

Deloitte.

Defining progress

Social Progress Index Tanzania



Social Progress Index Tanzania

Inclusive growth to improve both Tanzania’s economic and social progress is imperative when striving to transform the country to middle-income status by 2025.

Tanzania’s GDP has grown significantly over the last eleven years, improving prospects for development across the country. Yet despite these strides, this economic growth is not being seen as successfully converted into quality of life improvements as it could be. And this is a concern for all Tanzanians. According to Social Progress Imperative (SPI), a nonprofit focused on advancing human wellbeing, economic growth without social progress can result in a lack of inclusion, discontent and social unrest in the country.

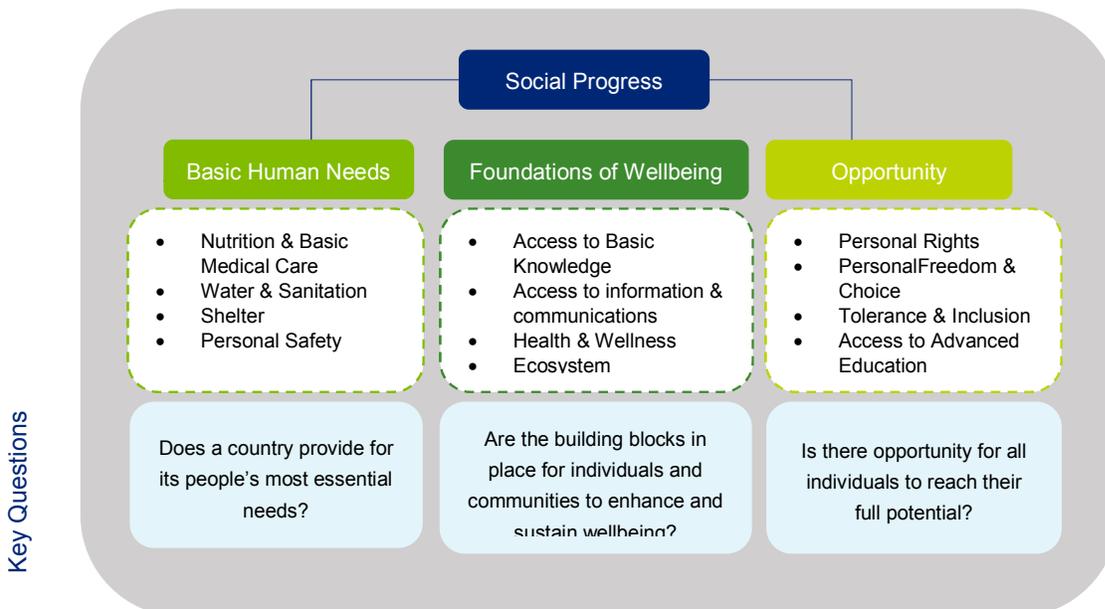
At Deloitte we have always believed that business and society are inextricably linked. For business to thrive, it needs to operate in a sustainable and prosperous society and for society to move forward, it needs the products, services and wealth that business creates. Progress in one invariably drives progress in the other.

Therefore, Deloitte has partnered with SPI, who have developed an index that measures the social progress of a country directly, independent of economic development.

The Imperative defines Social Progress as “the capacity of a society to meet the basic human needs of its citizens, establish the building blocks that allow citizens and communities to enhance and sustain the quality of their lives, and create the conditions for all individuals to reach their full potential.”

The index has been defined along the following three questions:

Social Progress Index component-level Framework



The Index is providing a view of a country's social and environmental strengths and weaknesses, on the issues that matter most to its citizens. Through the Index, SPI are opening up the global debate on how to really measure progress. As limiting a country's measure of development and competitiveness to just economic indicators creates an incomplete picture. The Social Progress Index provides an important tool to guide investment decisions and measure social development progress over time. It allows government to better target investment incentives and policies creating economic growth sectors that will contribute to building a stronger society.

Key findings from the Index highlight that economic development alone is not sufficient to explain social progress outcomes. GDP per capita is an incomplete measure of a country's overall performance as there is a non-linear relationship between Social Progress Index scores and GDP per capita. For example, a resource rich country like Angola is listed as one of the worst performers on the social progress index; whereas an economically poor country like Rwanda achieves modest levels of social progress and performs far better than peers with similar resource constraints.

When we apply the findings from the Social Progress Index to further analyze the rapid spread of the Ebola epidemic in West Africa, the pattern that is most prominent in the three countries that have suffered most (Guinea, Liberia, and Sierra Leone) compared to other countries, are low scores on Shelter, Access to Basic Knowledge, and Access to Information and Communications. Challenges in these areas can directly affect efforts of health officials to isolate those with the illness and hamper the spread of information on preventing infection, as well as signaling a general lack of infrastructure.

The 2015 Index reveals that although Tanzania is leading the EAC with respect to providing opportunity for its domestic citizens, the country is struggling to provide the basic human needs for the Tanzanian population compared to its East African peers. According to UN, approximately one-third of the Tanzania population is still not receiving enough food to meet their dietary energy requirements. Additionally, only 44% of the rural population has access to a safe water source which is a key building block for transforming the lives of poor and marginalized Tanzanians.

These are not easy fixes and thus we see that sometimes government cannot work alone – it must embrace collaboration with other sectors to solve tough challenges. This is the thinking of Deloitte’s Paul Macmillan and Bill Eggers in their book *Solution Revolution*. They write that we are already witnessing a step change in how society deals with its own problems – a shift from a government-dominated model to one in which government is just one player among many. The following ‘solutions’ to the challenges highlighted by the Social Progress Index clearly demonstrate this new collaboration model.

Public-Private Partnership (PPP): The **Southern Agricultural Growth Corridor of Tanzania (SAGCOT)** PPP is an excellent example of how the Government of Tanzania and private sector Tanzanian and international companies have come together to increase agricultural investment and improve agricultural productivity while fostering inclusive growth for small-scale farmers and increasing food security.

Civil Society Engagement: **Catholic Relief Services (CRS)**, as part of the UKAid-funded Human Development Innovation Fund (HDIF) program, is piloting the implementation of a revolutionary system in Arusha to improve operational revenue collection for water facilities directly at the point of system, through pre-paid mobile money platforms. This solution can also be scaled up to other rural areas across the country that suffer from a high number of non-functional water points / facilities to ultimately increase access to safe drinking water for all Tanzanians.

At Deloitte we recognize the importance of social progress but, like government, business cannot do it alone. All sectors will need to pull together if we want Tanzania to be a middle income country by 2025.

To learn more about the Social Progress Imperative and Social Progress Index, please visit

<http://www.socialprogressimperative.org/>

To learn more about the Solution Revolution, please visit

<http://www.solutionrevolutionbook.com/>

Contact



Joe Eshun

**Partner
Deloitte East Africa.**

T: +255 (22) 216 9000

E: jeshun@deloitte.co.tz



Zahra Nensi, MBA

**Associate Director,
Deloitte East Africa.**

T: +255 (22) 216 9000

M: +255-685-646-075

E: zanensi@deloitte.co.tz

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee, and its network of member firms, each of which is a legally separate and independent entity. Please see www.deloitte.com/about for a detailed description of the legal structure of Deloitte Touche Tohmatsu Limited and its member firms.

Deloitte provides audit, tax, consulting, and financial advisory services to public and private clients spanning multiple industries. With a globally connected network of member firms in more than 150 countries, Deloitte brings world-class capabilities and high-quality service to clients, delivering the insights they need to address their most complex business challenges. Deloitte has in the region of 200,000 professionals, all committed to becoming the standard of excellence.