Water
 - Electricity
 - Water
- Construction
- Trade, Hotels and Restaurants
- Transport and Communication
- Financial and Business Services
 - Finance and Insurance
 - Real Estate
 - Business Services
- Public Administration and Other Services
 - Public Administration
 - Education
 - Health
 - Other Services

1.5 Compilation Procedure

The compilation of Manyara Regional Gross Domestic Product (GDP) estimates was done in accordance with the recommended procedures in the SNA 1993, the political demarcated area called “Manyara Region” is the economic territory for the compilation of Manyara Regional GDP.

1.6 Key findings

The key finding of the Manyara regional GDP study is that:

- The Manyara Regional GDP shows Babati district has the higher GDP and Kiteto has the least GDP in the region for the entire period, from 2001 to 2004, Chart 1.
- Per Capita GDP for Manyara region was Shs 288,234, Shs 310,556 and Shs. 328,059 for the years 2002, 2003 and 2004 respectively.
- Mbulu district had a higher per capita while Kiteto district had the least per capita in the region from the year 2002 to 2004. Chart 3.
- Agriculture activity is the main economic base for the region. Agriculture share contribution to Manyara regional GDP is 92.2 percent for the year 2004. Chart4

Chart 1: GDP at current prices (2004)

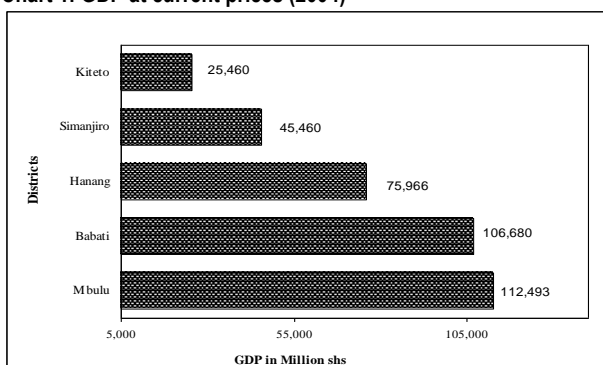


Chart 2: Manyara Regional Population By District, 2002-2004

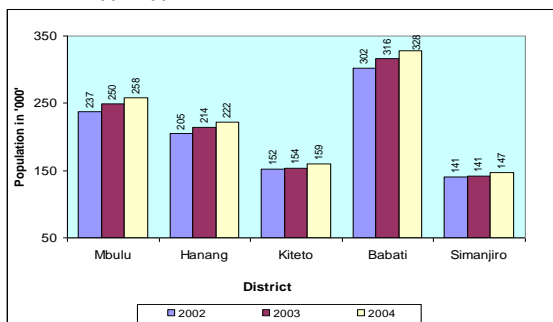
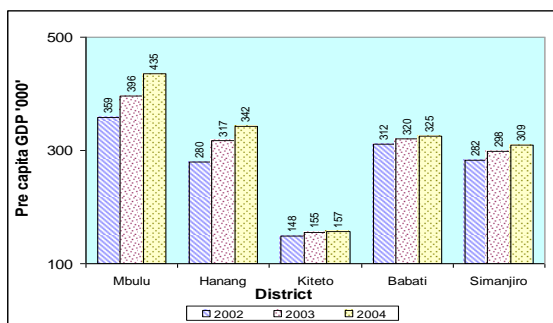


Chart 3: Manyara Per Capita GDP by District (2002-2004)



Measuring Gross Domestic Product

This section discusses the concept of GDP and how it is applied in Manyara Regional GDP estimates. The technical terms used are contained in the annex 1 Concepts and Definition, including all definitions of components of GDP, and terms such as value-added etc.

Regional GDP is compiled by sector.

The regional GDP estimates is based on sector estimates for value-added (the value of output after the cost of bought-in materials and services have been deducted). The output is valued inclusive of taxes on production and subsidies consistent with the national accounts. The treatment of GDP is also consistent with the national approach.

Estimates for components of GDP are used in the calculation of GDP for some sectors, but only total GDP is published by districts by sector. The components of GDP are:

- Compensation of employees
- Consumption of fixed capital
- Gross operating surplus
- Subsidies
- Taxes on production.

The use of components of GDP for regional GDP compilation is discussed in the methodology section.

Regional GDP has been allocated to regions on the basic principle of where the productive activity takes place. For example, where Tanzanite mineral electricity is produced in Simanjiro District of Manyara region, the GDP relating to the Tanzanite will be allocated to Simanjiro District, even though the income goes to Arusha Region.

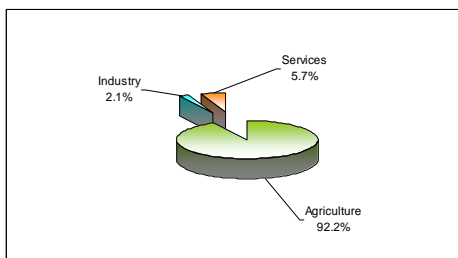
Per capita regional GDP can therefore be derived from these estimates.

Analysis of the Manyara Regional Gross Domestic Product

For the year 2004, agriculture activity contributed 92.2 percent to the RGDP, this shows that the Manyara regional economy is depend mainly on agriculture production.

Industry contributed 2.1 percent with the service sector contributing 5.7 percent for the year 2004. Chart 4. In comparison to the year 2001, shows the share of agriculture has dropped from 96.4 percent to 92.2 percent.

**Chart 4 Percentage Distributions By Major Activity
Year 2004**

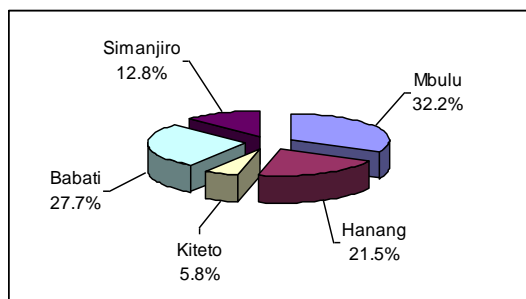


The contribution of agriculture by district for the year 2004 shows that the share contribution of Agriculture in Mbulu district was 32.2 percent which was the highest in the region. The share contribution of agriculture for the Babati district was 27.7 percent, Hanang 21.5 percent, Simanjiro 12.8 percent and Kiteto which the last contributed 5.8 percent¹. Chart 5.

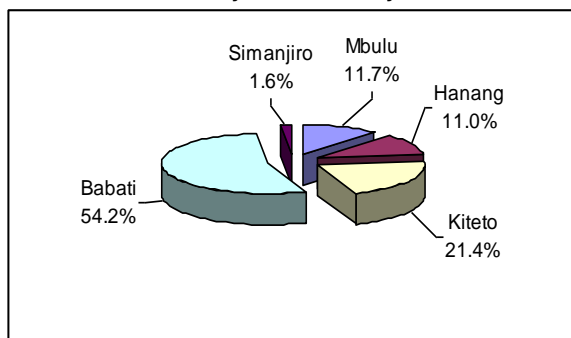
For the year 2004 service industry contribution to the total Regional GDP shows that, Babati district contributed 54.2 percent which was the highest in the region, followed by Kiteto 21.4 percent, Mbulu 11.7 and Simanjiro 1.6 percent. Chart 6.

Note that the industry sector includes; Mining, Manufacturing and construction

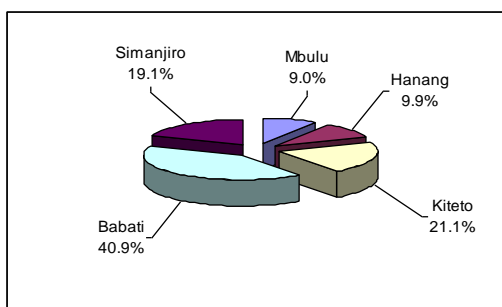
Chart 5; Agriculture Activity Contribution By District, 2004



¹ Agriculture sector include: Crop and Animal husbandry, Fishing , Forestry and hunting

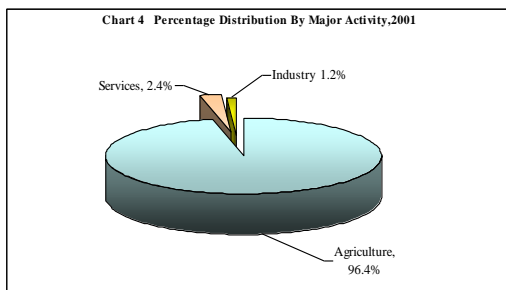
Chart 6: Service Activity Contribution By District, 2004

The contribution of industry sector by district to the total regional GDP shows that, the share of industry for Babati district was 40.9 percent for the year 2004; it was the highest contribution among the five districts. Kiteto was the second in the ranking with the contribution of 21.1 percent. Simanjiro district contribution 19.9 percent and Hanang contributed 9.9 percent. Mbulu district was the least contributing district with 9.0 percent. Chart 7.

Chart 7: Industrial Activity contribution By District, 2004

The share contribution for agriculture to the total Regional GDP was 96.4 percent for the year 2001, in comparison to the 2004 the agriculture share was 92.2 percent. This shows agriculture sector contribution is declining with

time. Service sector contributed 2.4 percent for the year 2001 while in the year 2004 it contributed 5.7 percent. This shows an increase in the service sector as compared to agriculture. Nevertheless, agriculture is still a dominant in the share contribution to the Manyara regional GDP. Chart 8 & 4



2. REGIONAL GDP DATA AND METHODOLOGY

2.1 Regional GDP measurement approaches

This section discusses the broad methodology used to derive the regional GDP estimates. A more detailed paper containing regional GDP sources and methods is being finalised.

The internationally preferred approach for regional GDP compilation is to directly measure the local activity of enterprises, and build up regional accounts from this information. The enterprise-level compilation approach is preferred as it directly measures value-added. This approach is also useful analytically since it clearly links the activities of enterprises within a region to the growth of that region. The Manyara Regional GDP estimates have used this approach where possible, and it has been used for most sectors.

The method of building up regional estimates from local enterprise data is known as the ‘bottom-up’ approach.

The alternative, where regional indicators are used to allocate national level GDP estimates to regions, is known as the ‘top-down’ approach.

A top-down approach is used if the bottom-up approach cannot be implemented for the sector. This is usually due to a lack of survey data for that sector. Because there are many exceptions to the across-the board application of a bottom-up approach, regional GDP methodology has been determined on a case by case (sector by sector) basis. The top-down approach has been used for some industries in Manyara regional GDP estimates.

2.2 Bottom-up data

The bottom-up approach requires detailed data on the sectors. The Office of RAS Manyara region organized data collection as is outlined in table no.4

3.0 Recommendation.

The report recommends areas of improvements as observations as follows:

- Manyara GDP has been compiled for the first time as such it is a baseline picture for the preceding GDP compilation for Manyara region.
- It is of great importance that the Manyara Regional GDP movement's can be explained by numerous factors, including: business relocation, the type of activities within region/districts, the relative performance of the activities within a region compared to the same activity in other regions/districts, GDP growth, and other factors such as overall regional/District per capita GDP change. Many of these factors are referred to at some point in time.
- Although the report shows different nominal regional/district growth rates, the period of this series is really too short to make definitive statements on comparative regional/ district performance.
- Many districts, especially the less diversified ones can be highly affected by short-term events such as price increase, climatic conditions and so on. To identify which district is growing faster than the rest, a much longer-term time series would be required before any such conclusion could be reached.
- The constant GDP for the region need be investigated more in terms of price used
- The dissemination of the finds is vital confronting challenges for improving GDP and boosting the economies of scale in general (ANNEX 2).
- Knowing the status of sectoral development/performance the exchange programmes and economic alliances to be initiated and utilize opportunities such as export oriented agricultural products (e.g. Coffee and Oilseeds-Sunflower).

- Initiation of statute merger ventures whereby district councils having statutory obligation in forming economic partnerships through shares with/and/or stakeholders/villages in liberalization of subsistence economy, opening up employment opportunities; and thereby raising contribution to the general economic growth.
- Quality of data to be maintained for sound socio-economic planning and sustainable development

Annex 1: Concept and Definitions

National Accounts definitions

Basic price

The amount receivable by the producer from the purchaser for a unit of a good or service produced as output minus any tax payable, and plus any subsidy receivable. It excludes any transport charges invoiced separately by the producer.

Compensation of employees

Total remuneration, in cash or in kind, payable by enterprises to employees. Includes contributions paid on employees' behalf to superannuation funds, private pension schemes, the Accident Compensation Corporation, casualty and life insurance schemes, and other fringe benefits.

Consumption of fixed capital

This represents the reduction in the value of the fixed assets used in production during the accounting period resulting from physical deterioration, normal obsolescence or accidental damage. It is valued at replacement cost.

Gross domestic product (GDP)

The total market value of goods and services produced in Manyara after deducting the cost of goods and services utilised in the process of production, but before deducting allowances for the consumption of fixed capital.

Gross operating surplus

This residual item is output at producer's values, less the sum of intermediate consumption, compensation of employees, and taxes on production and imports net of subsidies. It is approximately equal to accounting profit before the deduction of depreciation, direct taxes, dividends, interest paid and bad debts, and before the addition of interest and dividends received.

Intermediate consumption

The value of non-durable goods and services used in production. Valuation is at purchaser's values.

Output

Output consists of goods and services produced within an establishment that become available for use outside that establishment, plus any goods and services produced for own final use.

Producer values

The equivalent of purchaser values (see below), reduced by the trade and transport margins for delivering the items from producer to purchaser. This effectively gives the market sales value for the producer at the factory door, farm gate, mine head, and so on. For services, the producer value is the same as the purchaser value, as services are produced and consumed at the same time.

Purchaser values

The costs in the market of goods and services on delivery to the purchaser. For services, the purchaser value is the same as the producer value, as services are produced and consumed at the same time.

Subsidies

Current unrequited payments made by governments to enterprises on the basis of the levels of their production activities or the quantities or values of the goods and services they produce, sell or import.

Taxes on production and imports

Taxes assessed on producers in respect of the production, sale, purchase and use of goods and services, and which add to the market prices of those goods and services. Includes sales tax, local authority rates, import and excise duties,

fringe benefits tax, and also registration fees, such as motor vehicle registration, paid by producers.

Value-added

The value added to goods and services by the contributions of capital and labour (i.e. after the costs of bought-in materials and services have been deducted from the total value of output).

Table 1: Manyara GDP by District

District	Million shs		
	2002	2003	2004
Mbulu	85,173	98,831	112,493
Hanang	57,217	67,908	75,966
Kiteto	22,601	23,810	25,054
Babati	94,244	101,180	106,680
Simanjiro	39,838	42,126	45,460
Regional Total	299,073	333,855	365,652

Table 2: Manyara Population by District

District	Number		
	2002	2003	2004
Mbulu	237,280	249,624	258,471
Hanang	204,640	214,184	221,821
Kiteto	152,296	153,640	159,393
Babati	302,253	316,117	327,781
Simanjiro	141,136	141,457	147,125
Regional Total	1,037,605	1,075,022	1,114,591

Table 3: Manyara per Capita GDP by District

District	Shs		
	2002	2003	2004
Mbulu	358,957	395,921	435,224
Hanang	279,596	317,053	342,465
Kiteto	148,404	154,970	157,182
Babati	311,804	320,073	325,460
Simanjiro	282,268	297,800	308,988
Regional GDP Per Capita	288,234	310,556	328,059
National GDP Per Capita	258,925	287,027	321,010

Table 4: Data Sources by Activity

No.	Economic Activity	Data Sources
1	Agriculture	Regional/District : Crop; Agriculture Officers and Agriculture Extension Officers Forestry and Hunting: Natural Resources Livestock: Extension Officers, Fisheries: Fishing Department
2	Mining & Quarrying	Regional Mining Office
3	Manufacturing	Selected Small and Medium Manufacturing Industries
4	Construction	Local Govt. Accounts, Selected Construction Companies, including TANROADS and Private Household Construction
5	Electricity	TANESCO
6	Water	Urban/Rural Water Authorities
7	Transport	Selected Air/Rail/Road Operators (Private & Public)
8	Posts & Telecommunication	Posts and Telecommunication Operators (Private & Public)
9	Finance & Insurance	Banks, Bureau de Changes Insurance Companies and Brokers, Funds Institutions & Credit Societies
10	Real Estate	Selected Rented Houses, Local Government Accounts
11	Whole sale & Retail Trade	Selected Whole Sellers and Retail Traders
12	Business Services	Selected Accountants/Auditors, Lawyers, Consultants, etc.
13	Other Services	Selected Hair Dressing/Cutting Saloons, Sports clubs, Watch repairs, Shoe shiner/ Repair etc.
14	Public Admin.	Local Government Accounts, Sub-Treasury
15	Education	Selected Education Service providers (Govt. & Private)
16	Health	Selected Health Service providers (Govt. & Private)

Table 5: Gross Domestic Product at Current Prices - Manyara Region

Million Shs

	2001	2002	2003	2004
Economic Activity				
Monetary				
Agriculture	142,500	159,887	177,621	192,627
Crops	96,326	107,572	118,086	126,138
Livestock	45,601	51,904	59,054	65,966
Forestry	456	282	359	384
Hunting	3	1	4	4
Fishing	114	127	119	134
Mining and Quarrying	1,128	1,229	1,217	1,242
Manufacturing	1,125	1,789	2,306	3,134
Electricity and Water	5	7	9	11
Electricity	3	4	4	4
Water	2	4	5	7
Construction	691	1,099	1,417	1,926
Trade, Hotels and Restaurants	2,941	4,678	6,030	8,198
Transport and Communication	852	1,355	1,747	2,375
Financial and Business Services	558	888	1,137	1,555
Finance and Insurance	546	868	1,111	1,521
Real Estate	8	12	16	22
Business Services	5	7	10	13
Public Administration and Other Services	2,030	3,387	4,294	5,608
Public Administration	1,379	2,352	1,379	3,795
Education	280	445	582	779
Health	129	206	269	360
Other Services	242	385	242	674
less Financial Services Indirectly Measured	-229	-365	-477	-639
Total GDP Monetary	151,601	173,954	195,300	216,037
Non-monetary				
Agriculture	111,417	124,501	137,750	148,531
Crops	88,742	99,102	108,788	116,206
Livestock	21,884	24,909	28,340	31,658
Forestry and Hunting	791	490	622	667
Fishing	0	0	0	0
Owner-occupied dwellings	239	380	497	666
Construction	150	238	307	418
Total Non-monetary	111,805.57	125,119.35	138,554.88	149,614.82
Total GDP	263,406.40	299,073.05	333,854.95	365,651.93

Table 6: Gross Domestic Product at Current Prices - Manyara Region for the Year 2001

	Million Shs					
	Mbulu	Hanang	Kiteto	Babati	Simanjiro	Total
Economic Activity						
Monetary						
Agriculture	42,401	27,937	9,030	41,663	21,470	142,500
Crops	29,858	20,900	4,139	37,775	3,654	96,326
Livestock	12,522	7,035	4,402	3,825	17,816	45,601
Forestry	21.6	1.3	431	2.1	-	455.9
Hunting	-	-	3	0	-	3
Fishing	-	-	54.2	60.2	-	114.4
Mining and Quarrying	0.9	0.7	1.2	7.0	1118.0	1127.8
Manufacturing	138.2	69.4	124.2	769.8	22.9	1124.5
Electricity and Water	0.7	0.6	1.0	2.3	0.7	5.3
Electricity	0.5	0.4	0.6	1.4	0.4	3.2
Water	0.3	0.2	0.4	0.9	0.3	2.1
Construction	84.9	42.6	76.3	473.0	14.0	690.9
Trade, Hotels and Restaurants	361.6	181.5	324.8	2,013.6	59.8	2,941.2
Transport and Communication	104.7	52.6	94.1	583.3	17.3	852.1
Financial and Business Services	68.6	34.4	61.6	382	11.3	558
Finance and Insurance	67.1	33.7	60.3	373.5	11.1	545.6
Real Estate	1.0	0.5	0.9	5.4	0.2	7.8
Business Services	0.6	0.3	0.5	3.1	0.1	4.6
Public Administration and Other Services	288.6	169.7	223.7	1288.4	59.7	2030.0
Public Administration	169.6	85.1	152.3	944.3	28	1,379.40
Education	61.0	47.6	30.5	122.1	18.3	279.6
Health	28.2	22	14.1	56.4	8.5	129.3
Other Services	29.7	14.9	26.7	165.5	4.9	241.8
less Financial Services Indirectly Measured	-28.2	-14.2	-25.3	-157	-4.7	-229.3
Total GDP Monetary	43,421	28,474	9,911	47,025	22,769	151,601
Non-monetary						
Agriculture	33,553	22,633	6,674	36,640	11,916	111,417
Crops	27,507	19,255	3,813	34,801	3,366	88,742
Livestock	6,009	3,376	2,113	1,836	8,550	21,884
Forestry and Hunting	37.5	2.2	747.3	3.6	-	790.6
Fishing	-	-	0.3	0	-	0.3
Owner-occupied dwellings	29.4	14.7	26.4	163.6	4.9	239.0
Construction	18.4	9.2	16.6	102.6	3.0	149.9
Total Non-monetary	33,601	22,657	6,717	36,907	11,924	111,806
Total GDP	77,022	51,131	16,628	83,932	34,693	263,406

Table 7: Gross Domestic Product at Current Prices - Manyara Region for the Year 2002

Million Shs

	Mbulu	Hanang	Kiteto	Babati	Simanjiro	Total
Economic Activity						
Monetary						
Agriculture	45,940	31,263	11,638	46,185	24,860	159,887
Crops	33,009	23,106	6,132	41,762	3,564	107,572
Livestock	12,902	8,155	5,198	4,352	21,296	51,904
Forestry	29	2	248	4	-	282
Hunting	-	-	1	0	-	1
Fishing	-	-	60	67	-	127
Mining and Quarrying	1	1	1	8	1,217	1,229
Manufacturing	349	85	361	965	29	1,789
Electricity and Water	1	1	1	3	1	7
Electricity	0	0	1	2	0	4
Water	0	0	1	2	0	4
Construct-ion	214	52	222	593	18	1,099
Trade, Hotels and Restaurants	912	223	945	2,523	75	4,678
Transport and Communication	264	65	274	731	22	1,355
Financial and Business Services	173	42	179	479	14	888
Finance and Insurance	169	41	175	468	14	868
Real Estate	2	1	3	7	0	12
Business Services	1	0	1	4	0	7
Public Administration and Other Services	617	270	356	2,049	95	3,387
Public Administration	428	135	242	1,502	45	2,352
Education	97	76	49	194	29	445
Health	45	35	22	90	13	206
Other Services	47	24	42	263	8	385
less Financial Services Indirectly Measured	-71	-17	-74	-197	-6	-365
Total GDP Monetary	48,401	31,984	13,904	53,341	26,325	173,954
Non-monetary						
Agriculture	36,652	25,203	8,573	40,569	13,503	124,501
Crops	30,410	21,287	5,649	38,474	3,283	99,102
Livestock	6,192	3,914	2,494	2,089	10,220	24,909
Forestry and Hunting	50	3	429	7	0	490
Fishing	0	0	0	0	0	0
Owner-occupied dwellings	74	18	77	205	6	380
Construction	46	11	48	129	4	238
Total Non-monetary	36,772	25,233	8,698	40,903	13,513	125,119
Total GDP	85,173	57,217	22,601	94,244	39,838	299,073

Table 8: Gross Domestic Product at Current Prices - Manyara Region for the Year 2003

Million Shs

	Mbulu	Hanang	Kiteto	Babati	Simanjiro	Total
Economic Activity						
Monetary						
Agriculture	53,731	36,813	12,068	48,600	26,409	177,621
Crops	38,192	26,735	5,617	44,098	3,443	118,086
Livestock	15,508	10,077	6,102	4,400	22,966	59,054
Forestry	30	1	288	39	-	359
Hunting	-	-	4	0	-	4
Fishing	-	-	56	63	-	119
Mining and Quarrying	1	1	1	9	1,204	1,217
Manufacturing	312	226	475	1,268	26	2,306
Electricity and Water	1	1	2	4	1	9
Electricity	1	0	1	2	0	4
Water	1	1	1	2	0	5
Construction	191	139	292	738	57	1,417
Trade, Hotels and Restaurants	815	591	1,241	3,315	67	6,030
Transport and Communication	236	171	360	960	19	1,747
Financial and Business Services	148	112	235	629	13	1,137
Finance and Insurance	144	110	230	615	12	1,111
Real Estate	2	2	3	9	0	16
Business Services	1	1	2	5	0	10
Public Administration and Other Services	671	353	465	2,680	124	4,294
Public Administration	424	177	317	1,964	58	1,379
Education	127	99	63	254	38	582
Health	59	46	29	117	18	269
Other Services	62	31	56	344	10	242
less Financial Services Indirectly Measured	(70)	(46)	(97)	(258)	(5)	(477)
Total GDP Monetary	56,036	38,362	15,042	57,946	27,915	195,300
Non-monetary						
Agriculture	42,680	29,468	8,604	42,805	14,193	137,750
Crops	35,185	24,630	5,175	40,626	3,172	108,788
Livestock	7,443	4,836	2,929	2,112	11,022	28,340
Forestry and Hunting	52	2	500	68	0	622
Fishing	0	0	0	0	0	0
Owner-occupied dwellings	73	48	101	269	5	497
Construction	42	30	63	160	12	307
Total Non-monetary	42,795	29,546	8,768	43,235	14,211	138,555
Total GDP	98,831	67,908	23,810	101,180	42,126	333,855

Table 9: Gross Domestic Product at Current Prices - Manyara Region for the Year 2004

Million Shs

	Mbulu	Hanang	Kiteto	Babati	Simanjiro	Total
Economic Activity						
Monetary						
Agriculture	61,309	40,560	11,783	50,343	28,632	192,627
Crops	43,101	30,171	4,673	44,981	3,213	126,138
Livestock	18,175	10,388	6,732	5,252	25,419	65,966
Forestry	34	1	310	39	0	384
Hunting	0	0	4	0	0	4
Fishing	0	0	64	71	0	134
Mining and Quarrying	1	1	2	10	1,228	1,242
Manufacturing	345	382	812	1,565	31	3,134
Electricity and Water	1	1	2	6	1	11
Electricity	1	0	1	2	0	4
Water	1	1	1	4	1	7
Construction	212	235	499	879	101	1,926
Trade, Hotels and Restaurants	901	999	2,124	4,093	81	8,198
Transport and Communication	261	289	615	1,186	23	2,375
Financial and Business Services	171	189	403	777	15	1,555
Finance and Insurance	167	185	394	759	15	1,521
Real Estate	2	3	6	11	0	22
Business Services	1	2	3	6	0	13
Public Administration and Other Services	754	473	623	3,591	166	5,608
Public Administration	423	237	425	2,632	78	3,795
Education	170	133	85	340	51	779
Health	79	61	39	157	24	360
Other Services	83	42	74	461	14	674
less Financial Services Indirectly Measured	-70	-78	-166	-319	-6	-639
Total GDP Monetary	63,886	43,051	16,698	62,129	30,272	216,037
Non-monetary						
Agriculture	48,488	32,783	8,074	44,027	15,159	148,531
Crops	39,707	27,795	4,305	41,439	2,960	116,206
Livestock	8,722	4,985	3,231	2,521	12,199	31,658
Forestry and Hunting	58	3	538	68	0	667
Fishing	0	0	0	0	0	0
Owner-occupied dwellings	73	81	173	333	7	666
Construction	46	51	108	191	22	418
Total Non-monetary	48,607	32,915	8,355	44,550	15,187	149,615
Total GDP	112,493	75,966	25,054	106,680	45,460	365,652

4.0 A way forward

Regional GDP report reveals driven demand from Development Partners, Researchers and other decision makers, NGOs and donor Community for a comprehensive Regional GDP as an input in planning for the regional development programs.

The Regional Commissioner office in collaboration of National Bureau of Statistics has a great role to play in extending exercise of compilation of comparable GDP series for determining economic growth and changes, poverty reduction indicators, per capita GDP changes and regional budget formulation.

In order to meet the effective demand and meaningful planning and development for the region there is a need to revisit the previous logistic of GDP and coverage, and enlarge the sample frame to suit the study through updated Central Register of Establishments and attain expected GDP; and immediately to start mobilizing facilitation of time series GDP starting from 2005 up to 2007 inclusive.

Annex 2: Challenges for Improving GDP – Manyara Region

1.1 PLANNERS

GDP is one of the most comprehensive and closely watched economic statistics. It is used by the Government to prepare budget, formulate monetary policy, and also mostly used by the business community at large as an indicator of economic activity and helps in preparation of forecasts for economic performance that provides the basis for production, investment, and employment planning.

The challenges ahead of planners and other stakeholders include inadequate social and economic data base; hence planners and other stakeholders have to digest the findings and bridge their expertise and experience to improve performance management system.

Another challenge is weakness in planning linkages, hence there is need for improvements in strengthening planning linkages and support towards economic performance, Alleviation of Poverty and sustainable development and in return raising general productivity and GDP as pathways out of Poverty.

1.2 CLIENT SERVICE CHARTER

The Client Service Charter has been launched both at Regional and Districts levels. The District and Town Councils have obligation to speed up the exercise to improve delivery services including Land Titling Initiative through MKURABITA that aims to enhance the issuance of land titles; and later used as collateral to financial and credit services for both urban and rural investments.

The approach has multiplier effect with the political will and support in entire economy preferably in advancement of entrepreneurship, agriculture and agro processing industries.

1.3 PARTNERSHIP

The Regional Secretariat and Local Government Authorities as an economic engine for socio economic development have responsibility for influencing and spearheading the establishment of public-private partnerships. Furthermore, the Local Government Authorities has to facilitate establishments of sister associations for technology transfer, common markets for the produce in strengthening feature of markets, conducive investment environment and blending resources as well as fostering economic development and investment venture towards job creation, productivity enhancement and efficiency.

This approach will not only raise production but also trigger up the economic growth for both GDP and per capita income, expand revenue collection and taxes; this will lead into improving delivery of social and economic services such as infrastructure, education and health services in line with MKUKUTA. Pre-requisite.

1.4 INVESTMENT PORTFOLIO

Since the establishment of Manyara region is facing inadequate investment portfolio irrespective niche resources such as potential arable land, manufacturing industries, mining and eco-tourism mentioning few for income generating and general economic development.

In order to foster and attract investment the region has facilitated the establishment of Regional Investment Centre incorporating the regional investment committee chaired by Regional Commissioner; linked by Secretariat of which assisting the regional investment committee in carrying out day to day investment activities.

Through facilitation strategies the first draft of investment profiles of every District Councils and town Council (Babati) is out; and so far region has already established Regional Business Council (RBC) with the aims of improving private –public partnership, creating conducive business environment and prosperity.

The RBC has also managed to establish four working groups to assist in identifying investment opportunities within the region. The Working groups comprise Small and Medium Enterprises, Minerals, Agriculture and Livestock, Human Capital resource Development and Information, Communication Technology.

The region further in the process to improve marketing systems and establishing information centres with the aim to open markets of agricultural and Livestock products. It also encouraged private sector in establishing more agro-processing industries for value-added and job creation.

The region is in the process for the establishment of Export Processing Zone (EPZ) at Tanzanite Mining Area-Mererani so as to improve export of Mineral, Agricultural and Livestock Products; and employment.

The challenge ahead of investment to pick up depends on publicity of abundant resources available in Manyara, investment forum and improvement in poor infrastructure of both main and feeder roads.

1.5 SUSTAINABLE AGRICULTURE

The findings have shown that Agriculture is the back bone of four districts of the Region. The Region is however facing unreliable rainfall, low productivity, inadequate supply of agriculture inputs, insufficient food security, competitive markets and poor production technologies. There is therefore a need to focus on regional market oriented production and production

contracts with large, corporate agricultural producers. Farmers themselves through cooperatives can also act as contractors.

There are several potential advantages for contract production systems. Such contracts may provide a more stable income for the producer by reducing traditional marketing risks as well as allow a producer to benefit from technical advice, managerial expertise and access to technological advances provided by the contractor.

An agricultural production contract may provide the producer with a guaranteed market, provided that the commodities are produced in accordance with the contract. Finally, such contracts may allow a producer to increase the volume of his or her business with limited capital since the contractor may often supply the necessary production inputs.

In recent world wide developments the agriculture, forestry, and fishing industries are being transformed by the implementation of science and technology in almost every phase of the agricultural process including tapping underground water and rain water for mechanized irrigation, manufacturing and marketing; therefore the agriculture sector has to put more efforts to bring up sustainable development and further strengthening of an integrated farmer to farmer extension training through AMCOS and SACCOS, establish market linkages as a solution towards poverty reduction and improvement of economic performance.

Training and the development of advisory services particularly in rural areas are extremely important and should cover technical, managerial, marketing and agricultural credit services.

1.6 RESEARCH AND EXTENSION LINKAGE

Research and extension linkage is vital for Local Government Authorities in blending technology and experience in all process of food and commercial

production of which inclining due to inadequate research adoption and utilization of findings for boosting economic development. Therefore GDP as a means towards sustainable development with effect of public perception and political support in molding public participatory partnership, dissemination of information and strengthening research and extension linkages, and adoption for sectoral development advancement , job creation where in turn not only improving skills, technological advancement, production and productivity, but also improving economic performance

1.7.0 LIVESTOCK AND FISHERY

Despite potential resources in livestock and fishery; the sector is commercially underutilized in mechanized small, medium and large scale farming. The sector is also lacking viable family based private farming due to difficulties they face to access land and other production resources.

The approach to be taken should include the establishment of cooperatives and partnerships leading to small, medium and large scale ranches. If these are aggressively developed, adopted and sustainably utilized, they will contribute and/or pave ways for an establishment of beef manufacturing and other value added by products in raising entire Regional and National GDP. This will also create employment and earnings towards poverty reduction at household level.

Conducting fishery survey to estimate fish stocks and sizes, reproduction rates and fishing pressure in all water sources where fishing is conducted will help in formulating sound fishery management.

Establishment of buffer zone around the lakes in which trees and grass are to be planted and encouraging terracing and other forms of agro forest close to the lakes and up hills in order to reduce or quensequently stop the soil erosion that leads to high rate of siltation and destruction of the fish breeding sites.

1.7.1 AQUACULTURE SUB-SECTOR

The aquaculture is not well developed in all lakes and dams due to lack of aquaculture knowledge system (research, education and extension) to transfer new technology and knowledge into practical applications and adoption.

More concrete, action-oriented and physical interventions are required through licensing mechanism, capacity building and credit services to be extended to the fishing areas so that small and more vulnerable ones can access required resources for sustainable harvesting of fish. Also is one-way to generate additional jobs and add to the food supply.

Research findings will help introducing aquatic farming for marketable species such as *Tilapia nilotica* and sustainable fishing module, processing and marketing thereby in turn developing sustainable natural resources and job creation. And therefore with time the development of aquaculture is expected to yield a significant increase in annual sales revenue and diversify entrepreneur chain income generation and future development.

The efforts are being made to ensure all the fish ponds are used in forming farming fishes and in areas where these techniques have been introduced are highly accepted as fishes eat leaches that are dangerous to the health of livestock's.

1.8 CULTURAL TOURISM

Manyara region is well endowed with cultural heritage of which Cultural tourism and chain business opportunities are underdeveloped due to lack of campaign, publicity and reliable infrastructure.

The Maasai, Barbaig and Hadzabe tribals give the unique cultural insight on their taboos, way of making ornaments and their daily socio-economic activities.

In order the cultural tourism to mushroom private sector to be encouraged and motivated to open up business ventures-hotels, commercial and recreational destinations such as sports fishing at Lake Babati.

Moreover the formation of Manyara Region Website will pave the way for campaigning and publicizing the underdeveloped cultural tourism in Manyara Region.

Hoped that areas mentioned as cross cutting phenomena with tireless efforts, support and proactive hard working will bring up green revolution in socio-economic development in the near future.

References

- a) The 1993 System of National accounts
- b) IMF Notes on National Accounts
- c) UN Activity classification Rev. 3