This report presents the results of the 2019 Informal Sector Survey (ISS) conducted in Dar es Salaam Region from August to September 2019. The survey was conducted by the National Bureau of Statistics (NBS) in collaboration with the Ministry of Finance and Planning and Prime Minister’ Office-Labour, Youth, Employment and Person with Disability. The 2019 Informal Sector Survey is the third survey in series conducted in Tanzania Mainland since 1991 when the first post-independence survey was launched.

The main Objective of the 2019 Informal Sector Survey (ISS) was to obtain comprehensive data on informal sector output resulted from productive agricultural and non-agricultural activities and corresponding intermediate inputs used in the production process. The results have been used to update the size of informal sector, its contribution to the Dar es Salaam Gross Domestic Product and identification of economic activities with high employment in Dar es Salaam Region which is crucial for social- economic policy design and review. Findings of this report will also be used for monitoring the implementation of national, regional and global commitments such as Tanzania Development Vision 2025, National Second Five Development Plan II 2016/17 – 2020/21, East Africa Community Vision 2050, Africa Development Agenda 2063 and the Global Agenda 2030 on Sustainable Development Goals. This report presents a summary of key indicators observed in the 2019 ISS.

The success of this survey depended on cooperation and contribution of several groups of stakeholders and individuals during various stages of implementation. In this regard, I wish to extend my sincere gratitude to the Government of the United Republic of Tanzania particularly, the Ministry of Finance and Planning for providing financial support in this survey and the Prime Minister’ Office-Labour, Youth, Employment and Person with Disability for substantial technical contribution in this survey. I would like to extend gratitude to respondents, particularly Operators of informal businesses who supplied the requested information. NBS looks forward to their continuing cooperation and support in future surveys.

Special thanks should go to the 2019 ISS Technical Committee team for their close supervision in all stages of execution of this survey. Appreciations are particularly extended to Ms Ruth D. Minja, Acting Director for Population Census and Social Statistics for managing properly this survey with joint technical support from Mr Gregory Millinga, Acting Manager for Labour and Price Statistics; Mr. James Mbongo, Principal Statistician; Mr. Seif Kuchengo, Principal Statistician; Mr. Novati Buberwa, Principal Statistician and Programmer; Mr. Paskas Sawaki, Senior Statistician; Mr. Opiyo Mamu, Senior Statistician; Mr. Hashim Njowele, Senior Statistician; Mr. Omari Mdoka, Senior Statistician; Mr. Saruni Njipay, Statistician; Mr. Philbert Mrema, Statistician; Mr. David Mwaipopo, Statistician and Bakar Omary, Programmer for their dedication and commitment which led to successful completion of the survey and come up with this report.

It is my hope that, this Key Indicators Report will provide useful information to policy makers and other stakeholders until the main report is made available.

Dr. Albina Chuwa
STATISTICIAN GENERAL
November, 2019
Executive Summary

Introduction
This report presents the key indicators of the Informal Sector Survey (ISS) for Dar es Salaam region in the year 2019. The key indicators of the informal sector are useful for formulating policies that aim at promoting and improving informal sector environment in Tanzania Mainland.

Characteristics of Informal Sector Activities
The 2019 ISS reveals that, there are 1,023,520 informal sector operators in Dar es Salaam region engaged in at least one informal business. The industry of Whole sale and retail trade; repair of motor vehicles and motorcycles has the highest proportion (47.6 percent) of the total informal sector operators. Administrative and support services activities account for the smallest proportions of informal sector operators (0.1 percent).

Overall about 767,904 households, equivalent to 58.0 percent of households surveyed operate at least one informal sector activity. Kigamboni Municipal Council has the largest proportion of such households with 61.5 percent and the smallest proportion of households are in Ubungo Municipal Council (53.7 percent).

On the business premises, the result shows a significant difference in proportions of businesses conducted in permanent and non-permanent locations. It is revealed that, out of 1,023,520 informal sector activities conducted in Dar es Salaam, the highest proportion (76.6 percent) are conducted in non-permanent premises, while 40.1 percent are conducted in permanent premises.

The main overriding reasons for male and female operator’s engagement in the informal sector activities are the inability to find other work (55.2 percent) and the need for families to get additional income by 54.3 percent.

On the capital investment, it is depicted that the current capital investment in the informal sector in Dar es Salaam amounts to TZS 901.5 Billion. The results further show that, industries with the largest current capital investment are: - Whole sale and retail trade, repair of motor vehicles and motorcycles (TZS 346.6 Billion), Agriculture, forestry and fishing (TZS 188.7 Billion) and Accommodation and food services activities (TZS 81.1 Billion).
The average current capital investment per informal sector operator in Dar es Salaam is TZS 880,830 with an average current capital per male operator recording almost twice (TZS 1,321,688) that of female operator (TZS 553,293).

The results indicate that out of the total operators with at least one informal sector business, 41.9 percent are youth aged 15 to 35 years.

In considerations to Informal Sector Activities and Future Plans, the result indicates that a small proportion of informal sector operators (4.1 percent) have indicated to have plans to engage more manpower in the next twelve months, with expectation to employ 114,868 persons.

**Total Employment in the Informal Sector**

The findings indicate that, 1,267,082 persons (aged 5 years or older) are employed in informal sector in Dar es Salaam Region. It is indicated that Ilala municipality has the largest proportion of employment (32.7 percent) and Kigamboni municipality has the lowest proportion of employment in the informal sector (5.2 Percent).

Results further reveal that employment in informal sector in Dar es Salaam region for persons aged 15 years or older has decreased from 1,208,250 in 2014 to 1,125,064 in 2019. This is equivalent to 61.5 percent and 41.5 percent of total employment in Dar es Salaam respectively. This could be attributed to expansion of employment in the formal sector.

Employment by industrial groups indicate that the industry of wholesale and retail trade, repair of motor vehicles and motorcycles has the largest proportion of total employment in informal sector with 44.8 percent. The findings further indicate that about half of persons engaged in informal sector in Dar es Salaam region (44.8 percent) are elementary occupation workers.

**Total Output Productivity and Capital Formation**

The total annual value added in goods and services produced in informal sector in Dar es Salaam is TZS 6.2 Trillion. The largest proportion of value added are in Wholesale and retail trade, repair of motor vehicles and motorcycles (48.1 percent) followed by Agriculture, forestry and fishing with 9.9 percent.

**Informal Sector Contribution to Dar es Salaam GDP**; result reveals that the current informal sector GDP in Dar es Salaam stands at TZS 6.2 Trillion with a contribution of 22.5 percent to total DSM GDP as opposed to the estimated contribution of 15.4 percent.
The results indicate that overall, annual gross output per person across all industries in the informal sector for Dar es Salaam region is estimated at TZS 11.4 million.

**Informal Sector Linkages with Other Sectors**
The findings show that almost all goods produced in the informal sector activities are traded to households or individuals, where 98.6 percent are sold without transformation. Goods traded to other destination account for less than one percent each.

It is further revealed that household or individual is the dominant domestic market competitor in informal sector activities accounting for 95.0 percent. Public or para-public sector and big enterprises are least competitors to the informal sector activities with less than one percent each.

The result shows that about 10,216 operators cooperated with or received services from institutions whereby 43.8 percent received such services or cooperation from private sector.

**Informal Sector Challenges and Assistance Received**
The findings indicate that, about eight in ten (82.6 percent) of informal sector activities cited lack of or inadequate capital as the most pertinent challenge to their operations. It is shown that, majority of operators in informal sector needed assistance on access to loan as their first priority (61.9 percent). Access to information on the market ranked second needed assistance stated by 46.4 percent of operators.

Furthermore, 41,420 operators of informal sector activities in Dar es Salaam received business loans, with more females (30,922) than males (10,498).

### Summary of Key Findings

<table>
<thead>
<tr>
<th>Region and Municipal Council</th>
<th>Total Household</th>
<th>Household with Informal Sector</th>
<th>Proportional of Household with Informal Sector (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dar es Salaam Region</td>
<td>1,322,995</td>
<td>767,904</td>
<td>58.0</td>
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<tr>
<td>Kinondoni MC</td>
<td>269,806</td>
<td>152,354</td>
<td>56.5</td>
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<tr>
<td>Ilala MC</td>
<td>371,472</td>
<td>226,091</td>
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<tr>
<td>Temeke MC</td>
<td>350,590</td>
<td>207,018</td>
<td>59.0</td>
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<tr>
<td>Ubungo MC</td>
<td>270,871</td>
<td>145,402</td>
<td>53.7</td>
</tr>
<tr>
<td>Kigamboni MC</td>
<td>60,255</td>
<td>37,039</td>
<td>61.5</td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>Informal Sector Operators for Selected Industries (%)</th>
<th>Both Sexes</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture, forestry and fishing</td>
<td>9.1</td>
<td>9.9</td>
<td>8.6</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>7.2</td>
<td>8.7</td>
<td>6.1</td>
</tr>
<tr>
<td>Construction</td>
<td>4.2</td>
<td>9.5</td>
<td>0.3</td>
</tr>
<tr>
<td>Whole sale and retail trade repair of motor vehicles and motorcycles</td>
<td>47.6</td>
<td>41.8</td>
<td>51.8</td>
</tr>
<tr>
<td>Accommodation and food services activities</td>
<td>12.9</td>
<td>4.3</td>
<td>19.3</td>
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</table>
## Summary of Key Findings

<table>
<thead>
<tr>
<th>Number of Operators</th>
<th>1,023,520</th>
<th>436,286</th>
<th>587,234</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Reasons for Engaging in Informal Sector</strong></td>
<td>Both Sexes</td>
<td>Male</td>
<td>Female</td>
</tr>
<tr>
<td>Can't find other work</td>
<td>55.2</td>
<td>55.4</td>
<td>55.1</td>
</tr>
<tr>
<td>Family needs additional income</td>
<td>54.3</td>
<td>48.9</td>
<td>58.4</td>
</tr>
<tr>
<td>Business/activity provides good income opportunities</td>
<td>16.2</td>
<td>18.8</td>
<td>14.2</td>
</tr>
<tr>
<td>Business/activity does not require much capital</td>
<td>20.2</td>
<td>18.3</td>
<td>21.7</td>
</tr>
<tr>
<td>Wants to be independent from his/her own master</td>
<td>14.6</td>
<td>17.0</td>
<td>12.8</td>
</tr>
<tr>
<td><strong>Number of Businesses</strong></td>
<td>1,064,998</td>
<td>463,046</td>
<td>601,952</td>
</tr>
<tr>
<td><strong>Informal Sector Activities without Permanent Premises</strong></td>
<td>Both Sexes</td>
<td>Male</td>
<td>Female</td>
</tr>
<tr>
<td>Percent</td>
<td>76.6</td>
<td>75.2</td>
<td>77.6</td>
</tr>
<tr>
<td><strong>Informal Sector Activities with Permanent Premises</strong></td>
<td>Both Sexes</td>
<td>Male</td>
<td>Female</td>
</tr>
<tr>
<td>Percent</td>
<td>40.1</td>
<td>41.9</td>
<td>38.7</td>
</tr>
<tr>
<td><strong>Current Capital Investment in the Informal Sector</strong></td>
<td>Both Sexes</td>
<td>Male</td>
<td>Female</td>
</tr>
<tr>
<td>(TZS Billion)</td>
<td>901.5</td>
<td>576.6</td>
<td>324.9</td>
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<tr>
<td><strong>Average Current Capital Investment per Informal Sector Operator</strong></td>
<td>Both Sexes</td>
<td>Male</td>
<td>Female</td>
</tr>
<tr>
<td>(TZS)</td>
<td>880,830</td>
<td>1,321,688</td>
<td>553,293</td>
</tr>
<tr>
<td><strong>Persons Employed in Informal Sector</strong></td>
<td>Both Sexes</td>
<td>Male</td>
<td>Female</td>
</tr>
<tr>
<td>Total Employment</td>
<td>1,267,082</td>
<td>578,239</td>
<td>688,843</td>
</tr>
<tr>
<td>Operators</td>
<td>1,029,736</td>
<td>446,503</td>
<td>583,233</td>
</tr>
<tr>
<td>Employees</td>
<td>237,346</td>
<td>131,736</td>
<td>105,610</td>
</tr>
<tr>
<td><strong>Contribution of Informal Sector Employment in Dar es Salaam</strong></td>
<td>Both Sexes</td>
<td>Male</td>
<td>Female</td>
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<tr>
<td>2014</td>
<td>61.5</td>
<td>39.0</td>
<td>67.8</td>
</tr>
<tr>
<td>2019</td>
<td>47.2</td>
<td>37.7</td>
<td>58.8</td>
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<tr>
<td><strong>Employment by Age Group of Operators</strong></td>
<td>Both Sexes</td>
<td>Male</td>
<td>Female</td>
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<tr>
<td>Less than 15</td>
<td>0.03</td>
<td>0.1</td>
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<td>15 - 35</td>
<td>41.9</td>
<td>41.1</td>
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<td>36 - 59</td>
<td>53.3</td>
<td>52.8</td>
<td>53.6</td>
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<td>60+</td>
<td>4.8</td>
<td>6.1</td>
<td>3.9</td>
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<tr>
<td><strong>Informal Sector Production (TZS Billion)</strong></td>
<td>Annual Gross Output</td>
<td>Annual Intermediate Consumption</td>
<td>Annual Value Added</td>
</tr>
<tr>
<td>Dar es Salaam</td>
<td>14,404.7</td>
<td>8,216.4</td>
<td>6,188.3</td>
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<td>Kinondoni MC</td>
<td>2,372.6</td>
<td>1,289.0</td>
<td>1,083.6</td>
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<tr>
<td>Ilala MC</td>
<td>4,967.4</td>
<td>2,651.5</td>
<td>2,315.9</td>
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<td>Temeke MC</td>
<td>4,239.6</td>
<td>2,642.2</td>
<td>1,597.4</td>
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<td>Ubungo MC</td>
<td>2,096.6</td>
<td>1,346.1</td>
<td>750.4</td>
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<tr>
<td>Kigamboni MC</td>
<td>728.6</td>
<td>287.6</td>
<td>440.9</td>
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<tr>
<td><strong>Contribution of Informal Sector Activities to GDP (Percent)</strong></td>
<td></td>
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</table>
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<table>
<thead>
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<th>Year</th>
<th>Percentage</th>
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<td>1995</td>
<td>41.2</td>
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<td>2019</td>
<td>22.5</td>
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### Assistance Needed by Informal Sector Operators

<table>
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<th>Assistance</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Access to loans</td>
<td>61.9</td>
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<tr>
<td>Access to information on the market</td>
<td>46.4</td>
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<tr>
<td>Access to large business orders</td>
<td>45.6</td>
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</table>
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<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>DSM</td>
<td>Dar es Salaam</td>
</tr>
<tr>
<td>GDP</td>
<td>Gross Domestic Product</td>
</tr>
<tr>
<td>ICLS</td>
<td>International Conference of Labour Statistician</td>
</tr>
<tr>
<td>ILO</td>
<td>International Labour Organization</td>
</tr>
<tr>
<td>ILFS</td>
<td>Integrated Labour Force Survey</td>
</tr>
<tr>
<td>ISS</td>
<td>Informal Sector Survey</td>
</tr>
<tr>
<td>MC</td>
<td>Municipal Council</td>
</tr>
<tr>
<td>NBS</td>
<td>National Bureau of Statistics</td>
</tr>
<tr>
<td>SNA</td>
<td>System of National Accounts</td>
</tr>
<tr>
<td>TZS</td>
<td>Tanzania Shilling</td>
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</table>
**Informal Sector**: The definition of Informal Sector as adopted from the 15th International Conference of Labour Statisticians (ICLS) of 1993 includes enterprises owned by individuals or households that are not constituted as separate legal entities independent of their owners and have no complete set of accounts and produce some of their goods for sale and their employment size is below five (5) employees. On the other hand, in order to suit requirements for National Accounts statistics, the ILO definition was customized to use legal registration as the only criteria for informal sector identification.

**Gross Output**: Gross output represents the total value of sales by producing enterprises (turnover) in an accounting period before subtracting the value of intermediate goods used up in production.

**Intermediate Consumption**: Intermediate consumption consists of the value of the goods and services consumed as inputs by a process of production, excluding fixed assets whose consumption is recorded as consumption of fixed capital; the goods or services may be either transformed or used up by the production process.

**Value Added**: Is the difference between gross output and intermediate consumption.

**Capital Investment**: The term capital investment refers to money used by a business to purchase fixed assets, such as land, machinery and buildings or is the money invested in a business with intention to purchase fixed assets and not for business's day-to-day operating expenses. Capital investments generally are meant to increase operational capacity, capture a larger share of the market and generate more revenue. The current capital investment is the actual value of fixed assets during the accounting period after taking into account the value of assets in the beginning of the period, acquisitions and depreciations.

**Para-public**: Refers to all establishments where the ownership is both public and private.

**Big private enterprise**: Business or industry that is managed by independent companies or private individuals rather than being controlled by the state, with 10 or more employees.
**Small and medium private enterprise:** Business or industry that is managed by independent companies or private individuals rather than being controlled by the state, with less than 10 employees.

**Household:** One (or more) people who live in the same dwelling and share meals.

**Direct exportation:** Exporting goods/service directly to buyers outside the country.

**Own final use:** Consists of goods or services that are retained for their own final use by the owners of the enterprises in which they are produced.
CHAPTER ONE
Characteristics of Informal Sector Activities

1.0 Introduction
The informal sector contributes significantly to Tanzania’s economy, particularly in terms of employment by providing economic opportunities to those displaced from or who cannot be absorbed by the formal sector. Specifically, the sector provides critical economic opportunities for Tanzanians as it allows people with small capital to engage in economic activities to make a living. Therefore, the informal sector provides jobs and reduces unemployment and ultimately reducing poverty. Given the significance of informal sector in the economy, there is a need of continual support from the Government and other stakeholders to enable informal sector businesses to graduate into formal sector. This will improve decent work conditions, enhance rapid economic growth and alleviate poverty in the country.

1.1 Definition of Informal Sector in Tanzania Context
The definition of Informal Sector as adopted from the 15th International Conference of Labour Statisticians (ICLS) of 1993 includes enterprises owned by individuals or households that are not constituted as separate legal entities independent of their owners and have no complete set of accounts and produce some of their goods for sale and their employment size is below five (5) employees. On the other hand, in order to suit requirements for National Accounts statistics, the ILO definition was customized to use legal registration as the only criteria for informal sector identification.

1.2 Distribution of Informal Sector Operators
Informal Sector Survey (ISS) acquired information on persons who own informal sector activities, referred to as operators and employees furnishing labour into these activities. This section provides distribution of informal sector operators engaged in at least one informal business in Dar es Salaam by industry, location and sex of operator.
Table 1.1: Percentage Distribution of Informal Sector Operators Engaged in at least one Informal business by Industry and Sex, Dar es Salaam 2019

<table>
<thead>
<tr>
<th>Industry</th>
<th>Male</th>
<th>Female</th>
<th>Both Sexes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture, forestry and fishing</td>
<td>9.9</td>
<td>8.6</td>
<td>9.1</td>
</tr>
<tr>
<td>Mining and quarrying</td>
<td>1.8</td>
<td>0.7</td>
<td>1.2</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>8.7</td>
<td>6.1</td>
<td>7.2</td>
</tr>
<tr>
<td>Electricity, gas, steam and air conditioning supply</td>
<td>0.9</td>
<td>0.1</td>
<td>0.4</td>
</tr>
<tr>
<td>Water supply, sewage, waste management and remediation activities</td>
<td>0.9</td>
<td>0.1</td>
<td>0.5</td>
</tr>
<tr>
<td>Construction</td>
<td>9.5</td>
<td>0.3</td>
<td>4.2</td>
</tr>
<tr>
<td>Whole sale and retail trade, repair of motor vehicles and motorcycles</td>
<td>41.8</td>
<td>51.8</td>
<td>47.6</td>
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<tr>
<td>Transport and storage</td>
<td>6.7</td>
<td>0.1</td>
<td>2.9</td>
</tr>
<tr>
<td>Accommodation and food services activities</td>
<td>4.3</td>
<td>19.3</td>
<td>12.9</td>
</tr>
<tr>
<td>Information and communication</td>
<td>0.5</td>
<td>0.5</td>
<td>0.5</td>
</tr>
<tr>
<td>Financial and insurance activities</td>
<td>0.6</td>
<td>0.2</td>
<td>0.4</td>
</tr>
<tr>
<td>Professional scientific and technical activities</td>
<td>1.6</td>
<td>0.6</td>
<td>1.0</td>
</tr>
<tr>
<td>Administrative and support services activities</td>
<td>0.3</td>
<td>0.0</td>
<td>0.1</td>
</tr>
<tr>
<td>Education</td>
<td>0.7</td>
<td>0.5</td>
<td>0.6</td>
</tr>
<tr>
<td>Human health and social work activities</td>
<td>0.2</td>
<td>0.6</td>
<td>0.4</td>
</tr>
<tr>
<td>Arts entertainment and recreation</td>
<td>1.2</td>
<td>0.7</td>
<td>0.9</td>
</tr>
<tr>
<td>Other services activities</td>
<td>10.4</td>
<td>9.8</td>
<td>10.1</td>
</tr>
<tr>
<td><strong>Total Percentage</strong></td>
<td><strong>100.0</strong></td>
<td><strong>100.0</strong></td>
<td><strong>100.0</strong></td>
</tr>
<tr>
<td><strong>Number</strong></td>
<td><strong>436,286</strong></td>
<td><strong>587,234</strong></td>
<td><strong>1,023,520</strong></td>
</tr>
</tbody>
</table>

Table 1.1 shows that, there are 1,023,520 informal sector operators in Dar es Salaam region engaged in at least one informal business with more females 587,234 than males 436,286. Additionally, the industry of Whole sale and retail trade; repair of motor vehicles and motorcycles has the highest proportion 47.6 percent of the total informal sector operators. The second and third industries with the highest proportions of the informal sector operators are: Accommodation and food services activities with 12.9 percent; and Other services activities with 10.1 percent. It is also observed that Agriculture, forestry and fishing industry account for 9.1 percent of operators in Dar es Salaam with slightly larger proportion for males 9.9 percent than females 8.6 percent. Industries of Electricity gas steam and air conditioning supply; Financial and insurance activities; and Human health and social work activities account for the smallest proportions of informal sector operators, with 0.4 percent for each industry.

It is further observed that, proportions for male and female operators are more or less the same across all industries. However, the largest male-female gap is observed in industries of Construction and Transport and storage with 9.6 and 6.6 percentage points differences, respectively.
Table 1.2: Distribution of Households in the Informal Sector by Council: Dar es Salaam 2019

<table>
<thead>
<tr>
<th>Council</th>
<th>Total Household from listing exercise</th>
<th>Household with Informal Sector</th>
<th>Proportional of Household with Informal Sector</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kinondoni MC</td>
<td>269,806</td>
<td>152,354</td>
<td>56.5</td>
</tr>
<tr>
<td>Ilala MC</td>
<td>371,472</td>
<td>226,091</td>
<td>60.9</td>
</tr>
<tr>
<td>Temeke MC</td>
<td>350,590</td>
<td>207,018</td>
<td>59.0</td>
</tr>
<tr>
<td>Ubungo MC</td>
<td>270,871</td>
<td>145,402</td>
<td>53.7</td>
</tr>
<tr>
<td>Kigamboni MC</td>
<td>60,255</td>
<td>37,039</td>
<td>61.5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,322,995</strong></td>
<td><strong>767,904</strong></td>
<td><strong>58.0</strong></td>
</tr>
</tbody>
</table>

Map 1.1: Distribution of Households in the Informal Sector by Council: Dar es Salaam 2019
Table 1.2 and Map 1 indicate that, overall about 767,904 households, equivalent to 58.0 percent of households surveyed operate at least one informal sector activity. Kigamboni Municipal Council has the largest proportion of such households with 61.5 percent, followed by Ilala Municipal Council (60.9 percent) and Temeke Municipal Council (59.0 percent). On the other hand, Ubungo Municipal Council has the smallest proportion of households which operate informal sector activities, with 53.7 percent.

1.3 Business Premises

One of the objectives of ISS in Dar es Salaam is to find out the characteristics of informal sector operators. Analysis in this section provides policy makers with information concerning locations of businesses which is vital for formulation of programs to improve working environment for informal sector activities.

<table>
<thead>
<tr>
<th>Location</th>
<th>Male</th>
<th>Female</th>
<th>Both Sexes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hawking/mobile</td>
<td>28.7</td>
<td>27.9</td>
<td>28.3</td>
</tr>
<tr>
<td>Improvised post on the road</td>
<td>2.5</td>
<td>1.4</td>
<td>1.9</td>
</tr>
<tr>
<td>Permanent post on the road</td>
<td>2.5</td>
<td>1.4</td>
<td>1.9</td>
</tr>
<tr>
<td>Vehicle (motor bike, Tricycle, Bicycle)</td>
<td>4.2</td>
<td>0.4</td>
<td>2.1</td>
</tr>
<tr>
<td>Customer’s home</td>
<td>14.1</td>
<td>9.2</td>
<td>11.3</td>
</tr>
<tr>
<td>In my own/partner’s home without special installation</td>
<td>7.3</td>
<td>22.4</td>
<td>16.0</td>
</tr>
<tr>
<td>In my own/partner’s home with special installation</td>
<td>4.1</td>
<td>6.0</td>
<td>5.2</td>
</tr>
<tr>
<td>Improvised post in a market</td>
<td>2.8</td>
<td>1.3</td>
<td>1.9</td>
</tr>
<tr>
<td>Garbage area</td>
<td>0.0</td>
<td>0.1</td>
<td>0.1</td>
</tr>
<tr>
<td>Construction sites</td>
<td>1.6</td>
<td>0.6</td>
<td>1.0</td>
</tr>
<tr>
<td>Other</td>
<td>7.4</td>
<td>6.7</td>
<td>7.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>75.2</strong></td>
<td><strong>77.6</strong></td>
<td><strong>76.6</strong></td>
</tr>
<tr>
<td>Permanent premises in a market (shop kiosk, shed)</td>
<td>17.9</td>
<td>16.1</td>
<td>16.9</td>
</tr>
<tr>
<td>Workshop, shop, restaurant, hotel</td>
<td>5.7</td>
<td>7.0</td>
<td>6.5</td>
</tr>
<tr>
<td>Taxi station in permanent structure/Public transport with a fixed route</td>
<td>3.7</td>
<td>1.1</td>
<td>2.2</td>
</tr>
<tr>
<td>Vehicle (motor bike, Tricycle, Bicycle)</td>
<td>1.3</td>
<td>0.2</td>
<td>0.7</td>
</tr>
<tr>
<td>Mining site</td>
<td>0.2</td>
<td>0.1</td>
<td>0.1</td>
</tr>
<tr>
<td>Farm, fishing or grazing area</td>
<td>3.3</td>
<td>1.7</td>
<td>2.4</td>
</tr>
<tr>
<td>Industrial area</td>
<td>0.5</td>
<td>0.1</td>
<td>0.2</td>
</tr>
<tr>
<td>Other</td>
<td>9.3</td>
<td>12.4</td>
<td>11.1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>41.9</strong></td>
<td><strong>38.7</strong></td>
<td><strong>40.1</strong></td>
</tr>
</tbody>
</table>

*Percentage exceeds 100 due to multiple responses*
Table 1.3 shows a significant difference in proportions of businesses conducted in permanent and non-permanent locations. It is revealed that, out of 1,023,520 informal sector activities taking place in Dar es Salaam, the highest proportion (76.6 percent) are conducted in non-permanent premises, while 40.1 percent are conducted in permanent premises. Results also show that slightly more females (77.6 percent) operate informal sector businesses in non-
permanent premises compared to males (75.2 percent). On the other hand, less than half informal sector operators conducts their businesses in permanent premises with slightly more males (41.9 percent) than females (38.7 percent).

In addition, the largest share of operators conducting their informal businesses in non-permanent premises are hawker accounting for 28.3 percent with slightly higher proportion of male operators (28.7 percent) compared to females (27.9 percent). It is followed by activities operated in owner’s or partner’s home without special installation with the largest proportion among female operators (22.4 percent) than male operators (7.3 percent).

Furthermore, the largest proportion of informal sector businesses in permanent premises are conducted in a market or shop kiosk shed accounting for 16.9 percent with slightly larger proportion of male operators (17.9 percent) than female operators (16.1 percent). The informal sector activities conducted in workshop, shop, restaurant and hotels ranked second with 6.5 percent (7.0 percent for female operators and 5.7 percent for male operators). In general, the smallest proportion (0.1 percent) of operators in permanent and non-permanent premises conducts businesses in mining sites and garbage areas respectively.

1.4 Reasons for Engaging in Informal Sector

Reason of engaging in Informal sector provides a direct point of policy intervention aimed at averting the situation. This section analyzes multiple reasons stated by informal sector business owners for engagement in informal sector activities.

<table>
<thead>
<tr>
<th>Reasons for Engaging</th>
<th>Male</th>
<th>Female</th>
<th>Both Sexes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Can’t find other work</td>
<td>55.4</td>
<td>55.1</td>
<td>55.2</td>
</tr>
<tr>
<td>Released from other employment or reduction of working time</td>
<td>6.4</td>
<td>3.1</td>
<td>4.6</td>
</tr>
<tr>
<td>Retirement from other employment</td>
<td>4.3</td>
<td>2.8</td>
<td>3.4</td>
</tr>
<tr>
<td>Family needs additional income</td>
<td>48.9</td>
<td>58.4</td>
<td>54.3</td>
</tr>
<tr>
<td>Business/activity provides good income opportunities</td>
<td>18.8</td>
<td>14.2</td>
<td>16.2</td>
</tr>
<tr>
<td>Business/activity does not require much capital</td>
<td>18.3</td>
<td>21.7</td>
<td>20.2</td>
</tr>
<tr>
<td>Can keep production cost low</td>
<td>2.5</td>
<td>2.2</td>
<td>2.4</td>
</tr>
<tr>
<td>Wants to be independent from his/her own master</td>
<td>17.0</td>
<td>12.8</td>
<td>14.6</td>
</tr>
<tr>
<td>Can choose his/her own hours and place of work</td>
<td>11.8</td>
<td>12.5</td>
<td>12.2</td>
</tr>
<tr>
<td>Can combine business/activities with household or family responsibilities</td>
<td>16.0</td>
<td>25.8</td>
<td>21.5</td>
</tr>
<tr>
<td>Bureaucracy in formalizing business/activity</td>
<td>0.5</td>
<td>0.5</td>
<td>0.5</td>
</tr>
<tr>
<td>Traditional line of business/activities of respondent or family/tribe</td>
<td>2.3</td>
<td>1.4</td>
<td>1.8</td>
</tr>
<tr>
<td>Other</td>
<td>7.4</td>
<td>6.9</td>
<td>7.1</td>
</tr>
<tr>
<td><strong>Total Operators</strong></td>
<td><strong>463,046</strong></td>
<td><strong>601,952</strong></td>
<td><strong>1,064,998</strong></td>
</tr>
</tbody>
</table>

*Percentage exceeds 100 due to multiple responses*
Table 1.4 shows that the main overriding reasons for male and female operator’s engagement in the informal sector activities are the inability to find other work (55.2 percent), the need for families to get additional income (54.3 percent) and that they can combine business or activities with household or family responsibilities (21.5 percent). Moreover, 20.2 percent of the business operator stated that a business does not require much capital as the main reason for engaging in this sector.

In addition, 58.4 percent of females consider the need for families to get additional income as an important reason to be involved in the informal sector activities than males (48.9 percent). In contrast, a larger proportion of male operators (18.8 percent) are motivated by businesses that provide good income and opportunities than females (14.2 percent). Bureaucracy in formalizing business or activity reflected the least share among the reasons given by both male and female operators (0.5 percent) in engagement in the informal sector activities.

1.5 Capital Investment

The term capital investment refers to money used by a business to purchase fixed assets, such as land, machinery and buildings or is the money invested in a business with intention to purchase fixed assets and not for business's day-to-day operating expenses. Capital investments generally are meant to increase operational capacity, capture a larger share of the market and generate more revenue. The current capital investment is the actual value of fixed assets during the accounting period after taking into account the value of assets in the beginning of the period, acquisitions and depreciations.

This section presents the current capital investment (in TZS) of informal sector operators in Dar es Salaam by industry and sex. The results further analyses the average current capital investment per informal sector operator across industries and sex of operator.

Table 1.5: Current Capital Investment in the Informal Sector by Industry and Sex of operator: Dar es Salaam 2019

<table>
<thead>
<tr>
<th>Industry</th>
<th>Current Capital (Billion TZS)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Male</td>
</tr>
<tr>
<td>Agriculture forestry and fishing</td>
<td>78.1</td>
</tr>
<tr>
<td>Mining and quarrying</td>
<td>6.5</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>32.5</td>
</tr>
<tr>
<td>Electricity gas steam and air conditioning supply</td>
<td>5.3</td>
</tr>
<tr>
<td>Water supply sewage waste management and remediation activities</td>
<td>2.7</td>
</tr>
<tr>
<td>Construction</td>
<td>16.1</td>
</tr>
<tr>
<td>Whole sale and retail trade repair of motor vehicles and motorcycles</td>
<td>243.6</td>
</tr>
</tbody>
</table>
Table 1.5 shows that the current capital investment in the informal sector in Dar es Salaam amounts to TZS 901.5 Billion. The results further show that, industries with the largest current capital investment are: - Whole sale and retail trade, repair of motor vehicles and motorcycles (TZS 346.6 Billion) followed by Agriculture, forestry and fishing (TZS 188.7 Billion) and Accommodation and food services activities (TZS 81.1 Billion).

In addition, despite higher proportion in the informal sector (57.4 percent), the female operator’s current capital investment (TZS 324.9 Billion) is less than that of male operators (TZS 576.6 Billion).

Across industries, male operators have the highest current capital investment (TZS 243.6 Billion) in Whole sale and retail trade, repair of motor vehicles and motorcycles, while female operators have the highest current capital investment (TZS 110.6 Billion) in Agriculture, forestry and fishing.

Table 1.6: Average Current Capital Investment per Informal Sector Operator by Industry and Sex; Dar es Salaam 2019

<table>
<thead>
<tr>
<th>Industry</th>
<th>Average Current Capital Investment Per Operator, (TZS)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Male</td>
</tr>
<tr>
<td>Agriculture forestry and fishing</td>
<td>1,803,070</td>
</tr>
<tr>
<td>Mining and quarrying</td>
<td>825,520</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>860,075</td>
</tr>
<tr>
<td>Electricity gas steam and air conditioning supply</td>
<td>1,366,818</td>
</tr>
<tr>
<td>Water supply sewage waste management and remediation activities</td>
<td>677,177</td>
</tr>
<tr>
<td>Construction</td>
<td>386,181</td>
</tr>
<tr>
<td>Whole sale and retail trade repair of motor vehicles and motorcycles</td>
<td>1,334,831</td>
</tr>
<tr>
<td>Transportation and storage</td>
<td>2,006,842</td>
</tr>
</tbody>
</table>

Informal Sector Survey, 2019 Key Findings
Table 1.6 shows that average current capital investment per informal sector operator in Dar es Salaam is TZS 880,830. This is inline with reasons provided by operators that informal sector businesses requires small capital. Average current capital per male operator is almost twice (TZS 1,321,688) that of female operator (TZS 553,293). The findings also shows that the highest average current capital investment per operator is in Education (TZS 4,445,637); Human health and social work activities (TZS 3,426,605); and Arts, entertainment and recreation (TZS 2,238,910).

### 1.6 Informal Sector Operators by Age Group and Education Level

This section describes characteristics of informal sector operators by age group and education level. Information on age group is crucial in evaluating participation of persons in various age groups in production of goods and services, particularly involvement of youth (15-35 years) which constitutes a large proportion of the labour force in the country.

Table 1.7: Number and Percentage of Informal Sector Operators by Age Group, Education level and Sex: Dar es Salaam, 2019

<table>
<thead>
<tr>
<th>Age Group/Level of Education</th>
<th>Male</th>
<th>Female</th>
<th>Both Sexes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 15</td>
<td>0.1</td>
<td>0.0</td>
<td>0.03</td>
</tr>
<tr>
<td>15 - 24</td>
<td>9.2</td>
<td>11.3</td>
<td>10.4</td>
</tr>
<tr>
<td>15 - 35</td>
<td>41.1</td>
<td>42.5</td>
<td>41.9</td>
</tr>
<tr>
<td>25 - 35</td>
<td>32.0</td>
<td>31.2</td>
<td>31.5</td>
</tr>
<tr>
<td>36 - 44</td>
<td>24.7</td>
<td>29.4</td>
<td>27.4</td>
</tr>
<tr>
<td>45 - 59</td>
<td>28.1</td>
<td>24.2</td>
<td>25.9</td>
</tr>
<tr>
<td>60+</td>
<td>6.1</td>
<td>3.9</td>
<td>4.8</td>
</tr>
<tr>
<td>Never Attended</td>
<td>2.5</td>
<td>4.8</td>
<td>3.8</td>
</tr>
<tr>
<td>Vocational training</td>
<td>4.1</td>
<td>2.7</td>
<td>3.3</td>
</tr>
<tr>
<td>Primary Education</td>
<td>66.3</td>
<td>67.4</td>
<td>66.9</td>
</tr>
<tr>
<td>Secondary Education</td>
<td>23.4</td>
<td>23.1</td>
<td>23.2</td>
</tr>
<tr>
<td>University Level</td>
<td>3.7</td>
<td>2.1</td>
<td>2.7</td>
</tr>
<tr>
<td>Percentage (Education Level)</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Total Number of Informa Sector Operators</td>
<td>436,286</td>
<td>587,234</td>
<td>1,023,520</td>
</tr>
</tbody>
</table>
Table 1.7 shows that out of the total operators with at least one informal sector business, 41.9 percent are youth aged 15 to 35 years with slightly higher proportion among female operators (42.5 percent) than males (41.1 percent). Young aged operators with less than 15 years and old aged operators (60+ years) constitutes the lowest proportion of 0.03 percent and 4.8 percent respectively. Furthermore, the results show that all informal sector operators aged less than 15 years are male operators (0.03 percent).

Additionally, results indicate that the highest proportion of informal sector operators attained primary education (66.9 percent) followed by secondary education (23.2 percent). About four percent of informal sector operators never attended schools, with slightly larger proportion for females (4.8 percent) than males (2.5 percent). The results also show that the proportion of operators with university level of education is higher among males (3.7 percent) than females (2.1 percent).

Table 1.8: Informal Sector Activities and Future Plans for Engaging More Manpower: Dar es Salaam 2019

<table>
<thead>
<tr>
<th>Industry</th>
<th>Percent of operators with plans to engage more Manpower</th>
<th>Number of additional manpower</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture forestry and fishing</td>
<td>6.9</td>
<td>26,211</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>7.0</td>
<td>26,748</td>
</tr>
<tr>
<td>Construction</td>
<td>3.5</td>
<td>3,435</td>
</tr>
<tr>
<td>Whole sale and retail trade repair of motor vehicles and motorcycles</td>
<td>2.6</td>
<td>23,117</td>
</tr>
<tr>
<td>Accommodation and food services activities</td>
<td>6.8</td>
<td>14,195</td>
</tr>
<tr>
<td>Arts entertainment and recreation</td>
<td>21.4</td>
<td>12,855</td>
</tr>
<tr>
<td>Other services activities</td>
<td>4.9</td>
<td>8,309</td>
</tr>
<tr>
<td>Total</td>
<td><strong>4.1</strong></td>
<td><strong>114,868</strong></td>
</tr>
</tbody>
</table>

Table 1.8 indicates that a small proportion of informal sector operators (4.1 percent) have indicated to have plans to engage more manpower in the next twelve months, with expectation to employ 114,868 persons. The small absorption capacity could be attributed to inadequacy of capital and accessibility to markets. The industry of Arts, entertainment and recreation has the largest proportion of informal sector operators (21.4 percent) with plans to engage more man power in future followed by Manufacturing industry (7.0 percent) and Agriculture, forestry and fishing with 6.9 percent.
CHAPTER TWO
Total Employment in the Informal Sector

2.1 Employment in Informal Sector

This section presents employment in the informal sector including operators and employees engaged in the production of goods and services in Dar es Salaam region.

Table 2.1: Total Persons Aged Five Years or Above Employed in Informal Sector by Council, Employment Status and Sex: Dar es Salaam 2019

<table>
<thead>
<tr>
<th>Council</th>
<th>Male</th>
<th>Female</th>
<th>Both Sexes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kinondoni MC</td>
<td>18.5</td>
<td>20.2</td>
<td>19.4</td>
</tr>
<tr>
<td>Ilala MC</td>
<td>33.1</td>
<td>32.5</td>
<td>32.7</td>
</tr>
<tr>
<td>Temeke MC</td>
<td>27.0</td>
<td>25.1</td>
<td>25.9</td>
</tr>
<tr>
<td>Ubungo MC</td>
<td>16.4</td>
<td>17.0</td>
<td>16.7</td>
</tr>
<tr>
<td>Kigamboni MC</td>
<td>5.0</td>
<td>5.3</td>
<td>5.2</td>
</tr>
<tr>
<td>Total</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Employment Status

<table>
<thead>
<tr>
<th></th>
<th>Operators</th>
<th>Employees</th>
<th>Percentage</th>
<th>Total Operators</th>
<th>Total Employees</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operators</td>
<td>77.2</td>
<td>84.7</td>
<td>81.3</td>
<td>446,503</td>
<td>105,610</td>
<td>552,113</td>
</tr>
<tr>
<td>Employees</td>
<td>22.8</td>
<td>15.3</td>
<td>18.7</td>
<td>46,733</td>
<td>42,233</td>
<td>88,966</td>
</tr>
<tr>
<td></td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>593,233</td>
<td>147,843</td>
<td>741,076</td>
</tr>
</tbody>
</table>

Table 2.1 indicates that, 1,267,082 persons (aged 5 years or older) are employed in informal sector in Dar es Salaam Region. It is indicated that Ilala municipality has the largest proportion of employment (32.7 percent) followed by Temeke municipality (25.9 percent) and Kinondoni (19.4 percent). On the other hand, Kigamboni municipality has the lowest proportion of employment in the informal sector (5.2 Percent).

Results further show that, the composition of the total employment is dominated by operators with about 8 in 10 persons engaged in the informal sector. However, there are more females (84.7 percent) operators than males (77.2 percent).

Table 2.2: Total Employment in Informal Sector for Persons Aged 15+ in Main and Secondary Activities by Sex: Dar es Salaam 2019

<table>
<thead>
<tr>
<th>Sex</th>
<th>ILFS 2014 DSM</th>
<th></th>
<th>ISS PHASE I 2019</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Main</td>
<td>Secondary</td>
<td>Total</td>
<td>Main</td>
</tr>
<tr>
<td>Male</td>
<td>50.0</td>
<td>61.7</td>
<td>50.2</td>
<td>43.8</td>
</tr>
<tr>
<td>Female</td>
<td>50.0</td>
<td>38.3</td>
<td>49.8</td>
<td>56.2</td>
</tr>
<tr>
<td>Percent</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Both Sexes</td>
<td>1,185,134</td>
<td>23,116</td>
<td>1,208,250</td>
<td>987,720</td>
</tr>
</tbody>
</table>
Total employment values presented in Table 2.2 is according to the 15th ICLS definition \(^1\) of informal sector. Results reveal that employment in informal sector in Dar es Salaam region has decreased from 1,208,250 in 2014 to 1,125,064 in 2019. This could be attributed to expansion of employment in the formal sector. Results further indicate that more females are employed in the informal sector (55.8 percent) in 2019 than males (44.2 percent) unlike in 2014 were males are had slightly higher proportions than females. Females accounted for over 50 percent of employees in both main and secondary activities.

Figure 2.1: Proportion of Employment in Informal Sector to Total Employment by Sex: Dar es Salaam 2019

Chart 2.1 reveals that, the share of employment in informal sector to total employment in Dar es Salaam region has decreased from 61.5 percent recorded in 2014 to 47.2 percent in 2019. Females share have been relatively higher than males in both year but have also decreased from 67.8 in 2014 to 58.8 percent in 2019. Results also indicate that male’s participation in informal sector has also slightly decreased from 39.0 percent to 37.7 percent in 2019.

\(^1\) The definition of Informal Sector as adopted from the 15th International Conference of Labour Statisticians (ICLS) of 1993 includes enterprises owned by individuals or households that are not constituted as separate legal entities independent of their owners and have no complete set of accounts and produce some of their goods for sale and their employment size is below five (5) employees.
Table 2.3: Percentage of Total Employment in Informal Sector by Industry and Sex: Dar es Salaam 2019

<table>
<thead>
<tr>
<th>INDUSTRY</th>
<th>Sex</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Male</td>
<td>Female</td>
</tr>
<tr>
<td>Agriculture forestry and fishing</td>
<td>12.8</td>
<td>9.7</td>
</tr>
<tr>
<td>Mining and quarrying</td>
<td>1.4</td>
<td>1.2</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>8.6</td>
<td>5.1</td>
</tr>
<tr>
<td>Electricity gas steam and air conditioning supply</td>
<td>0.8</td>
<td>0.2</td>
</tr>
<tr>
<td>Water supply sewerage waste management and remediation activities</td>
<td>0.5</td>
<td>0.5</td>
</tr>
<tr>
<td>Construction</td>
<td>10.7</td>
<td>0.2</td>
</tr>
<tr>
<td>Whole sale and retail trade repair of motor vehicles and motorcycles</td>
<td>39.1</td>
<td>49.6</td>
</tr>
<tr>
<td>Transportation and storage</td>
<td>5.1</td>
<td>0.1</td>
</tr>
<tr>
<td>Accommodation and food services activities</td>
<td>5.3</td>
<td>20.8</td>
</tr>
<tr>
<td>Information and communication</td>
<td>0.6</td>
<td>0.1</td>
</tr>
<tr>
<td>Financial and insurance activities</td>
<td>0.7</td>
<td>0.3</td>
</tr>
<tr>
<td>Professional scientific and technical activities</td>
<td>1.4</td>
<td>1.0</td>
</tr>
<tr>
<td>Administrative and support services activities</td>
<td>0.4</td>
<td>-</td>
</tr>
<tr>
<td>Education</td>
<td>0.5</td>
<td>0.6</td>
</tr>
<tr>
<td>Human health and social work activities</td>
<td>0.1</td>
<td>0.5</td>
</tr>
<tr>
<td>Arts entertainment and recreation</td>
<td>0.8</td>
<td>0.5</td>
</tr>
<tr>
<td>Other services activities</td>
<td>11.2</td>
<td>9.4</td>
</tr>
<tr>
<td><strong>Total Number of Employment</strong></td>
<td><strong>578,238</strong></td>
<td><strong>688,844</strong></td>
</tr>
</tbody>
</table>

Table 2.3 indicates that the industry of whole sale and retail trade, repair of motor vehicles and motorcycles has the largest proportion of total employment in informal sector with 44.8 percent. This is followed by Accommodation and food services activities (13.7 percent) and Agriculture, forestry and fishing with 11.1 percent.

Results further reveal that the largest male-female gaps in employment are observed in accommodation and food services activities (15.5 percentage points) followed by construction industry (10.5 percentage points) and Whole sale and retail trade, repair of motor vehicles and motorcycles with 10.5 percentage points.
Table 2.4: Total Employment in Informal Sector by Occupation and Sex, Dar es Salaam 2019

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Male</th>
<th>Female</th>
<th>Both Sexes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Legislators administrators and managers</td>
<td>1.8</td>
<td>0.8</td>
<td>1.3</td>
</tr>
<tr>
<td>Professionals</td>
<td>0.9</td>
<td>0.9</td>
<td>0.9</td>
</tr>
<tr>
<td>Technicians and associate professionals</td>
<td>3.5</td>
<td>0.6</td>
<td>1.9</td>
</tr>
<tr>
<td>Clerks</td>
<td>0.3</td>
<td>0.2</td>
<td>0.3</td>
</tr>
<tr>
<td>Service workers and shop sales workers</td>
<td>18.7</td>
<td>32.8</td>
<td>26.4</td>
</tr>
<tr>
<td>Agricultural and fishery workers</td>
<td>7.0</td>
<td>4.1</td>
<td>5.4</td>
</tr>
<tr>
<td>Craft and related workers</td>
<td>25.6</td>
<td>11.2</td>
<td>17.8</td>
</tr>
<tr>
<td>Plant and machine operators and assemblers</td>
<td>2.5</td>
<td>0.3</td>
<td>1.3</td>
</tr>
<tr>
<td>Elementary occupations</td>
<td>39.8</td>
<td>49.0</td>
<td>44.8</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100.0</strong></td>
<td><strong>100.0</strong></td>
<td><strong>100.0</strong></td>
</tr>
<tr>
<td><strong>Total Employment</strong></td>
<td><strong>578,238</strong></td>
<td><strong>688,844</strong></td>
<td><strong>1,267,082</strong></td>
</tr>
</tbody>
</table>

Table 2.4 indicates that about half of persons engaged in informal sector in Dar es Salaam region (44.8 percent) are in elementary occupations. It is followed by service workers and shop sales workers which accounts for 26.4 percent of the total employment in the informal sector. Other occupations with relatively higher proportions of total employment in the informal sector are Craft and related workers (17.8 percent); and agricultural and fishery workers with 5.4 percent. Occupational category of professionals has the smallest share of total employment with 0.9 percent.

The results reveal no much difference in distribution of employment by sex across occupations. However, there are more females in service workers and shop sales workers with 32.8 percent compared to males with 18.7 percent. Elementary occupation has the second highest proportion of females (49.0 percent) compared to 39.8 percent for males. On the other hand, there are more males (25.6 percent) than females (11.2 percent) in occupation categories of craft and related workers.
CHAPTER THREE
Total Output Productivity and Capital Formation

3.1 Annual Gross Output and Annual Value Added

Gross output represents the total value of sales by producing enterprises (turnover) in an accounting period before subtracting the value of intermediate goods used up in production. Value Added is the difference between gross output and intermediate consumption.

Table 3.1: Annual Gross Output, Intermediate Consumption and Value Added (TZS Billion) in Informal Sector: Dar es Salaam 2019

<table>
<thead>
<tr>
<th>Industry</th>
<th>Gross Output</th>
<th>Intermediate Consumption</th>
<th>Value Added</th>
<th>Value Added (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture forestry and fishing</td>
<td>1,601.7</td>
<td>989.7</td>
<td>612</td>
<td>9.9</td>
</tr>
<tr>
<td>Mining and quarrying</td>
<td>255.4</td>
<td>2</td>
<td>253.4</td>
<td>4.1</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>736.4</td>
<td>247</td>
<td>489.4</td>
<td>7.9</td>
</tr>
<tr>
<td>Electricity gas steam and air conditioning supply</td>
<td>11.6</td>
<td>8.8</td>
<td>2.8</td>
<td>0.1</td>
</tr>
<tr>
<td>Water supply sewage waste management and remediation activities</td>
<td>182.2</td>
<td>148.8</td>
<td>33.5</td>
<td>0.5</td>
</tr>
<tr>
<td>Construction</td>
<td>364.1</td>
<td>81.4</td>
<td>282.7</td>
<td>4.6</td>
</tr>
<tr>
<td>Whole sale and retail trade repair of motor vehicles and motorcycles</td>
<td>8,203.80</td>
<td>5,233.20</td>
<td>2,970.60</td>
<td>48.1</td>
</tr>
<tr>
<td>Transportation and storage</td>
<td>148</td>
<td>52.9</td>
<td>95.1</td>
<td>1.5</td>
</tr>
<tr>
<td>Accommodation and food services activities</td>
<td>1,719.3</td>
<td>1,171.0</td>
<td>548.3</td>
<td>8.9</td>
</tr>
<tr>
<td>Information and communication</td>
<td>22.7</td>
<td>2.8</td>
<td>19.9</td>
<td>0.3</td>
</tr>
<tr>
<td>Financial and insurance activities</td>
<td>39</td>
<td>14.6</td>
<td>24.4</td>
<td>0.4</td>
</tr>
<tr>
<td>Professional scientific and technical activities</td>
<td>69.8</td>
<td>37.9</td>
<td>31.8</td>
<td>0.5</td>
</tr>
<tr>
<td>Administrative and support services activities</td>
<td>11.3</td>
<td>1.5</td>
<td>9.8</td>
<td>0.2</td>
</tr>
<tr>
<td>Education</td>
<td>24</td>
<td>3.1</td>
<td>20.9</td>
<td>0.3</td>
</tr>
<tr>
<td>Human health and social work activities</td>
<td>34.3</td>
<td>16.4</td>
<td>17.9</td>
<td>0.3</td>
</tr>
<tr>
<td>Arts entertainment and recreation</td>
<td>25.9</td>
<td>5.5</td>
<td>20.3</td>
<td>0.3</td>
</tr>
<tr>
<td>Other services activities</td>
<td>955.3</td>
<td>199.8</td>
<td>755.5</td>
<td>12.2</td>
</tr>
<tr>
<td>Total</td>
<td>14,404.7</td>
<td>8,216.4</td>
<td>6,188.3</td>
<td>100</td>
</tr>
</tbody>
</table>

Results in Table 3.1 shows that total annual value added in goods and services produced in informal sector in Dar es Salaam is TZS 6.2 Trillion. The largest proportion of value added are in Wholesale and retail trade, repair of motor vehicles and motorcycles (48.1 percent) followed by Agriculture, forestry and fishing with 9.9 percent. On the other hand, electricity, gas, steam and air conditioning supply has least proportion of annual value added with only 0.1 percent.
Table 3.2: Annual Contribution of Informal Sector Activities to GDP (TZS): Dar es Salaam 2019

<table>
<thead>
<tr>
<th>Category</th>
<th>Value in TZS ‘Trillion’</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1995</td>
</tr>
<tr>
<td>DSM GDP</td>
<td>0.5</td>
</tr>
<tr>
<td>Estimated Informal Sector Size in current GDP</td>
<td>0.2</td>
</tr>
<tr>
<td>Actual Informal Sector Size from 2019 Informal Sector Survey</td>
<td></td>
</tr>
<tr>
<td>Difference</td>
<td></td>
</tr>
<tr>
<td>Actual Current DSM GDP</td>
<td></td>
</tr>
<tr>
<td>Contribution of Informal Sector to DSM GDP</td>
<td>Estimated Informal Sector</td>
</tr>
<tr>
<td></td>
<td>Actual Informal Sector</td>
</tr>
</tbody>
</table>

The 2019 estimated GDP stands at TZS 25.3\(^2\) Trillion comprising Informal Sector worth of 3.9 Trillion estimated in 2019, this accounts for 15.4 percent. The estimation of the informal sector in the current GDP was developed using statistical methods basing on the employment ability of the Informal Sector and its productivity. This is one of the best approaches recommended by the IMF and is used in many developing countries where informal sector statistics are limited. However, the prolonged estimates tend to accumulate errors producing unreliable estimates.

Results from the Informal sector survey carried in 2019 in Dar es Salaam region reveals that the current informal sector GDP in Dar es Salaam stands at TZS 6.2 Trillion with a contribution of 22.5 percent to total DSM GDP as opposed to estimated contribution of 15.4 percent. Therefore, the informal sector is underestimated by TZS 2.3 Trillion. In 1995 the contribution of Informal sector to Total Dar es Salaam GDP was 41.2 percent.

Table 3.3: Annual Gross Output, Annual Intermediate Consumption and Annual Value Added (TZS Billion) by Council: Dar es Salaam 2019

<table>
<thead>
<tr>
<th>Council</th>
<th>Gross Output</th>
<th>Intermediate</th>
<th>Value Added</th>
<th>Value Added (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kinondoni MC</td>
<td>2,372.6</td>
<td>1,289.0</td>
<td>1,083.6</td>
<td>17.5</td>
</tr>
<tr>
<td>Ilala MC</td>
<td>4,967.4</td>
<td>2,651.5</td>
<td>2,315.9</td>
<td>37.4</td>
</tr>
<tr>
<td>Temeke MC</td>
<td>4,239.6</td>
<td>2,642.2</td>
<td>1,597.4</td>
<td>25.8</td>
</tr>
<tr>
<td>Ubungo MC</td>
<td>2,096.6</td>
<td>1,346.1</td>
<td>750.4</td>
<td>12.1</td>
</tr>
<tr>
<td>Kigamboni MC</td>
<td>728.6</td>
<td>287.6</td>
<td>440.9</td>
<td>7.1</td>
</tr>
<tr>
<td>Total</td>
<td>14,404.7</td>
<td>8,216.4</td>
<td>6,188.3</td>
<td>100.0</td>
</tr>
</tbody>
</table>

\(^2\) This is estimated using the trend of annual growth rate of previous DSM GDP at current prices for the previous three years.
Table 3.3 indicates that Ilala Municipal Council has the largest proportion of value added for goods and services produced accounting for 37.4 percent, followed by Temeke MC with 25.8 percent. Kigamboni MC accounted for the smallest share (7.1 percent) of the total annual value added.

### 3.2 Annual Gross Output per Person

Gross Output per Person is an important macroeconomic indicator as it serves as a measurement of stability and wealth within an economy. It can be used to determine the average per person income for an area and to evaluate a standard of living and quality of life which are important for investment decisions.

#### Table 3.4: Annual Gross Output (TZS Million) Per Person in Informal Sector: Dar es Salaam 2019

<table>
<thead>
<tr>
<th>Industry</th>
<th>Gross Output</th>
<th>Number of Employed Person</th>
<th>Annual Gross Output Per Person</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture forestry and fishing</td>
<td>1,601,690.10</td>
<td>140,587</td>
<td>11.4</td>
</tr>
<tr>
<td>Mining and quarrying</td>
<td>255,389.50</td>
<td>16,397</td>
<td>15.6</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>736,401.40</td>
<td>85,034</td>
<td>8.7</td>
</tr>
<tr>
<td>Electricity gas steam and air conditioning supply</td>
<td>11,639.20</td>
<td>6,422</td>
<td>1.8</td>
</tr>
<tr>
<td>Water supply sewage waste management and remediation activities</td>
<td>182,237.10</td>
<td>6,444</td>
<td>28.3</td>
</tr>
<tr>
<td>Construction</td>
<td>364,058.70</td>
<td>63,716</td>
<td>5.7</td>
</tr>
<tr>
<td>Whole sale and retail trade repair of motor vehicles and motorcycles</td>
<td>8,203,786.80</td>
<td>568,067</td>
<td>14.4</td>
</tr>
<tr>
<td>Transportation and storage</td>
<td>148,025.60</td>
<td>29,943</td>
<td>4.9</td>
</tr>
<tr>
<td>Accommodation and food services activities</td>
<td>1,719,279.00</td>
<td>173,971</td>
<td>9.9</td>
</tr>
<tr>
<td>Information and communication</td>
<td>22,676.60</td>
<td>4,143</td>
<td>5.5</td>
</tr>
<tr>
<td>Financial and insurance activities</td>
<td>38,978.70</td>
<td>5,884</td>
<td>6.6</td>
</tr>
<tr>
<td>Professional scientific and technical activities</td>
<td>69,766.80</td>
<td>14,873</td>
<td>4.7</td>
</tr>
<tr>
<td>Administrative and support services activities</td>
<td>11,310.10</td>
<td>2,322</td>
<td>4.9</td>
</tr>
<tr>
<td>Education</td>
<td>23,995.60</td>
<td>7,415</td>
<td>3.2</td>
</tr>
<tr>
<td>Human health and social work activities</td>
<td>34,318.40</td>
<td>3,812</td>
<td>9</td>
</tr>
<tr>
<td>Arts entertainment and recreation</td>
<td>25,863.90</td>
<td>8,487</td>
<td>3</td>
</tr>
<tr>
<td>Other services activities</td>
<td>955,308.50</td>
<td>129,565</td>
<td>7.4</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>14,404,725.90</strong></td>
<td><strong>1,267,082</strong></td>
<td><strong>11.4</strong></td>
</tr>
</tbody>
</table>

Table 3.4 indicates that overall, annual gross output per person across all industries in the informal sector for Dar es Salaam region is estimated at TZS 11.4 million. Water supply, sewage, waste management and remediation has significant annual gross output per person (TZS 28.3 million) followed by mining and quarrying (TZS 15.6 million) and Whole sale and retail trade, repair of motor vehicles and motorcycles with TZS 14.4 million. On the other hand, electricity, gas, steam and air conditioning supply has the lowest annual gross output per person (TZS 1.8 million) followed by Arts, entertainment and recreation (TZS 3.0 million).
CHAPTER FOUR
Informal Sector Linkages with Other Sectors

This chapter discusses findings on linkages between informal sector and other sectors. The linkages are important for a number of reasons including marketing, sources of raw materials and channeling services such as financial and technology.

Table 4.1: Percentage Distribution of Informal Sector Activities by Final Destination of Goods or Services Produced and Status of Goods or Services: Dar es Salaam 2019

<table>
<thead>
<tr>
<th>Final Destination</th>
<th>Status of Goods/Services</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Goods without transformation</td>
<td>Goods with transformation</td>
<td>Services</td>
<td></td>
</tr>
<tr>
<td>Public or para-public sector</td>
<td>0.1</td>
<td>0.0</td>
<td>0.0</td>
<td></td>
</tr>
<tr>
<td>Big private enterprise</td>
<td>0.6</td>
<td>0.8</td>
<td>0.0</td>
<td></td>
</tr>
<tr>
<td>Small private enterprise</td>
<td>0.4</td>
<td>0.5</td>
<td>0.9</td>
<td></td>
</tr>
<tr>
<td>Household/individual</td>
<td>98.6</td>
<td>98.0</td>
<td>98.7</td>
<td></td>
</tr>
<tr>
<td>Direct exportation</td>
<td>0.1</td>
<td>0.7</td>
<td>0.0</td>
<td></td>
</tr>
<tr>
<td>Own final use*</td>
<td>0.3</td>
<td>0.0</td>
<td>0.5</td>
<td></td>
</tr>
<tr>
<td>Total percent</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
<tr>
<td><strong>Total Number</strong></td>
<td>1,263,857</td>
<td>157,853</td>
<td>325,204</td>
<td></td>
</tr>
</tbody>
</table>

*Part of the goods or services were for sale or for final use

Table 4.1 shows that almost all goods produced in the informal sector activities are traded to households or individuals with 98.6 percent sold without transformation and 98.0 percent with transformation. The remaining proportions of goods traded to other destination account for less than one percent each. The similar pattern is observed for services across all destinations.

Figure 4.1: Informal Sector Main Competitors in Domestic Market: Dar es Salaam 2019
Table 4.1 indicates that household or individual is the dominant domestic market competitor in informal sector activities accounting for 95.0 percent, followed by small enterprises (4.1 percent). Public or para-public sector and big enterprises are least competitors to the informal sector activities with less than one percent each.

Table 4.2: Percentage Distribution of Informal Sector Operators Cooperated with or Received Services from Institutions by Industry: Dar es Salaam 2019

<table>
<thead>
<tr>
<th>Industry</th>
<th>Local Government</th>
<th>Public institutions</th>
<th>Public cooperation</th>
<th>Private sector</th>
<th>Civil societies organisation</th>
<th>Faith based organisation</th>
<th>Other</th>
<th>Total (%)</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture, forestry and fishing</td>
<td>15.1</td>
<td>10.6</td>
<td>25.7</td>
<td>29.6</td>
<td>19.1</td>
<td>0.0</td>
<td>0.0</td>
<td>100.0</td>
<td>3,839</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>100.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>100.0</td>
<td>1,418</td>
</tr>
<tr>
<td>Construction</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>100.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>100.0</td>
<td>942</td>
</tr>
<tr>
<td>Transportation and storage</td>
<td>0.0</td>
<td>63.3</td>
<td>0.0</td>
<td>36.7</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>100.0</td>
<td>787</td>
</tr>
<tr>
<td>Accommodation and food services</td>
<td>58.7</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>41.3</td>
<td>100.0</td>
<td>938</td>
</tr>
<tr>
<td>Professional scientific and technical activities</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>36.4</td>
<td>0.0</td>
<td>36.4</td>
<td>27.3</td>
<td>100.0</td>
<td>1,887</td>
</tr>
<tr>
<td>Other services activities</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>100.0</td>
<td>405</td>
<td></td>
</tr>
<tr>
<td>Percent</td>
<td>11.1</td>
<td>8.9</td>
<td>9.6</td>
<td>43.8</td>
<td>7.2</td>
<td>6.7</td>
<td>12.8</td>
<td>100.0</td>
<td>10,216</td>
</tr>
<tr>
<td>Total Number</td>
<td>1,129</td>
<td>905</td>
<td>985</td>
<td>4,472</td>
<td>732</td>
<td>686</td>
<td>1,307</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 4.2 shows that about 10,216 operators cooperated with or received services from institutions whereby 43.8 percent received such services or cooperation from private sector. In addition, 11.1 percent of operators received services or cooperation from local government followed by public cooperation with 9.6 percent.

Moreover, it is indicated that all operators in manufacturing and construction activities cooperated with or received services from private sector. Majority of operators in transportation and storage (63.3 percent) cooperated with or received services from public institutions. In addition, operators in accommodation and food services activities (58.7 percent) cooperated or received services from local Government.
CHAPTER FIVE

Informal Sector Challenges and Assistance Received

Chapter five presents analysis of various attributes affecting operations of activities in informal sector. These relate to challenges hampering performance, assistance needed to address such challenges and access to business loans. Information derived from the analysis can be used to inform designing of programs targeted to address the observed imperfections.

Figure 5.1: Informal Sector Activities by Challenges in Operations of Business: Dar es Salaam 2019

Figure 5.1 indicates that, about eight in ten (82.6 percent) of informal sector activities cited lack of or inadequate capital as the most pertinent challenge to their operations. The second and third most common challenges cited to hamper informal sector businesses are getting market or customers (72.7 percent) and finding suitable premises for the business (35.5 percent).
Figure 5.2 shows that, majority of operators in informal sector needed assistance on access to loan as their first priority (61.9 percent). Access to information on the market ranked second needed assistance stated by 46.4 percent of operators followed by access to large business orders (45.6 percent). Training in organization and financial was the least required assistance reported by 11.9 percent of operators.

Table 5.1: Informal sector activities by type of required assistance and assisting institutions: Dar es Salaam 2019

<table>
<thead>
<tr>
<th>Type of Assistance</th>
<th>Local government</th>
<th>Government program/project</th>
<th>Professional association/NGO</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technical training</td>
<td>0.0</td>
<td>4.7</td>
<td>0.0</td>
</tr>
<tr>
<td>Training in organizational and financial management</td>
<td>10.9</td>
<td>5.0</td>
<td>0.0</td>
</tr>
<tr>
<td>Assistance in obtaining supplies</td>
<td>6.2</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>Access to modern machines</td>
<td>23.3</td>
<td>4.1</td>
<td>4.7</td>
</tr>
<tr>
<td>Access to information on the market</td>
<td>11.0</td>
<td>6.2</td>
<td>0.0</td>
</tr>
<tr>
<td>Access to large business orders</td>
<td>17.4</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>Registration of business</td>
<td>12.4</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>Others</td>
<td>9.9</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>91.1</strong></td>
<td><strong>20.1</strong></td>
<td><strong>4.7</strong></td>
</tr>
</tbody>
</table>

Table 5.1: indicates that 91.1 percent of operators seeking assistance from local government, followed by government program or project (20.1 percent) and professional association or non-government organization (4.7 percent).
The results further show that highest proportions of operators seeking assistance from Local Government needs assistance on access to modern machines (23.3 percent) followed by assistance to access large business orders (17.4 percent). On the other hand, largest proportion of operators who seek assistance from government program or project needed assistance on access to information on the markets (6.2 percent).

Table 5.2: Informal Sector Activities that received Business Loan by Industry: Dar es Salaam 2019

<table>
<thead>
<tr>
<th>Industry</th>
<th>Male</th>
<th>Female</th>
<th>Both Sexes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture forestry and fishing</td>
<td>0</td>
<td>3,990</td>
<td>3,990</td>
</tr>
<tr>
<td>Mining and quarrying</td>
<td>514</td>
<td>0</td>
<td>514</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>0</td>
<td>317</td>
<td>317</td>
</tr>
<tr>
<td>Construction</td>
<td>515</td>
<td>0</td>
<td>515</td>
</tr>
<tr>
<td>Whole sale and retail trade, repair of motor vehicles and motorcycles</td>
<td>6,142</td>
<td>17,371</td>
<td>23,513</td>
</tr>
<tr>
<td>Transportation and storage</td>
<td>1,038</td>
<td>0</td>
<td>1,038</td>
</tr>
<tr>
<td>Accommodation and food services activities</td>
<td>494</td>
<td>8,560</td>
<td>9,054</td>
</tr>
<tr>
<td>Real estate activities</td>
<td>708</td>
<td>0</td>
<td>708</td>
</tr>
<tr>
<td>Arts entertainment and recreation</td>
<td>515</td>
<td>0</td>
<td>515</td>
</tr>
<tr>
<td>Other services activities</td>
<td>573</td>
<td>684</td>
<td>1,257</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>10,498</strong></td>
<td><strong>30,922</strong></td>
<td><strong>41,420</strong></td>
</tr>
</tbody>
</table>

Table 5.2 reveals that 41,420 operators of informal sector activities in Dar es Salaam received business loans, with more females (30,922) than males (10,498). Most of loans recipients were in Whole sale and retail trade, repair of motor vehicles and motorcycles (23,513 operators) followed by accommodation and food services activities (9,054 operators) and Agriculture forestry and fishing (3,990 operators).