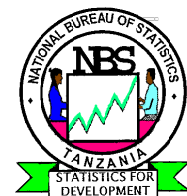




National Bureau of Statistics

Tel: +255 26 - 2963822
Fax: +225 26 – 2963828
E-mail: sg@nbs.go.tz;
Website: www.nbs.go.tz

64 Lusinde Road
P.O. Box 2683
Dodoma,
TANZANIA



In reply please quote:

Our Ref: BD/50/156/01/30

PRESS RELEASE

Date: 3rd December, 2024

INDEX OF INDUSTRIAL PRODUCTION (IIP) FOR JULY - SEPTEMBER 2024

Definition

The Index of Industrial Production (IIP) measures volume changes in the production by different industrial sectors of an economy. IIP is the index that indicates the performance of various industrial sectors of the economy. The quarterly IIP shows the short-term fluctuations in the economy as well as identifying the turning points in economic development at the earlier stage. Furthermore, it is used in economic policy making and forecasting future economic performance in the industrial sector.

The volume of industrial production is collected every quarter (Q1: January - March), (Q2: April - June), (Q3: July - September) and (Q4: October - December).

Scope, Coverage and Classification

The IIP follows the recommended International Standards Industrial Classification of all economic activities (ISIC) Revision 4 to enhance international comparison. The ISIC classifies all the economic activities of the economy and uses the term 'industry' in a broad sense to mean any economic activity. However, in the compilation of IIP the scope is limited. IIP covers four broad sectors of the economy as classified in International Recommendations for Industrial Statistics of 2008 and International Recommendations for Index of Industrial Production of 2010 namely, mining and quarrying; manufacturing; electricity, gas, steam and air conditioning supply; and water supply; sewerage, waste management and remediation activities. Moreover, IIP covers a total of 285 establishments, 50 industrial activities and a basket of 73 products.

Weighting and a Reference Period

The IIP uses industrial weighting approach for aggregating the elementary indices, this approach focuses on the way industrial production is organized and data is easily accessible. Weights used in IIP are value added for activities derived from the Annual Survey of Industrial Production, 2015. The reference period for IIP is the fourth quarter (October - December) 2018.

Index Calculation Procedures

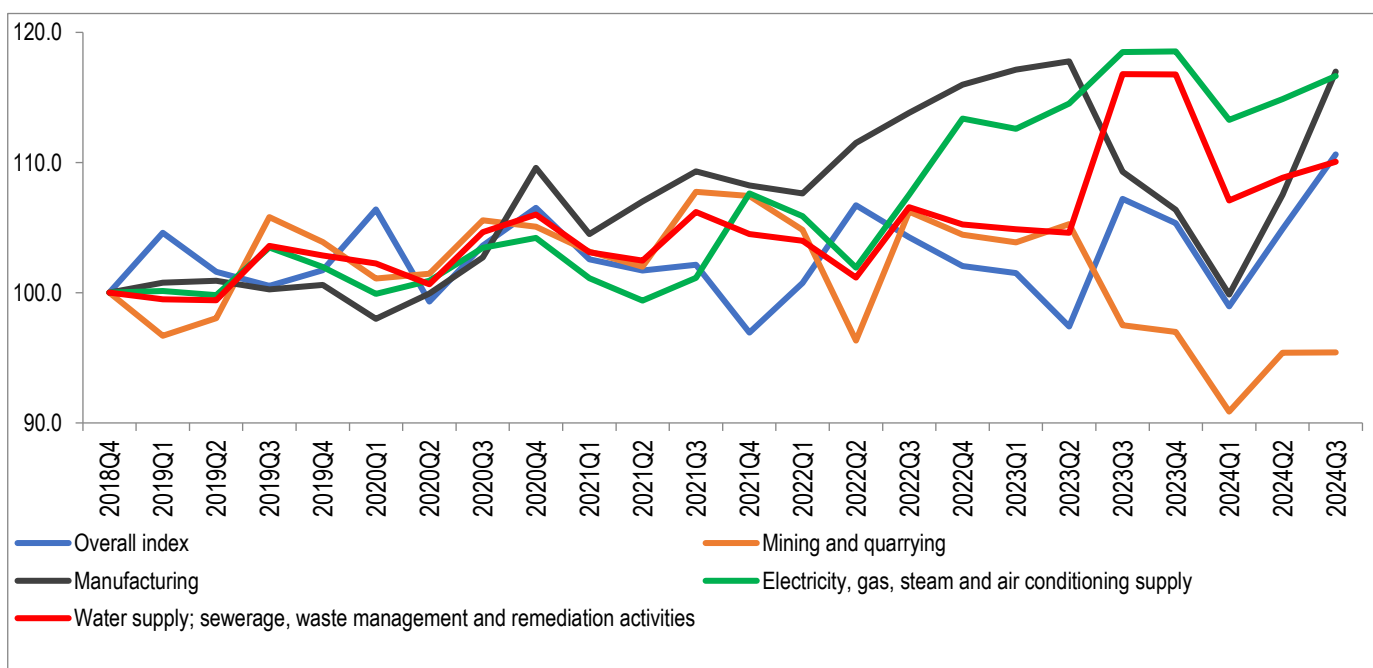
Indices are calculated by comparing the volume of production in the current period with that in reference (base) period. The result at first stage is a set of volume relatives for the elementary items in the index series. The elementary indices are subsequently aggregated as weighted averages to obtain the indices at higher levels. The base weighted Laspeyres index is used for calculation of index series.

Index of Industrial Production Broad Sectors

The overall Index of Industrial Production increased from 104.9 in the second quarter 2024 to 110.6 in the third quarter 2024, recording an increase by 5.5 percentage change over the period. The increase is attributed to manufacturing which increased by 8.8 percent followed by electricity, gas, steam and air conditioning supply increased by 1.5 percent, water supply; sewerage, waste management and remediation activities which increased by 1.1 percent.

On other hand, long term index recorded an increase from 107.1 in the third quarter 2023 to 110.6 of third quarter 2024 recording an increase of 3.3 percentage change. The increase was attributed to manufacturing which increased by 7.2 percent meanwhile water supply; sewerage, waste management and remediation activities decreased by 7.3 percent followed by electricity, gas, steam and air conditioning supply which decreased by 2.2 percent and mining and quarrying decreased by 2.1 percent.

Chart 1: Quarterly Indices of Industrial Production by Broad Sector (2018Q4=100):2018Q4 to 2024Q3



Index of Industrial Production in Manufacturing Industrial Activity

The index in manufacturing sub-sector when comparing current quarter to the previous quarter shows an increase by 8.8 percent from 107.5 of second quarter 2024 to 117.0 of third quarter 2024. An increase was attributed to manufacture of other non-metallic mineral products which increased by 20.9 percent followed by manufacture of tobacco products which increased by 18.7 percent and manufacture of beverages which increased by 18.0 percent. Whereas, printing and reproduction of recorded media decreased by 16.7 percent followed by manufacture of textiles which decreased by 15.5 and repair and installation of machinery and equipment which decreased by 12.4 percent.

On the other hand, comparing IIP in manufacturing sub-sector of third quarter of the current year 2024 to the corresponding quarter in the previous year 2023, the results indicate an increase by 7.2 percent from index of 109.1 in third quarter 2023 to 117.0 in third quarter 2024. The increase was attributed to manufacture of rubber and plastic products increased by 24.4 percent followed by manufacture of beverages increased by 23.6 percent and manufacture of paper and paper products that increased by 23.1 percent. However, during the similar period the index shows a decrease in manufacture of textiles which decreased by 24.3 percent followed by printing and reproduction of recorded media decreased by 15.7 percent and manufacture of basic metals decreased by 12.3 percent

Quarterly Index of Industrial Production by Industrial Activity 2024Q3 (2018Q4 = 100)

ISIC	Industrial Activity	Weight	2023Q3	2024Q2	2024Q3	Percentage change	
						2024Q3 VS 2024Q2	2024Q3 VS 2023Q3
B	Mining and quarrying	28.8	97.5	95.4	95.4	0.0	-2.1
7	Mining of metal ores	23.8	95.5	92.8	92.4	-0.4	-3.2
8	Other mining and quarrying	5.0	106.8	107.7	109.7	1.9	2.8
C	Manufacturing	58.0	109.1	107.5	117.0	8.8	7.2
10	Manufacture of food products	12.6	102.3	96.7	97.8	1.1	-4.5
11	Manufacture of beverages	14.5	114.0	119.5	141.0	18.0	23.6
12	Manufacture of tobacco products	4.8	120.1	103.6	123.0	18.7	2.5
13	Manufacture of textiles	1.7	102.3	91.7	77.5	-15.5	-24.3
15	Manufacture of leather and related products	0.1	101.4	102.0	104.5	2.4	3.0
16	Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	1.4	92.0	90.4	90.8	0.5	-1.3
17	Manufacture of paper and paper products	3.3	113.2	126.2	139.3	10.4	23.1
18	Printing and reproduction of recorded media	1.4	99.6	100.8	84.0	-16.7	-15.7
19	Manufacture of coke and refined petroleum products	0.1	112.7	107.1	106.6	-0.5	-5.4
20	Manufacture of chemicals and chemical products	2.6	109.0	110.9	117.9	6.3	8.1
21	Manufacture of basic pharmaceutical products and pharmaceutical preparations	0.4	100.7	120.0	121.1	0.9	20.3
22	Manufacture of rubber and plastics products	2.6	101.1	125.1	125.8	0.5	24.4
23	Manufacture of other non-metallic mineral products	5.6	115.0	98.1	118.6	20.9	3.1
24	Manufacture of basic metals	3.0	107.6	100.4	94.3	-6.1	-12.3
25	Manufacture of fabricated metal products, except machinery and equipment	0.3	109.9	117.1	111.3	-5.0	1.3
27	Manufacture of electrical equipment	0.5	101.4	81.8	93.5	14.4	-7.7
28	Manufacture of machinery and equipment n.e.c.	0.1	100.0	109.1	102.3	-6.3	2.3
29	Manufacture of motor vehicles, trailers and semi-trailers	0.4	102.9	111.9	116.7	4.4	13.5
31	Manufacture of furniture	2.2	109.7	110.5	115.9	4.9	5.6
32	Other manufacturing	0.2	103.9	105.9	108.3	2.2	4.2
33	Repair and installation of machinery and equipment	0.2	113.1	114.4	100.2	-12.4	-11.4
D	Electricity, gas, steam and air conditioning supply	11.7	119.3	114.9	116.6	1.5	-2.2
E	Water supply; sewerage, waste management and remediation activities	1.5	118.8	108.8	110.1	1.1	-7.3
Overall Index		100.0	107.1	104.9	110.6	5.5	3.3

For more information please contact:

Statistician General,
National Bureau of Statistics,
64 Lusinde Road,
P.O. Box 2683,
Dodoma,
TANZANIA.

Tel: +255 26-2963822,
Fax: +225 26-2963828,
Email: sg@nbs.go.tz
Website: www.nbs.go.tz