

The effectiveness of capital development grants in poverty alleviation in Tanzania: the case study of four selected councils in Ruvuma region

Ndaki Stephano

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University of Dar es Salaam, Business School, 2009

This study made an assessment of the effectiveness of Local Government Capital Development Grants (LGCDGs) in poverty alleviation in four councils of Ruvuma region in Tanzania: Mbinga District Council, Songea Municipal Council, Songea District Council and Tunduru District Council. The data collected covered the period of 2004-2009 and provided enlightening insights for the situation in the four councils with respect to various development growth indicators in this period. Out of 148 targeted respondents, 122 (82%) gave full usable responses. Data were collected by using questionnaires, document review, interview and observation, and both quantitative and qualitative research procedures were used in data analysis. The key findings of the study were: (a) the local investments were being made in accordance with local needs as determined through local participatory planning and budgetary processes, (b) The received funds were being channeled to the projects and uses as intended and there is an improvement/expansion for physical stock of new and rehabilitated infrastructure, (c) The communities, specially the poor, have improved their access to local services, and (d) There was a positive relationship between the LGCDGs received by Local Government Authorities (LGAs) and the standard of living of the local community. Lastly, the study concluded that most of the local communities were aware of the LGCDG system and participates effectively in project's planning and implementation, but onerous conditions set by Local Government Support Project (LGSP) for access of funds did not foster the sense of development for disqualified Councils and thus retarding the development of innocent people in those councils. This study ends by giving specific recommendations on areas of further research and to different stakeholders, including the Government to review its policies on management of GCDGs so as to eliminate the handing difficulties/challenges found.