

Title: Assessing the impacts of specialization pattern and policy drivers on Tanzania Trade Performance

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Abstract

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In this paper, we analyze Tanzania's recent trade performance by using a set of up-to date trade and policy indicators. We first review macroeconomic indicators (e.g. real exchange rate, total factor productivity) and trade indicators (Revealed Comparative Advantages) to discuss the recent evolution of Tanzania's trade performance. Second, we measure the actual level of international and regional trade integration of Tanzania compared to its neighbors using the work of Bouet, Cosnard and Laborde (2017). Third, using an econometric approach of the shift-share analysis methodology (see Bouet, Deason and Laborde, 2014), we explain how product and spatial specialization may limit overall Tanzanian performance. Finally, using recent estimates by Bouet, Cosnard and Laborde (2017), Tokgoz (2018) and MAFAP (2018), we examine how policy distortions still reduce the competitiveness of some specific agricultural value chains.