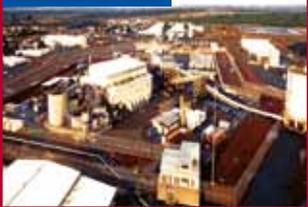


Tanzania Investment Guide 2008 and Beyond

Infrastructure



Mining



Agriculture



Tourism



Manufacturing





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1.0 Message from the President

Dear Investor,

My government was elected on a pro business and investment platform in 2005. We are now working hard to overcome the many challenges of improving both the business climate and our economic infrastructure to ensure that Tanzania remains Africa's leading investment destination in the coming years.

So far we have created a stable and attractive macro and micro economic climate with single digit inflation, ongoing reforms in fiscal and monetary policy and improvement in the business climate through legal and regulatory reform aimed at streamlining procedures and freeing businesses from unnecessary bureaucracy.

Our aim is to reduce poverty and improve educational opportunities for all citizens and investment has a clear role to play in helping us achieve this challenging objective. Not only will it create new jobs, but it will also bring new skills and technology to the country that will in turn improve our ability to compete in the global economy.

Tanzania has many strengths and opportunities. Its strategic location makes it a natural east African hub for investors seeking to exploit not only resources but also a growing market of 527 million consumers in the East and Southern African Region.

In Tanzania, opportunities abound in for all types of investors from tourism to mining and from farming to financial services and ICT.

But we are also looking to investors to create partnerships to help us improve the economic infrastructure of our country. My government aims to work in partnership with the private sector to identify and exploit all opportunities that will improve our ability to compete.

May I take this opportunity to welcome you to Tanzania and to assure you of my government's continued efforts to make your investments work to our mutual benefit.

Sincerely,

Jakaya Mrisho Kikwete
President of the United Republic of Tanzania





2.0 Message from the Executive Director

Welcome to Tanzania,

Tanzania, your premier investment destination in Africa, has continued to implement economic reforms that started in 1990 with a view to creating an attractive and competitive business environment suitable for both domestic and international investors.

As is shown in this Investors' Guide to Tanzania, the country has abundant natural resources including attractive and unique features such as Mount Kilimanjaro, suitable for a wide range of tourist activities. It also offers ample human resources, extensive arable land for farming and large variety of unexploited mineral resources.

Despite these resources, Tanzania remains a poor country because it still lacks capital, skills, and technological resources to exploit its natural wealth for economic development.

Tanzania also has an admirable geographical location linking this country with sizable but, unexploited markets made up of preferential trade agreements such as AGOA and EBA as well as regional trade arrangements like SADC and EAC.

In the above scenario one clearly finds a win-win situation in deciding to invest in Tanzania.

This Guide provides comprehensive information about the availability of investment opportunities in Tanzania. Further details are available on our web site (www.tic.co.tz).

The Guide also highlights the procedures for investing in Tanzania. I am sure you will find them to be un-bureaucratic and speedy.

TIC has been created specifically to meet the needs of both domestic and foreign investors. In addition to our office in Dar es Salaam, we have Zonal offices in Kilimanjaro covering Arusha, Manyara, Tanga and Kilimanjaro itself, Mwanza office covering Shinyanga, Kagera, Mara and Mwanza, while Mbeya Zonal office covers Iringa, Rukwa, Ruvuma and Mbeya. In any of these offices you will find a warm and professional welcome from our staff, whose main aim is to help you succeed in Tanzania.

I welcome you all.
Sincerely,

E. D. Ole Naiko
Executive Director (TIC)



3.0 Country Overview



Tanzania is regarded as one of the countries with the highest growth potential in Africa with enormous potential as an investment destination. It is one of the most promising emerging markets in the region, offering a unique combination of developed economic infrastructure and a vibrant emerging market economy.

Location

Tanzania is located in Central East Africa with about 1,400km of coastline along the Indian Ocean. It is well situated geographically bordering Burundi, Kenya, Malawi, Mozambique, Rwanda, Uganda, Zambia and the Democratic Republic of Congo. It is the economic hub of East Africa providing natural access and commercial links to eight countries. Tanzania is the right platform for businesses vying to develop or expand opportunities in the wider region.

Land area

Tanzania is the largest nation in East Africa in terms of land with 883,749km² (881,289km² mainland 2,460km² Zanzibar), plus lakes totaling to 59,100km³.

Topography

Tanzania has a narrow coastal belt with tropical beaches, a plateau covered by savanna and bushes at an elevation of about 1000m, a rift valley, basins, hills, mountains and craters. It has three major sea ports and about 7% of the land surface is covered by 3 lakes (all of them fresh water). These are Lake Victoria, Lake Tanganyika and Lake Nyasa.

Population

Tanzania is the largest nation in the East Africa, both in land area and population. As of 2007 projection from 2002 census, Tanzania mainland has 38.3mn people and Zanzibar has 1.2mn people. The annual

population growth rate stands at 2.92 percent for mainland Tanzania and 3.12 percent for Zanzibar.

Languages

Swahili and English are the two official languages.

Climate

The climate is tropical along the coast and semi-temperate inland. Dar es Salaam weather: hottest month, January 23-32°C; coldest month, July, 18-29°C; driest month, September, 26mm Average rainfall; wettest month, April with 263mm average rainfall.

Ethnicity

Local people are native Africans 99% (of which 95% are Bantu). The remaining 1% are Asians, Europeans, Americans and Arabs.

Main export commodities

Sisal, coffee, tea, cashew nuts, minerals (gold and diamonds), tobacco, cotton and cut flowers.

Natural resources

Natural gas, gold, diamonds, nickel, cobalt, copper and base metal, gemstones (apatite, niobium, tanzanite), iron ore, coal, fisheries and forests.



Recent growth trends

Tanzania GDP grew at an average annual rate of 7.3% in the last four years making it one of the fastest growing economies in Africa. Growth is based on solid macroeconomic foundations that strengthen the country's economy and rule out the possibility of a crisis in the medium term.

Foreign Direct Investment

Tanzania is the leading FDI destination in the East Africa region. In the last decade the total FDI stock in Tanzania exceeded US\$ 6 bn USD. Tanzania has improved the overall legal framework for investment activities in the country for over the last several years. A number of practical regulations liberalizing conduct of business and reducing red tape have been introduced.

Mountain Kilimanjaro



Time

Three hours ahead of GMT

Religion

Christianity, Islam and others

Currency

Tanzanian Shilling (TShs)

Tanzania key economic indicators, 2007

GDP: US\$ bn	16.84
GDP Growth: %	7.1
Inflation rate: average %	7
Per Capital Income (US\$)	440.8
Population (Million)	39.4
FDI Flow (US\$)	600
Exchange rate (annual average)	1,244.1
Gross reserves: Months of Imports	5

4.0 Political System, Governance and the Economy

Tanzania has created a unique business environment that allows companies to grow on the world stage. Investment in Tanzania is guaranteed against nationalization and expropriation. Tanzania is a member of both the International Centre for Settlement of Investment Disputes (ICSID) and the Multilateral Investment Guarantee Agency (MIGA).

Political System and Governance

The Government of the United Republic of Tanzania is a unitary republic Government formed by the union of Tanganyika and Zanzibar in 1964. The Government is currently led by President Jakaya Mrisho Kikwete of the Chama cha Mapinduzi (CCM) party who is on his first 5-year term in the office.

The State: The State is made up of the three independent organs that together manage the Republic's affairs. These are the Executive, the Judiciary and Legislature.

Local Government: Exists in each administrative region. Local Government authorities are classified into two categories. Urban authorities, which are responsible for the administration and development of urban areas, and rural authorities commonly known as District Councils.

Constitution: The Constitution of the United Republic of Tanzania (1977) embraces the principles of rule of law, separation of powers and political pluralism.

Central Governmentt: The country is divided into 26 regions, 6 in Zanzibar and the remaining 21 on the Tanzanian mainland. Each region is headed by a Regional Commissioner, who is a presidential appointee.

The economy

Tanzania today is a land of countless business opportunities. Over the past two decades, it has been transformed from a centrally planned economy to a market oriented system through successful implementation of legal, regulatory and institutional reforms. The Government has encouraged private sector led growth through restoration of market forces and less interference in commercial activities. Overall, the reforms have resulted into positive growth trends and impressive macro-economic indicators with inflation rates falling from 27.4% in 1995 to about 7% in 2007. Real GDP growth has averaged more than 7% during the last five years.

Main sectors

Agriculture: The share of agriculture is 25.8% of the total GDP. Crops account for almost 34.6 % and livestock almost 6.0%. However, the share of agriculture has been declining since the 1990s as a result of considerable growth in other sectors such as mining. Major cash crops include coffee, cotton, tea, tobacco and cashew nuts as well as horticultural and floricultural products. Main food crops are maize, rice, pulses and wheat.

- Mining:** Major minerals include gold, diamonds, and base metal such as nickel, cobalt and copper. Gem-stones (ruby, sapphire and tanzanite), iron ore and coal. It is the continent's third largest gold producer after South Africa and Ghana. Mining is the fastest-growing sector in Tanzania in terms of its share of exports which stands at around 48.2 percent.
- Manufacturing:** Main industries include those for cement, beverages, corrugated iron sheets, iron and steel products, cigarette, plastic and textile products. There is increasing evidence that the manufacturing sector is recovering with its contribution to real GDP growing by 7.8 percent in 2007.
- Tourism:** Tanzania is the only country in the world to allocate more than 25% of its total area to wildlife parks and game reserves. It has 14 national parks, 17 game reserves, 50 game-controlled areas, a conservation area, two marine parks and two marine reserves.
- ICT:** In little more than 6 years, the six private operators for mobile telecommunications have about 10.4mn subscribers in 25 cities. Several foreign companies, such as Zain, Vodacom, Etisalat and Millicom have already invested in Tanzania and attest to the enormous growth potential of the sector. However, Tanzania's teledensity is still low, with the number of fixed and mobile cellular lines currently standing at 250 telephone lines per 1000 people.

Business environment and reforms

Tanzania embarked on a wide ranging reform program since the mid-1990s in order to provide an enabling business environment that would facilitate the development of the private sector. Among other initiatives is the Business Environment Strengthening for Tanzania (BEST) program that was initiated as a result of public private dialogue.

Business Environment Strengthening for Tanzania (BEST):

Currently, the Government is implementing a multi-sectoral, 5 years BEST program to reduce the administrative and regulatory burden of doing business in Tanzania and to improve government and judicial services to the private sector. The program, which was launched in December 2003, is co financed by 5 development partners; Denmark, U.K. Netherlands, Sweden as well as the World Bank.

Specific areas targeted by BEST include business licensing, land regulations and labor laws reforms. The new Business Activities Registration Act, 2007 has recently been approved by the parliament, while the Phase II review of Labor Law is at an advanced stage. Enhancing access to the commercial court, including establishing more branches upcountry and reforming civil procedures are among further key activities being undertaken by BEST. Work is going on to amend existing land laws, to reform provisions on mortgages as well as enabling efficient operation of a land market and the practice of estate agency.

As a result, according to the World Bank report – [Doing Business in 2007](#), Tanzania has been named among the 10 top reformers.

5.0 Legal and Regulatory Framework

For investments and business operations

Regulations permit unconditional transferability through any authorized bank in freely convertible currency of net profits, repayment of foreign loans, royalties, foreign technology licenses, remittance of proceeds and payment of emoluments and other benefits to foreign employees working in Tanzania.

The current Tanzania's legal system is dynamic, constantly improving, adopting the modern patterns which reflect the dominance of private investment and economic progress, the globalization and the direction of the political development. This has mainly been contributed to by the process of legal, regulatory and institutional reforms undertaken since the 1990s

Investment, trade agreements, settlement of commercial disputes and labor laws

- TIC to provide direct assistance to all investors. It does not apply to:
 - Mining and oil exploration currently covered under the Petroleum (Exploration and Production) Act, 1980, and the Mining Act 1998.
 - Zanzibar, which is administered under a separate act.
 - Investment below US\$ 300,000 and US\$ 100,000 for foreign investor and local investor respectively.
- **Business Activities Registration Act, 2007:** Provides for licensing of business operations.
- **Double taxation agreements:** Double taxation agreements exist with Canada, Denmark, Finland, India, Italy, Norway, South Africa, Sweden and Zambia. Bilateral investment treaties exist with Denmark, Egypt, Finland, Germany, Italy, Republic of Korea, Netherlands, Sweden, Switzerland and UK.
- **Settlement of Commercial Disputes:** Disputes arising between the Government and investors are settled amicably through negotiations. Otherwise, they may be submitted to arbitration based on:
 - Arbitration Laws of Tanzania for investors.
 - Rules of procedure for arbitration of the ICSID.
 - Within the framework of any bilateral or multilateral agreement on investment protection agreed by Tanzania and the government where the investor originates.
- **Law of Contract Act (R.E Cap 345):** Provides for the laws relating to contracts.
- **Companies Act, 2002:** Provides for the regulation and control of companies and associations.
- **Investment Guarantees:** Section 22 of the Tanzania Investment Act, 1997 specifies that businesses shall be neither nationalized nor expropriated by the Government.

- Others include Patent Act, 1987, Trade and Services Marks Act, 1987; Business Names (Registration) Act; Public Corporations Act, 1992; Arbitration Act, R.L Cap. 15.
- **Employment Act: (RL.Cap 366):** Consolidates laws relating to labor, and regulates conditions of employment.
- **Severance Allowance Act: Cap 487 (No. 57 of 1962):** Guides the payment to all employees on the termination of their employment.
- **Security of Employment Act: (Act No.62 of 1964):** Provides for the establishment of workers' committees and matters related to the discipline of employees.
- **Workmen's Compensation Act: (R.L Cap 263):** Provides for compensation to workers for injuries suffered in the course of their employment.
- **Immigration Act, 1995:** Provides for the control of immigration in Tanzania.
- **Fair Competition Act, 2003:** Provides for promotion and protection of effective competition in trade and commerce, to protect consumers from unfair and misleading market conduct.

Regulatory and legal framework for the financial sector and other sectorial related frameworks

- **Financial Laws (Miscellaneous Amendments) Act, No 27 of 1997:** Aimed at amending certain financial laws that had potential conflict with provisions in the Tanzania Investment Act of 1997. The laws which were affected by this Act are some sections of the Income Tax Act, 1973, Customs Tariff Act 1976, Sales Tax Act, 1976 (since repealed) and the Immigration Act, 1995.
- **Capital Markets and Securities Act, 1994:** Provides for the establishment of a Capital Markets and Securities Authority (CMSA) for the purpose of promoting and facilitating the development of capital markets.
- **Bank of Tanzania Act, 1995:** The Act provides for the establishment, constitution and functioning of the Bank of Tanzania as the Central Bank of the United Republic of Tanzania. It expressly specifies its functions and the objectives of its regulatory and supervisory powers over all banking and financial institutions in Tanzania.
- **Foreign Exchange Act, 1992:** Provides for the administration and management of dealings and other activities in relation to gold, foreign currency, securities, payments, debts, imports, exports, transfer or settlement of property.
- **Banking and Financial Institutions Act, 2006:** Provides for comprehensive regulation of banks and financial institutions with a view to maintaining the stability, safety and soundness of the financial system.
- **Bank of Tanzania Act, 2006:** Provides for a more responsive regulatory role of the BoT in relation to the formulation and implementation of monetary policy; provides for the supervision of financial institutions.
- **Income Tax Act, 2004:** Provides for the charge, assessment and collection of income tax and for the ascertainment of the income to be charged and for matters incidental thereto.

- **Value Added Tax Act, 1997:** Provides for the imposition of VAT on supplies of goods and services and for related matters.
- **The Land Act, 1999 and Land (Amendment) Act, 2004:** Provides for basic law in relation to land other than village land, the management of land, settlement of disputes, provision of land to foreign investors and related matters.
- **The Village Land Act, 1999:** Provides for the management and administration of land in villages.
- **Mining Act, 1998:** Provides for mineral mining, trading, and any other relevant matters.
- **Petroleum (Exploration and Production) Act, 1980 (Act No.27 of 1980).** Provides for licensing with respect to exploring for and producing petroleum.
- **Environmental Management Act No. 20 of 2004.** Provides for a legal and institutional framework for sustainable management of the environment

6.0 Agriculture Sector

Major cash crops include coffee, cotton, tea, tobacco and cashew nuts while food crops include maize, rice, pulse and wheat

Why invest in the agriculture sector?

Tanzania has a dual agricultural economy, with fast growing large scale commercial farming and more subsistence-based production in the deep rural areas. Tanzania's agriculture and agribusiness have a number of competitive advantages, making the country a viable investment destination. The comparative advantages include, among others, biodiversity, competitive input costs, infrastructure such as deep-water ports, international airports, a network of roads and railways, and a fast growing sophisticated financial sector.

As a leading economic sector in Tanzania, agriculture provides a livelihood to 80 percent of the population. It is the primary source of food and raw materials accounting for half of the GDP and is the second export sector after mining in terms of receipts. It remains critical for achieving sustained growth, poverty reduction and rural development. Smallholder farmers are responsible for 90 percent of all farm produce using archaic production systems in tillage, storage and processing.

Climatic conditions:

The climate is tropical with bimodal rainfall in some parts of the country and unimodal characteristics in others, each providing ample production opportunities in the year. Bimodal pattern of rainfall is characterized by short and long rains in regions around Lake Victoria basin, North-eastern highlands and north-eastern coastal areas. Short rains occur during September to December, with total rainfall ranging between 200 and 500mm while long rains range between 300 and 600mm from March to May. Unimodal areas receive rains from November to April, ranging between 500 and 1000mm and cover the rest of the country.

Land for agriculture and livestock keeping:

The country is endowed with about 94.5mn hectares of land out of which 44mn and 50mn hectares are suitable for agriculture and livestock respectively. Out of this land, only 10.2mn hectares are under cultivation while 26mn hectares are under livestock keeping. About 3.1mn hectares in 21 regions have been identified and put into a land bank. Information on this land bank can be obtained from TIC.

Almost all agricultural inputs are imported including agricultural machinery, farm implements, fertilizers, insecticides and fungicides. Since agricultural inputs do not attract import duties, there are significant opportunities for domestic production. Investment opportunities are available in the production, processing, marketing and service provision for all agricultural crops. Each crop offers various opportunities along its value chain system.



Reforms in the agricultural sector:

Several reforms have been undertaken including granting the private sector permission to compete in the processing and marketing of cash crops; land laws have been revised to allow for long-term leases of up to 99 years for foreign companies. Global companies involved in large-scale farming operations currently include Brooke Bond (tea) from the United Kingdom, Ilovo (sugar) from South Africa and Africa Plantations (coffee) from Zimbabwe.

River basins:

With numerous rivers and lakes, Tanzania has enormous water resource potential. Water for irrigation can be accessed in the flood basins of rivers and in numerous lakes and, to some extent, from underground water sources. The irrigation potential in the country is estimated to be 29.4mn hectares with varying degree of irrigation potential. Out of this potential, 2.3mn hectares are of high potential, 4.8mn hectares of medium potential and 22.3mn hectares of low potential.

Piggery, goats and sheep:

The pig industry is very under-developed with a total pig population of less than 500,000 per year and most production in the hands of small producers keeping less than 20 pigs. The existing goats and sheep are from indigenous breeds characterized by small scale production and low productivity.

Livestock Subsector

Beef industry:

The current national stock stands at 15million, 98 percent of which is the indigenous Zebu and only 2 percent are commercial stocks. Ranching accounts for only 1 percent of total beef produced. Currently, Tanzania has no beef processing plants. in the country.

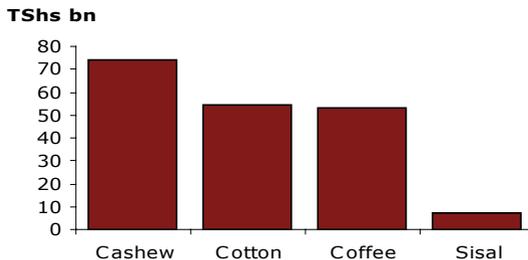
Dairy farming:

While the country is a net importer of milk and related products, the dairy sector is growing fast. Estimates show that by 2010 there will be a deficit of about 170 million litres if there are no interventions. About 80 percent of the domestic milk output is produced by the indigenous short horn Zebu. But Zebu milk yield is very low, less than 400 litres per lactation of 180 days.

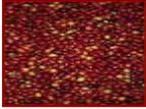
Poultry industry:

The per capita consumption of poultry meat and eggs is 1kg and 17eggs respectively. This consumption level is very low by any standards and the quality leaves a lot for improvement. The country has 3 small poultry processing plants each with a capacity to process less than 3,000 chicks per day. Furthermore, the country has a hatching capacity of 30million eggs per year with current utilization of 50 percent

Major agriculture exports 2007



Coffee



Most interesting opportunities rest on the acquisition of existing coffee farms in coffee growing areas such as Kilimanjaro, Arusha, Tanga, Kagera, Ruvuma, Mbeya, Iringa and Rukwa.

With growing demand for organic coffee in the world market, opportunities exist for opening up new large-scale coffee estates in Ruvuma, Mbeya, Iringa, Kigoma, Mara, Ukerewe and Manyara as well as establishing pulperies and manufacture of final brands of coffee.

Spices



Tanzania has huge potential for mass production of a variety of spices in the coastal and high altitude areas of Tanga, Pwani, Mtwara, Lindi, Morogoro, Mbeya, Kilimanjaro, Kagera and Kigoma. Major export destinations include: Gulf States, Japan, and North America

Sisal



Joint venture opportunities in the existing estates and establishing new large-scale sisal plantations in Dodoma, Shinyanga, Singida, Kigoma, Tanga, Coast and Morogoro.

Sisal spinning and weaving as well as production of multiple products from sisal such as particle boards, biogas, citric acid, pharmaceuticals, animal feeds, organic fertilizer, handicrafts, sisal mattresses and car seats, polishing and buffing cloth, sisal composites in automotive, boat furniture, etc.

Sugarcane



Tanzania is about 75% self sufficient in sugar production. There are excellent opportunities in the establishment of new sugarcane estates in Coast Region, Ruvuma, Kagera, Mara, Mbeya, Kilimanjaro and Kigoma, and in sugar production factories that could also produce industrial alcohol and molasses for animal feed.

Maize



High potential areas for large scale production of maize include Manyara, Kigoma, Kagera, Rukwa, Mbeya, Iringa, Morogoro, Ruvuma, Tanga, Kilimanjaro and Arusha. Opportunities exist for maize flour milling and packing as well as animal feed production.

Pyrethrum



Establishment of large scale farms in Iringa, Mbeya, Arusha and Kilimanjaro as well as opportunities for investing in pyrethrum crude extract refineries.

Beef industry



The beef industry provides yet another investment opportunity which also includes the procurement and processing of hides and skins for leather and other animal products. Tanzania has 50million hectares suitable for livestock keeping. However, only 26mn are being grazed, leaving ample land which can be used for establishment of modern ranches while at the same time sourcing cattle from small holders who have been allocated pieces of ranches formerly owned by the National Ranching Company (NARCO)

Poultry industry



The country has a hatching capacity of 30million eggs per year; however, utilisation is less than 50%. Opportunities exist in establishing modern poultry breeding farms and hatcheries and commercial poultry production.

Further profitable opportunities range from the commercial production of ducks, geese, turkeys and guinea fowl to the production of chicken feed, feeding facilities and pharmaceuticals as additional entry points for investments.

Cotton



Huge potential exists for establishing large-scale cotton production farms in Morogoro, Coast Region, Singida, Tanga, Iringa, Mwanza, Shinyanga, Kigoma, Mara and Tabora.

This can be complemented by the production and distribution of fertilizers, seeds, insecticides & herbicides, machinery and equipment. At the manufacturing level, textile & garment industries can be established as well as cotton ginning, spinning & weaving, edible oil milling, refining and deodorisation.

Tea



Major areas of investment include opening up of new tea plantations in Mbeya, Iringa, Kagera, Mara and Tanga. Tea processing facilities are also in demand.

Opportunities

Tobacco



Potential exists to establish new large scale farming in Mbeya, Singida, Shinyanga, Rukwa, Tabora, Iringa and Ruvuma. Commercial forest plantations are profitable ventures for the supply of fuel wood to the tobacco industry.

Furthermore, construction of processing factories together with establishment of fuel efficient central curing barns and furnace can bring good returns for investors.

Horticultural Products



Fruits, vegetables and flowers offer a huge opportunity for off season supply in temperate and other markets. Less than 10% of fruits and vegetables are processed, while 40-60% of the annual crop spoils for lack of processing capacity. Current export destinations include the EU and Gulf states for flowers and vegetables. Gulf States are also the main destination for fruits.

Rice



Large scale rice production areas include Mbeya, Rukwa, Tabora, Mwanza, Shinyanga and Kigoma, Coast Region, Morogoro, Tanga and Kilimanjaro. Untapped opportunities in rice hulling, packing and marketing exist. Privatization of NAFCO rice plantations in Ruvu and Dakawa.

Cashew nuts



Currently 90% of cashew nuts are exported as raw and therefore good opportunities exist to establish cashew nuts-processing industries.

Dairy Farming



Diary farming is fast growing and offers a lot of opportunities. Currently, 8 livestock farms and 3 other dairy farms are under divestiture including dairy farms at Kitulo, Ngerengere, Malonje and Iwambi.

Tanzania has milk plants with a capacity to process 500,000 litres of milk per day; however utilization is estimated at only 30% giving more room for further investment and establishing new milk processing plants.

Piggery, Goats and Sheep



The proliferation of pigs offers a good opportunity to respond to the increasing demand for white meat. There is no significant pig processing facility in the country.

Commercial goat and sheep production for meat and milk is non-existent in spite of increasing demand for mutton. Establishment of new tanneries and exporting of hides and skins are further potential areas for investments.

**For further information on these investment opportunities contact
Tanzania Investment Centre**

7.0 Mining sector

Tanzania has extensive mineral resources, the major ones being gold, diamond, base metals such as nickel, cobalt, copper, and gemstone such as ruby, sapphire & tanzanite; industrial minerals such as soda ash, kaolin and phosphate and iron ore and coal. Tanzania is the world's only source of tanzanite, a semi-precious stone found in the open mines around Arusha region.

Why invest in Tanzania 's mining sector?

The country is a prime destination for mining investment in Africa. It has an attractive geological environment because of:

- a comprehensive geological and geophysical database;
- availability of topographical and aerial maps for whole country; and
- non-discriminatory mineral policy.

The country is becoming internationally renowned for an abundance of mineral resources, accounting for a significant proportion of both world production and reserves. Economic reforms undertaken since the mid 1980s have opened investments in the mining sector to both local and foreign companies. The outcome has been remarkable in terms of investment in the sector, with 82 mining licences and over 1,500 prospecting licences issued in the last five years. Overall, Tanzania's mineral policy aims to attract, protect and facilitate the private sector in mineral exploration, mining and marketing. The Mining Act of 1998 guarantees investors security of tenure, repatriation of capital and profits; and ensures a transparent regulatory and administrative system in the acquisition of mineral rights.

Tanzania possesses a wide variety of minerals including diamond, gold, base metal, gemstone and industrial minerals. It is the continent's third largest gold producer after South Africa and Ghana. In terms of its share of exports, mining is the fastest growing sector in Tanzania. The value of mineral exports increased from US\$14 million in 1996 to US\$711 million in 2005, underscoring the sector's current position as one of the fastest growing sectors in the economy.

The government's ban on trading in and the export of raw and uncut gemstone is meant to set the stage for the growth of a lapidary industry in which the country could attract and develop the requisite skills, which are currently lacking.

Coal and iron sectors

Tanzania's coal and iron ore sectors have the potential to generate US\$60-100 million per



year in coal export revenues and generate 400MW of additional power. Identified projects include, further development of the Kiwira and Mchuchuma-Katawake coal deposits as well as Liganga iron ore deposits. Potential global and regional demand for these reserves is very positive:

- Global demand and prices for coal and iron have been steadily rising and are projected to continue growing through 2030 and beyond.
- Tanzania and several neighbouring countries urgently need to develop new energy sources to supply their national grids and for specific industrial projects.

Petroleum and Gas

Significant gas discoveries have been made on the coastal shores of Songo Songo Island, Mnazi Bay and Kimbiji, and commercial exploitation for power generation began in July 2004. Overall, a total of 35 explorations and wells have been drilled, majority of them in the coastal basin.

Exploration and exploitation of all mineral resources in the country including coal and petroleum is the responsibility of the Ministry of Energy and Minerals. Petroleum exploration and development is governed by the Petroleum (Exploration and Production) Act 1980, while the Energy and Water Regulatory Authority (EWURA) is responsible for regulating gas and petroleum transmission by pipeline.

Signs of oil seeps have shown up at Tundau (Pemba Island); Kilwa Masoko, along river Luhoi; Mafia and Makarawe. While signs of bitumen have surfaced at Msimbati, Nyuni, Okuza and Lathan Islands in the Indian Ocean and Wingayongo area. Natural gas, on the other hand is said to be available at Nyuruko (Msimbati), Luhoi River and along Lake Tanganyika where gas from several spots flow to the surface from the lake basement.

Mines developed from 1998 to 2006

Mine	Minerals	Started
Williamson Diamonds	Diamond	1940
Golden Pride (Resolute)	Gold	1998
Geita Gold Mine	Gold	2000
Merelani/Tanzanite one	Tanzanite	2000
Bulyanhulu Gold Mine	Gold	2001
North Mara Mine	Gold	2002
Tulawaka Gold Mine	Gold	2005
Kabanga Nickel Project	Nickel	To start in 2008/09

Industrial minerals

Tanzania has substantial deposits of industrial minerals. These minerals include: Kaolin which can be found only 30km from Dar es Salaam and phosphate which is available in Manyara region.

Minerals



As a result of the wide variety of minerals, mineral exploration and mining opportunities exist through the acquisition of open land or participation in joint ventures with current rights holders.

Furthermore, value adding ventures particularly in gemstones and jewellery manufacturing (e.g. lapidary, cutting, polishing, etc) as well as supply of mining services such as drilling, airborne geophysical surveys; laboratory services, or refining. This also includes supply and/or hiring of equipment for large and small scale miners as well as contract mining.

Petroleum and Gas



There are excellent opportunities for oil and gas exploration and exploitation in the sedimentary basins. Oil seeps exist at Tundau, Kilwa Masoko, along River Luhoi, Mafia and Makarawe, also bitumen at Msimbati, Yumi, Okuza and Lathan islands in the Indian Ocean.

Open acreage for negotiations for a production sharing agreement (PSA) include the Rufiji Basin, inland rift basin of Lakes Rukwa and Tanganyika, and the Ruhuhu's Karoo Basin.

The traces of natural gas at Nyuruko (Msimbati), Luhoi River and along Lake Tanganyika need to be investigated and harnessed.

**For further information on these investment opportunities contact
Tanzania Investment Centre and Ministry of Energy and Minerals**

Mineral Resource Availability Matrix

Geological formation	Mineral crop	Areas of perceived and potential activity
Achaean Greenstone belts	Gold	Mwanza, Shinyanga, Tabora and Mara regions
Kimberlitic pipes	Diamond	Shinyanga
The Karoo System	Coal	Southern highlands
Evaporates	Kaolin, Salt	Coastal Belt
Ultramafic & granite in proterozoic rocks	Nickel, copper cobalt, tin and tungsten	Kagera
Carbonatites associated with rift valley	Soda ash, phosphates, graphite	Lake Natron, L. Manyara and Lake. Eyasi areas of Arusha and Manyara (Merelani).
Rock Minerals	Meerschaum, Kaolin, diatomite, bentonite, clays mica, limestone, gypsum marble, salt, phosphate, graphite, soda ash	Coastal Belt, Arusha, Kigoma
Proterozoic rocks	Gold, iron ore, base metals and Gemstones (ruby, tanzanite, garnets, tourmaline, sapphires, spinel, topaz, scapolite, emeralds and Chrysoprase	South Western, Southern and Eastern parts of the country (Ruvuma, Simanjiro, Rukwa, Arusha, Morogoro, Tanga, Tabora) and Lake zone



Tanzanite – Only found in Tanzania

8.0 Tourism sector

Tanzania is the only country in the world to allocate more than 25% of its total area to wildlife parks and game reserves and its tourist attractions have made it one of the world's fastest-growing holiday destinations.

Introduction

There are many countries which boast a whole host of exceptional features. When comes to reality, Tanzania stands above all in terms of wild animals, and other natural and historical attractions. There are 14 national parks, 17 game reserves, 50 game-controlled areas, a conservation area, two marine parks and two marine reserves.

Northern circuit

The country's tourist market is divided into two major circuits: the "Northern Circuit" which comprises the world's most dramatic national parks of Serengeti, Tarangire, Lake Manyara, and Arusha. The spectacular Mount Kilimanjaro-the highest free-standing mountain in the world. Along with the Ngorongoro Crater, considered to be the eighth wonder of the world, this area is among the most eye -catching and breath-taking tourist attractions in the world.

Southern circuit

The "Southern tourism circuit" embraces the well-known Selous game reserve – the largest in Africa and the Mikumi, Udzungwa Mountains, Ruaha and Katavi national parks. Other attractions include Lake Victoria (the source of the Nile) Lake Nyasa and Lake Tanganyika, that provide other opportunities for beach resorts, water sports and game fishing. Although Tanzania attracts significantly lower numbers of tourists than Kenya, it has much larger tourism receipts. In part, this is because Tanzania is more expensive (e.g. higher hotel rates), but it is also because tourist activities differ in the two countries. In Kenya, a substantial part of tourists visit takes the form of beach holiday, which is relatively cheap, while in Tanzania it is mostly safari tourism, which is more expensive.

Beach tourism

Tanzania's Indian Ocean shore line has 804 km of some of the finest unpolluted beaches in Africa. The white sands and un-spoilt beaches provide a serene atmosphere for relaxation and sunbathing.

Historical sites and cultural tourism

Olduvai Gorge, in the interior Rift Valley, is the site of the discoveries of the traces of



early humanity, while Gombe Stream National Park is home to the world's best-documented research on primates (chimpanzees and baboons), pioneered by Jane Goodall in the 1960s.

To the tourist, Tanzania also offers interesting culture and crafts, notably the Maasai culture and art and the Makonde sculptures and carvings done in ebony. Tanzanians are a very friendly people with a long tradition of generous hospitality and a wealth of folklore.

Zanzibar

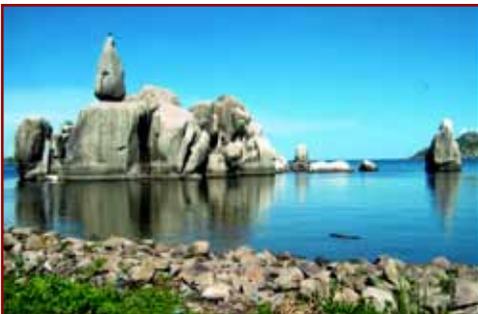
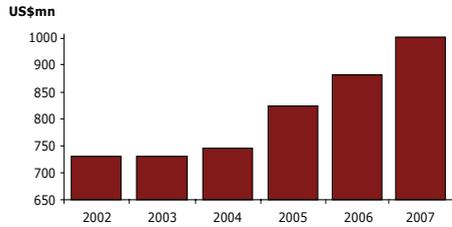
Situated offshore, are Zanzibar and Pemba – the exotic 'Spice Islands' famous for their history, deep-sea game fishing and beaches. These islands are easily reached by a 20-minute flight, by hydrofoil or by boat from Dar es Salaam. The islands are a unique tourist attraction south of the equator.

Zanzibar is also popular for the remains of ancient settlements, carved doors and balconies decorated houses made of coral stones. The inland of the island offers the most luxuriant tropical vegetation, giant trees, ferns and various endemic species. Changuu island offers the only year round sanctuary for its hundred-old turtles and the marine reserve in Chumbe for its protected coral reefs. The Zanzibar channel is famous for scuba diving, providing opportunities for water sports

Climatic conditions

With its tropical climate, the country enjoys a favourable year round climate. Temperatures are lowest Between June and October. Temperatures range from around 10°C in the northern highlands to about 23°C on the coast. Other areas remain warm and mild. From December to March, the days are hot and sunny with often not a cloud in the sky. Temperatures range from mid-twenties to low thirties throughout the country.

Tanzania Tourism receipts (US\$ mn)



Accommodation, hotels & lodges



With abundant wildlife and unique natural features, countless investment opportunities exist to build international standard accommodation and entertainment facilities, such as hotels, lodges and guesthouses. Joint venture opportunities are available in Kilwa, Zanzibar, Mafia, Dar es Salaam, Mwanza, Arusha, Iringa, Kilimanjaro, Selous, Katavi, Saadani, Serengeti, Babati and Bukoba.

Locations ranging from historical, cultural and archaeological sites to virgin unspoilt beaches offer investment opportunities that cannot be matched anywhere in eastern and central Africa. Historical buildings that can be leased to private operators exist in towns such as Bagamoyo, Pangani, Tabora and Kilwa.

Man made tourist attractions

Opportunities for man-made tourist attractions like theme parks and gambling resorts are still untapped. Others include establishing amusement parks, deep-sea fishing and sea and lake cruising.

Conference and eco-tourism



Being a country of promising future for both tourism and business, Tanzania offers enormous investment opportunities in conference tourism, specifically on establishing conference centres of international standards, to cater for the very lucrative tourism industry.

Investment opportunities in eco-tourism also exist, particularly development potential in the Eastern Arc mountains from the North Pare ranges, to the Usambara ranges, Uluguru and Udzungwa mountains.

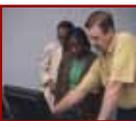
Tour operators & transport



Tanzania is gradually becoming a favourite destination for international tourism offering opportunities for tour operators and agencies business.

Investment opportunities exist in road, air and water transport services i.e. fast ferries along the coastal belt strip and the inland waterways. With the southern coastal area opening up, the fast ferryboats will play an important role in moving passengers from Dar es Salaam to Zanzibar, Pemba, Mafia, Kilwa and Mtwara.

Training services



The industry is beset by lack of trained manpower. Through French government assistance, a tourism training institution is being constructed in Dar es Salaam. However, there is still room to establish private institutions that will offer quality training to all categories of personnel ranging from hotel and catering staff to tour and travel agents, tour and mountain guides, drivers and rangers.

For further information on these investment opportunities contact Tanzania Investment Centre and the Ministry of Natural Resources and Tourism

9.0 Manufacturing Sector

Tanzania's rich supply of quality raw materials and its fast growing manufacturing base provide exciting opportunities for companies looking to invest and add value on the wide variety of agricultural products through our growing agro-based industry.



Tanzania is an economy increasingly oriented towards manufacturing and export. In 2007, the manufacturing sector grew by 8.7 percent compared to 8.6 percent in 2006, while the contribution of the sector to real GDP grew by 7.8 percent in 2007.

The increase in growth was mainly attributable to increased production in sectors such as cement, beverages, corrugated iron sheets, steel products, cigarette, plastic products and textile. Tanzania's manufacturing sector is already well integrated into the regional economy. The value of exports of manufactured goods increased by 58.0 percent to US\$ 309.2mn in 2007 from US\$ 195.8mn in 2006 mainly comprising of plastics, metals and apparels going to neighbouring countries of Rwanda, Burundi and the Democratic Republic of Congo.

Opportunities

Chemical industry



Adequate availability of raw materials offers several opportunities from the manufacturing of phosphorous fertilizers and agrochemicals using phosphates from Arusha and kaolin from Kisarawe respectively, to manufacturing of chemicals from pyrethrum, medical and pharmaceutical including veterinary drugs.

Other areas of great potential include manufacturing of perfumes, detergents, soaps, cosmetics, cigarettes & tobacco, paints and petroleum products. Manufacturing of tyres and tubes also offers an interesting investment opportunity.

Textiles, clothing and leather products



Tanzania has a long history in textiles which dominated the manufacturing sector in the 1970s and 1980s. Currently, investment opportunities exist in spinning, weaving, and textiles; knitting, manufacturing of garments, grey cloth and fabrics; carpets, rugs, cordage, rope and twines. Opportunities on Cut, Make and Trim (CMT) units for export also do exist. Cotton ginning and production of yarn offers a significant investment potential.

With the largest population of cattle in east and central Africa, opportunities exist in establishing modern tanneries and leather production units.

Metal and non-metallic products



Another important industry that mainly focuses on the growing domestic market.. It offers opportunities for manufacturing earthenware, glass products, bricks, tiles, cement, concrete & gypsum, and plaster products.

Other areas include the production of slabs, bars, sheets, plates, strips, tubes, pipes and rods. Fabricated metals, machinery and equipment, furniture & fixtures, doors, metal staircases and window frames, electrical transformers, electrical devices, radios and transport equipment such as bicycles, animal and other carts as well as jewellery articles.

Food, beverage, paper and paper products



Catering for both domestic and regional market, investors can establish profitable ventures in dairy products, canning and preserving of fruits and vegetables, fish and similar foods, manufacturing of animal and vegetable oils, grain milling and baking, sugar and confectionery as well as animal feeds.

Production of wines and spirits, cider and beer, soft drinks, carbonated waters and bottling of natural spring and mineral waters are one of the profitable manufacturing businesses in Tanzania.

Others include manufacturing of pulp, packing materials, stationeries and other paper products, paper, and fibreboards from locally produced materials.

10.0 Natural resources

The dramatic rise in international demand for natural resources has made Tanzania an important destination for investors targeting natural resources. It possesses plentiful and diverse natural resources from forestry products to fisheries both in salt and fresh water.

Forestry: Tanzania has about 33.5 million hectares of woodlands, 39% of which have been gazetted as forest reserves. Over 80,000 hectares are under managed plantation forestry and about 1.6 million hectares are under water catchments management. The value of Tanzania's forests is fast increasing with the current expansion in tourism.

Beekeeping industry: Tanzania exports beeswax and honey although its potential is still heavily under exploited. Its honey is organic and is ranked among the best in the world, enjoying high demand in the urban domestic market and an ever- expanding and reliable export markets in Europe, Japan and the Middle-East.

Fisheries: Tanzania's water resources can not be matched by any of its neighbouring countries. Fresh water resources which include three freshwater lakes Victoria, Tanganyika and Nyasa occupy a larger part of Tanzania's water surface of about 53,480 square kilometres, while it has marine resources stretching 800km along its coastline rich with all varieties of sea fish. There are in addition, large navigable rivers including Rufiji, Kagera, Ruvu, Pangani, and Ruvuma that are highly suitable for fishing and aquaculture especially fish farming near river beds.

Opportunities

Forestry extracts



The forest industry is divided into the pulp and paper industry and the wood products industry. The pulp and paper industry manufactures paper, boards, etc.

Resins

Iringa, Mwanza, Ruvuma, Coast Region, Morogoro, Kagera, Lindi: Over 2000metric tons could be harvested from existing pine trees.
Available infrastructure: Good road & railway networks and export routes.

Gum Arabic

Singida, Shinyanga, Manyara, Arusha, Tabora: Can be extracted from existing acacia trees in particular acacia Senegal: *Available infrastructure:* Good road and railway network and presence of skilled labour.

Vegetable Tannin

Iringa, Mbeya, Kilimanjaro, Arusha, Manyara and Tanga: Extractable from wattle trees: *Available infrastructure:* Good road & railway networks, suitable land and skills.

Bio-fuel

Tanzania offers plenty of opportunities to develop bio-fuel production especially from *Jatropha* and Oil palm trees. Opportunities for *Jatropha* plantation lay in the north eastern and south western part of Tanzania, while oil palm grows in the eastern, western and central parts of Tanzania.

Fisheries



With substantial fish resources of 730,000 metric tons per year from its fresh water, Tanzania offers substantial opportunities in fish processing, canning and packaging for export.

Other opportunities include manufacture of inputs e.g. fishing crafts and gear, equipment and feeds; supply of refrigerated trucks and the provision of cold storage facilities as well as provision of technical support to the sector.

Pond fishing



This is one of the untapped areas which could yield substantial turnover for businesses. This can also include the construction of fish-ponds and water reservoirs. Existing locations for pond fisheries are:

Coast Region, Morogoro, Dar es Salaam: Rivers, streams, diverse aquaculture in Morogoro.

Arusha Manyara, Kilimanjaro & Tanga: Nyumba ya Mungu dam, River Pangani and small rivers

Iringa, Mbeya, Ruvuma, Mtwara: Great Ruaha River, good road and railway networks, export markets in Zambia, Zimbabwe, Malawi & Mozambique.

Tabora, Kigoma, Rukwa: Lake Rukwa & Malagarasi valley to potentially large export markets in Zambia, DRC, Rwanda and Burundi.

Mwanza, Mara, Shinyanga, Kagera: Direct access to the EU and regional markets.

Singida, Dodoma: Many water reservoirs and existence of railway networks.

Bee-keeping



Currently few companies are involved in exportation of honey and beeswax. Opening-up of large-scale apiaries in high potential areas can be exploited as well as establishing large-scale beeswax processing plants to take advantage of the lucrative opportunities for the export.

Regions which can produce honey above 3,000tons per year include Tabora, Rukwa, Shinyanga, Kigoma, Lindi, Iringa, Ruvuma, Mbeya, Kagera, Manyara, Tanga, Singida, Dodoma and Coast Region, while those which can produce beeswax above 500tones per year include Tabora, Rukwa, Shinyanga, Kigoma, Lindi, and Iringa.

11.0 Economic infrastructure

Potential in the energy sector

Over the long term, Tanzania has the potential to become a power exporter to the region. It has ample resources for power generation including hydro, gas, coal, oil and bio fuels but lacks the infrastructure necessary to harness them. Coal reserves are estimated at about 1,200million tons of which 304million are proven. Natural gas is estimated at 45bn m³ of proven reserves while, hydroelectric energy has a potential capacity of 4700 MW, only 10% of which has been developed so far. Other abundant, but untapped indigenous energy resources include uranium, solar, wind and geothermal energy.

This potential could generate more than 6000 MW of power over the long-term and export more than 4000 MW to neighbouring countries, creating more than \$1bn per year in export revenues. Domestic power demand is expected to increase at an annual rate of 11-13% over the next few years; most of its neighbours are in similar predicaments; Kenya, for example has over 200 MW of deficit and its needs are growing at 16%.

Investment opportunities-Energy sector

Potential Supply	Potential Capacity (MW)	Observations
Hydro	2100	Stiegler's Gorge dam and others. The former alone can produce 1,200 MW
Gas	500	Power generation using gas from the Songo Songo and Mnazi Bay fields
Coal	600	Power generation using coal from Mchuchuma and Kiwira in the southwestern part of the country
Biofuels	200	Power generation using ethanol from sugar; biodiesel from palm oil and jatropa
Oil	450	Shell, Petrobras and others have already acquired rights for a number of oil exploration blocks off the mainland coast and around Zanzibar and Pemba
Total	3850 MW	2250 MW capacity available for export to the region
Projected Demand in 2020	1600 MW	

Roads and air transport

Tanzania offers a range of air, rail and road networks that facilitate movements of goods and people throughout the country as well as neighbouring countries. It has a road network totalling to 85,000 km, consisting of trunk (10,300 km), regional (24,700 km), urban (2,450 km) and community (27,550 km) roads. Only 5% of the road network is bituminised. Air transport in Tanzania uses the three international airports of Dar es Salaam, Kilimanjaro and Zanzibar as well as 5 major domestic airports and about 60 smaller aerodromes and airstrips.

To avoid logistics bottlenecks that may hinder the current growth cycle, particularly in relation to export growth, the Government is working to enhance and enlarge the transport network.

Water and railway transport

Maritime transport is supported by the major ports of Dar es Salaam, Tanga and Mtwara, while inland water transport covers the ports of lakes Victoria, Tanganyika and Nyasa. The railway system has a track length of 3,685 km out of which 2,715 km linking Dar es Salaam with the central and northern regions is operated by TRC and 1860 km linking Dar es Salaam and Zambia is under TAZARA.



Air transport and roads



Roads:

Potential areas of investment include building road related infrastructure through BOT or BOOT as well as establishing commercial fleet operators & commuter city buses. The new Road Act, 2007 outlines the role of the private sector in the road sector. Other areas include provision of parking, bus bays and shelters for major cities.

Air Sub-Sector:

Growing demand exists for air transport due to higher standard tourist traffic and transportation of commodities. Opportunities run from managing the existing 21 domestic airports to extending terminal buildings, bunkering & slop chests and docking facilities. Some of these airports offer opportunities for building EPZ, hotels & warehouses, hanger facilities & cold storage.

Railways and water transport



Railway Sub-Sector:

The existence of two separate railway systems offers investment opportunities in developing inland container depots and inter-modal container operations at several railheads. Other potential areas include specialized railway maintenance and construction of extended railway lines through BOT and BOOT. Possible areas for expansion are Isaka – Kigali, Arusha – Musoma, Uvinza – Kasulu – Magamo (Burundi), and Mbamba Bay – Mtwara.

Concession of TAZARA services is one area of opportunity, while owning locomotives and rolling stocks are other profitable areas for investment. The construction of a railway line to link TAZARA and the mining sites of Mchuchuma coal and Liganga iron fields remains an untapped investment opportunity.

Water transport:

Construction and provision of water transport services to the 3 lake ports provide an excellent opportunity for investors.

12.0 Banking and Insurance Services

Tanzania's financial services sector, backed by a sound regulatory and legal framework, is superb, boasting dozens of domestic and foreign institutions providing wide range of services.

Banking services

The banking sector has registered tremendous growth since the liberalisation and privatisation of the state owned banks during the late 1990s. Major foreign commercial banks such as Barclays, Standard Chartered and CitiBank have set up operations and expanded in regions other than the commercial city of Dar es Salaam. For the period up to June 2000 the number of commercial banks registered in the country had risen to 17 and increased rapidly to 35 in October 2008. On the regulatory front, the country's financial system is governed by the Banking and Financial Institution Act of 2006, which defines the legal framework for banking operations. Several venture capital entities have been established offering substantial equity injections to business establishments.

Insurance services

The growth of the insurance industry has matched that of the banking sector. There are now 18 actively operating insurance companies, 1 reinsurance company and 37 insurance brokers in Tanzania, an astonishing growth compared to the pre-reform period. Most of these insurance companies are based in Dar es Salaam. However, some of them have established branches in other cities notably Mwanza, Arusha, Tanga, Mbeya and Moshi. The liberalised insurance industry is regulated by the Insurance Act of 1996 and supervised by the Insurance Supervisory Department, a semi-autonomous government executive agency operating under the Ministry of Finance.

Capital markets

The growth of stocks in the capital markets has been modest but significant taking into consideration the historical economic structure of the country. The Dar es Salaam Stock Exchange (DSE) became operational in 1998 and there are currently 10 securities being traded, while six corporate bonds exist in the market. Companies fulfilling the necessary participation conditions may benefit from Collective Investment Schemes, Unit Trust and Open Ended Investment Companies (OEICs). On the regulatory front, capital markets in Tanzania are regulated by the Capital Markets and Securities Act of 1994 as amended by act No. 4 of 1997 and the rules made by the DSE Council.



Financial, Banking and Insurance



The banking sector has become highly attractive for both local and foreign investors. Investment opportunities remain unlimited in establishing commercial banks and other financial institutions. Specifically there is strong potential for banks that undertake additional activities such as brokerage, investment consultations, asset valuation & sales and bank assurance.

Further opportunities include the establishment of lease finance, specialized banks in real estate and mortgage finance, industrial and agricultural finance and micro finance companies.

The recent increase in the number of insurers has yet to exploit the huge potential for the insurance industry in Tanzania. Further opportunities remain on expanding coverage into property and life insurance.

Capital markets



The country's aim of developing the finance and business service sector with specific emphasis on financial services has created opportunities for establishing unit trusts and mutual funds to facilitate pooling of savings from small investors for investment in large projects as well as investment opportunities in the establishment of venture capital funds.

13.0 Information Communication Technology

The remarkable improvements in ICT key statistical indicators result from government reforms, privatisation and liberalisation of the telecommunication sector, the emerging private sector and entrepreneurship and official development assistance.

Despite Tanzania's progress in laying down basic telecommunications infrastructure, operators continue to identify opportunities for new investment in the overall ICT sector.

Where are we with ICT?

Impressive progress has already been made in ICT. In less than 6 years, the six private operators for mobile telecommunications have about 10.4 million subscribers in 25 cities. Several foreign companies, such as Zain, Vodacom, Etisalat and Millicom have already invested in Tanzania and attest to the enormous growth potential of the sector. However, Tanzania's teledensity is still low, with the number of fixed and mobile cellular lines currently standing at 250 telephone lines per 1000 people (i.e. a teledensity of 25%) and the number of mobile phone subscribers currently stands at 81 per 10,000 inhabitants. In contrast, the City of Dar es Salaam has 5 fixed lines and 20 mobile phone subscribers per 100 people.

Tanzania's Public Switched Telephone Network (PSTN), using fibre optic, microwave and satellite-based links, is now over 95% digital. This paves the way for the provision of new services enabled by ICT. The coverage of the network infrastructure is limited to urban areas and thus lack of telecommunications and other infrastructure in the rural areas remains a basic impediment to the provision of new ICT services. Several proposals, such as the EASSy Plan and Kenya's "Plan B" and KDN proposals, already exist to build a new fibre-optic cable along the coast of East Africa to link the region to the global network.



Internet services

Currently, the Tanzania Communications Regulatory Authority (TCRA) has licensed six companies to provide public data communication services including Internet bandwidth. These data operators have

Therefore, the international Internet bandwidth is scarce and extremely expensive. The lack of a national Internet Exchange Point (IXP) also means that much of Tanzania's local traffic is routed via international routes.

There are presently sixteen licensed ISPs in Tanzania providing between 10,000 and 15,000 dial-up accounts in the country with many more users via company and government LANS and Internet cafés. Available e-readiness studies have established that there is a large unsatisfied demand in the country for internet access.

Forestry extracts



The commercial opportunities for investors are very attractive. Tanzania's current fibre-optic network and access to affordable telecom services is very limited. However, demand for communication services (fixed-line, cellular, broadcast, data, etc.) is growing fast – by more than 50% per year.



Opportunities include extending the fibre-optic backbone within Tanzania to all regions of the country; building and operating a link to the international fibre-optic network as well as establishing fibre-optic links to Tanzania's land-locked neighbours; and enabling their access to the international fibre-optic network. The operator of a nationwide broadband backbone linked to the international fibre-optic network could expect to generate revenues from at least three sources:

- i. Service fees from telecommunication operators (and other communications companies) operating in Tanzania
- ii. Service fees for international communications traffic in and out of Tanzania
- iii. Tolling charges for providing international broadband access to neighbouring land-locked countries

Communications providers (cellular operators, broadcasters, etc.) currently have to rely on a network of earth stations to provide service in many regions of the country. Needs exist for access to fixed-line and GSM operators and other communications companies operating in Tanzania

Other investment opportunities include provision of equipment and expertise to upgrade the skill levels and create a labour force that will fill the opportunities created by the rapid development of ICT in Tanzania

There is also a need for systems to support internal information flows, leading to greater accuracy and timeliness of executive decision-making, resource allocation, risk management and operational control, both in the government and the private sector.

14.0 Education and Health Sectors

Tanzania's sustained economic growth has gone a long way to improving social conditions. Since the reforms of 1990, the government has implemented active social investment policies, accelerating progress in education, healthcare and other fields. In parallel with these public initiatives, the education and health sectors have also seen an upsurge in private investment mainly from domestic sources.

The health sector

Vast opportunities exist in Tanzania for private health care providers, particularly for companies from India and other emerging markets accustomed to operating in developing countries. The importance of the private sector in health care delivery has been recognized through the Private Hospitals (Regulation) Amendment Act, 1991. Following this act, individual qualified medical practitioners and dentists could now manage private hospitals, with the approval of the Ministry of Health.

The education sector

Individual expenditure on education has increased tremendously in the post-reform era as a result of the emerging middle class. This has been followed by a growing number of private schools at all levels as well as training institutions, making the education sector attractive for private investment. The governments' role is now changing from that of a key player to that of a facilitator in the provision of education and training, providing an environment that is more conducive for the private sector to increase its investment in education.

Opportunities

Education sector



Public and private investment in education has increased tremendously in the last few years. However, many opportunities still exist for establishing education and training institutions as well as related facilities. Opportunities also exist for expanding, upgrading and rehabilitating the existing schools and related facilities at primary, secondary and tertiary levels

Tanzania is aiming to harness and improve the skills of its people for accelerated economic growth. This provides opportunities for the provision and expansion of industrial, vocational and technical training facilities; encouraging the use of Information and Communication Technology. Furthermore, the Government is encouraging the private sector to set up specialised schools of excellence in management, engineering, finance, marketing and ICT.

Health sector



Investments in private health facilities will help improve the standard of medical care in Tanzania. This raises opportunities in building new and modern hospitals, health centres and dispensaries; manufacture and distribution of drugs, medical and hospital equipment.

The need for modern hospital management and establishment of health insurance services offers additional investment opportunities that have recently generated interest from regional investors.

Training facilities for doctors, health officers and nurses are currently inadequate and depend on private investors to address this need. The Government also invites the establishment of hi-tech hospitals which could serve as medical tourist centres.

15.0 Tanzania Investment Centre

The facilitator

Tanzania Investment Center (TIC) was established in 1997 to be “the primary agency of Government to coordinate, encourage, promote and facilitate investment in Tanzania and to advise the Government on investment related matters”. All Government departments and agencies are required by law to cooperate fully with TIC in facilitating investors.

A ONE STOP CENTRE

TIC is the first point of call for potential investors, a “one stop facilitation center for all investors”. It also engages in marketing Tanzania as an attractive investment destination. It has as well established zonal offices in Moshi and Mwanza. On behalf of investors, TIC undertakes the following:

1. Investment facilitation
2. Tax registration
3. Land issues
4. Business licensing & registration,
5. Immigration issues
6. Labour issues
7. After care services

After successful registration, TIC grants certificates of incentives; investment guarantees and registers technology agreements for all investments above US\$ 300,000 and US\$100,000 for foreign and local investments respectively. TIC also has a mandate to assist all investors whether or not registered by TIC.

CERTIFICATES OF INCENTIVES

The Centre issues a formal certificate of incentives. Although investments in the mining and petroleum sector are obliged to follow the Mining Act 1998 and Petroleum (Exploration and Production) Act, 1980, the Centre will help investors to obtain authorizations required by other laws to set up and operate their businesses.

Requirements for the certificate of incentives include:

- ▲ Three copies of the projects business plan/feasibility study,
- ▲ One copy of the Memorandum & Articles of Association,
- ▲ One copy of the Certificate of Incorporation,
- ▲ Covering letter and three copies of TIC application forms,
- ▲ One copy of the company board resolution,
- One copy of the evidence of land ownership, and
- ▲ One copy of the evidence of financing.

TIC has won several international awards including African Innovative Management Award (AAPAM) 2008, Best Investment Promotion Agency aftercare service in the world in 2007 (By WAIPA); Best country of the future in 2006 (By Financial Times) and the Best Investment Promotion Agency in Sub Saharan Africa in 2005 (By Africa Investor)

Innovative Management 2008



Africa Investor 2007



Financial Times 2006



WAIPA 2005



EXPORT PROCESSING AND SPECIAL ECONOMIC ZONES

The EPZ policy places emphasis on products that use local materials such as textiles and garments, leather goods, agro-processing, and the lapidary industry. The EPZ activities are regulated by the Export processing Zones Act no. 11 of 2002.

The Special Economic Zones Act 2006 outlines areas such as industrial parks, export processing zones, free trade zones, free ports, tourist parks, science and technological parks etc, as areas that may be regarded as special economic zones. The special economic zones also invite light industry in specific regions such as Dar es Salaam, Tanga, Kigoma and Mtwara.

The Exemptions under EPZ and SEZ are available under their respective laws.

INVESTMENT FACILITATION AND SERVICE DELIVERY

Services provided	Delivery time frame	Cost
Investment promotion		US\$
Preparation of local projects profile	7 days	Free
Investor's guide	Immediate	10
Provision of Investment Act	Immediate	3.50
Investment facilitation		
Application form	Immediate	100
Certificates of incentives	7 days	750
Land acquisition	30 days	Free
VAT registration	7 days	Free
Tax clearance	1 day	Free
Tax identification number	3 days	Free
Customs approval import list	21 days	Free
Business name search	2 days	Free
Business licensing	3 days	Free
Company registration	3 days	Free
Immigration & Labour		
Residence permits class A	14 days	1,620
Residence permit class B	14 days	620
Special pass for class A & B	1 Day	400
Work permit class B-Labour	7 days	Free
Linkages with Government institutions	1 day	Free

We offer comprehensive and bureaucracy free know-how and advice on issues ranging from incentives and market opportunities to tax concerns.

16.0 Tax Structure and Administration

Tanzania has a stable and predictable fiscal regime, providing a soft landing to all investors. It recognizes that investors need to recover their investment costs first before paying corporate tax.

The administration of various tax laws is entrusted to the Tanzania Revenue Authority (TRA), a semi autonomous government agency created by Act No.11 of Parliament in 1995. It is responsible for Central Government taxes and several non-tax revenues. Revenue departments under TRA include (a) Domestic Revenue Department (b) Customs and Excise Department (c) Large Taxpayer Department, and (d) Tax Investigations Department.

Registration with Domestic Revenue

Registration which can be undertaken by TIC on behalf of the investor requires the following documents (i) Memorandum and Articles of Association (ii) Certificate of Registration or Certificate of Incorporation (iii) Investment Feasibility Study (iv) Certificate of Incentives in the case of projects approved by TIC (v) Partnership Agreement (deed), in the case of a partnership (vi) Lease Agreement, and (vii) Photographs of directors. Forms to be filled include (i) Business Inquiry Forms (ii) IT 21 forms for companies (iii) IT 20 forms for individuals, and (iv) TIN form.

Taxes under the domestic revenue department include:

- **Corporate tax** (30% for both resident and non resident);
- **Withholding tax** (for dividend payments, pension, insurance premium, royalties, transport and disposal of assets);
- **Income tax rates for individuals** (the marginal rate ranges from 18.5% to 30%);
- **Income tax rate for non-resident individuals** (a flat rate of 20% applies);
- **Taxable value of employment benefits** (generally all benefits are taxable);
- **Capital gains tax** (the gain/loss upon sale realization is included in business income and taxed at the general rate);
- **Skills and development levy** (6% of the gross emoluments paid to employees);
- **Gaming tax** (as prescribed in the Pools and Lotteries Act, 1967)

When a loss is incurred, such a loss is an allowable deduction in ascertaining the total income of that person; thus a loss is carried forward indefinitely. A number of capital deductions are entitled under the Income Tax Act 2004, including wear and tear granted to a person who owns machinery. The law allows a 50% allowance in the first year of use for plant and machinery used in manufacturing processes and fixed in a factory, fish farming, and providing services to tourists and fixed in a hotel. Thereafter, different wear and tear rates apply.

Value Added Tax (VAT)

VAT is consumption tax charged at a single rate of 20%. Registration is compulsory for any business, which has a turnover of more than 40mn TZS per annum. Applicants for VAT registration should complete form No. VAT 101. A taxpayer is required to submit a monthly VAT return along with the payments to the nearest regional VAT office by the last working day of the month following the month of business.

- **VAT Deferment:** Capital goods and deemed capital goods for investment do not attract VAT up front as the VAT is deferred to allow investor relief of tax up front. VAT deferment on any capital goods is open to all VAT registered and non-registered traders.
- **VAT Refunds:** VAT refunds are made either within 30 days or 6 months from the due date depending on the type of taxpayer. Regular repayment traders like exporters can claim their refunds within 30 days while other traders can get their refunds after six (6) months.

There are various goods and services that are either zero rated, such as exports or VAT exempt, such as health supplies and tourists services. The TRA desk at TIC will provide the list of goods and services falling under these categories as well as those with special relief.

Taxes on international trade

The Customs and Excise Department administers all taxes and duties on international trade including import duty, excise duty on imports, and VAT on imports.

Import duty: The EAC members have adopted Common External Tariff from 1st Jan. 2005 with a structure of 0%, 10%, and 25%. It is levied at an advalorem rate on the CIF value of goods imported into the country.

Agreement on Customs Value (ACV): Tanzania is implementing the WTO article VII's ACV. It prohibits the use of arbitrary or fictitious customs values.

Excise duty: Is charged on specific or advalorem tax rate on certain imported and locally manufactured consumer goods. Currently there are three advalorem rates 10%, 15% and 30%. Most of the locally manufactured goods are charged excise duty.

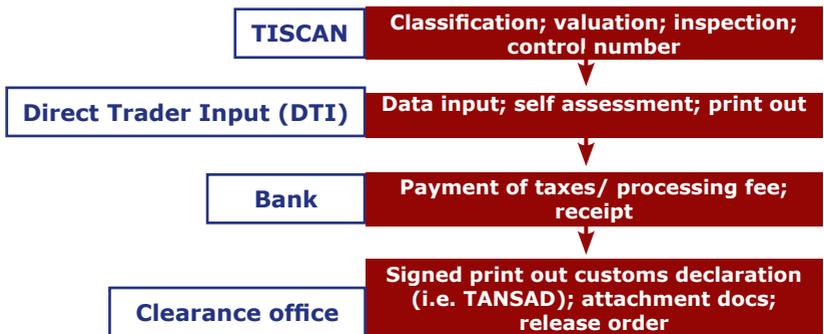
Stamp duty: Stamp duty is charged on certain legal instruments, affidavits, conveyances & lease agreements. The rate applicable is 1% and 500 TZS for conveyance and agricultural land respectively. The maximum stamp duty rate for registration of property for security or mortgage is 10,000 TZS.

Motor vehicle: Transfer of motor vehicle costs 50,000 TZS. The motor vehicle registration and annual license fees vary depending on the engine cubic capacity of the cars.

Import procedures:

All transactions on imports, exports and transits are handled through the Customs Service Centre (CSC)

Chart: Import procedures/lodgment procedures at the CSC



TISCAN: Is a private company contracted by TRA to provide destination inspection (DI) services.

17.0 Investment Incentives

A helping hand for Tanzania and its investors

“We shall stay the course of reform and openness to private sector-led investment and trade. We are committed to making Tanzania a success story in political and economic reforms, in growth and development, and in sustainable progress driven by market-friendly policies and a proactive private sector...” H.E Jakaya Mrisho Kikwete, President of the United Republic of Tanzania, 14th February, 2006.

With an investment climate supported by a sound regulatory framework, improved infrastructure, high quality telecommunications and a reasonably professional workforce, the Tanzania’s economy is dynamic and offers substantial tax incentives that can not be matched by countries with similar characteristics.

A number of tax incentives are granted to both local and foreign investors as per the Tanzania Investment Act, 1997. Currently, tax incentives are granted in the form of enhanced capital deductions and allowances structured according to lead and priority sectors which include agriculture, agro-based industries, mining, tourism, petroleum and gas and economic infrastructure.

Import duty drawback

Import duty charged on imported inputs used for producing goods for export and goods sold to foreign institutions like the United Nations in Tanzania, is refunded.

Manufacturing under bond

All factories registered to manufacture goods under bond for export purpose are exempted from import duty and other taxes on inputs used to manufacture such goods.

Investment tax incentives

Economic infrastructure

Road, railways, air and sea transport, port facilities, telecommunication, banking & insurance.

	Duty	VAT
All capital goods	0%	Deferred
Deemed capital goods	0%	Deferred
Vehicles (utility)	0%	Deferred
Corporate tax	30%	
Withholding tax on dividends	10%	
Withholding tax on interest	10%	
Losses carried forward indefinitely		

Provision of strategic investors’ status with incentives beyond those provided to normal investors.

Mineral Sector

	Duty	VAT
All capital goods	0%	Relieved
Spare parts	0%	Relieved
Explosive & other supplies	0%	Relieved
Fuel & oils	0%	Relieved
Corporate tax	30%	
Capital allowance	100%	
Withholding tax on technical services	5%	

Other applicable tax and levies on mineral sector are:

- Royalty of 3% except for diamond, which is 5% and 12.5% for petroleum & gas;
- No tax, duty, fee or other fiscal impost on dividends;
- No capital gain tax;
- Losses carried forward for unrestricted period;
- Duty rate of 5% and VAT will be charged after the first five years of commercial production;
- Yearly appreciation of unrecovered capital in investment.
- Importation by or supply to a registered licensed exploration, prospecting, mineral assaying, drilling or mining company, of goods which if imported will be eligible for duty under customs law, and service for exclusive use in exploration, prospecting, drilling or mining activities.

Holders of Certificate of Incentives

	Duty	VAT
All capital goods	0%	Deferred
Utility vehicles	0%	Deferred
Replacement industrial parts for the rehabilitation of privatized enterprises	0%	Deferred
Corporate tax	30%	
Withholding tax on dividends	10%	
Withholding tax on interest	10%	
Losses carried forward indefinitely		

Agriculture

	Duty	VAT
All capital goods	0%	Deferred
Agricultural machinery/equipments	0%	Exempt
Fertilizers & pesticides	0%	Exempt
Farm implements & inputs	0%	Exempt
Corporate tax	30%	
Capital allowance	100%	
Withholding tax on interest	10%	
Withholding tax on dividends	10%	
Losses carried forward indefinitely		

Tourism

	Duty	VAT
All capital goods	0%	Deferred
Hotel facilities e.g. carpets, furniture	0%	Deferred
Vehicles for tour operators	0%	Deferred
Corporate tax	30%	
Capital allowance	50%	
Withholding tax on dividends	10%	
Withholding tax on interest	10%	
Losses carried forward indefinitely		

Petroleum and Gas

- Tax exemption of equipment & material used for exploration;
- Negotiated levels of cost oil or gas split after the discovery of oil or gas for the purposes of recovering costs for exploration, development and production;
- Negotiated levels of profit oil or profit gas split;
- Importation by or supply to a registered licensed exploration, prospecting , mineral assaying, drilling or mining company, of goods which if imported will be eligible form duty under customs law, and service for exclusive use in exploration, prospecting, drilling or mining activities.

NOTE:

I) The law also allows a 50% capital allowance for plant and machinery used in the manufacturing and fish farming sectors, the rest follow the depreciable chart in the Income Tax Act, 2004.

II) The Tanzanian Investment Act allows National Investment Steering Committee to offer additional incentives and benefits over and above those provided by the act to strategic or major investment projects.

18.0 Company Registration

For investors who pass through Tanzania Investment Centre (TIC) facilitation of registration requirements will be processed by the Centre

All enterprises operating in Tanzania, whatever their legal forms, must register with the Business Registration and Licensing Agency (BRELA) of the Ministry of Industries, Trade and Marketing. However, other approvals, permits and licences are also required depending on the sector in which the company intends to operate. Private companies are required to have at least two Directors.

In order to set up a business in Tanzania, an investor has to have the following major documents:

- Certificate of Incorporation
- Memorandum and Articles of Association
- Business License
- Income Tax Clearance Certificate
- Residence Permits Class A or B
- TIN
- Lease Agreement or Title Deed
- Business Plan or Feasibility Study
- Certificate of Incentives (for projects approved by TIC)

Company Registration

The registration process which TIC undertakes on behalf of investors will lead into a local company being issued with a Certificate of Incorporation, with the cost ranging from 126,200 – 400,000 TZS; while a Certificate of Compliance, costing US\$ 1200, will be issued to a foreign company. These fees include registration, filing and stamp duty on the Memorandum and Articles of Association.

Industrial licences:

Industrial licences will be obtained upon application and submission of Certificate of Incorporation/Compliance or a TIC certificate of incentives. The fee is costing 450,000 TZS.

For further information, please contact.

Chief Executive Officer

Business Registration and Licensing Agency (BRELA)

P. O. Box 9393, Dar es salaam,
Tanzania

Tel: 2180141/2180113

Fax: 255-22-2180371

Email: usajili@intafrica.com

Website: www.brela-tz.org

Trade/Service Mark Registration

Under regulation 11 of Trade and Service Marks 2000, applications are to be submitted among the following agents:

1. Abdul Malik & Surende

P. O. Box 763 DSM

Tel: 2184871/2184269

Email: dilesh@raha.com

2. Donald's & Wood Advocates

P. O. Box 4369 DSM

Tel: 21187889

Email: donald@raha.com

3. Mkono & Co. Advocates
P. O. Box 4369 DSM
Tel: 2119570/2122176
Email: nimrod.mkono@mkono.com

4. K & M Advocates
P.O. Box 71394 DSM
Tel: 2133616/19
info@kmadvocates.com www.
kmadvocates.com

The acceptance of a trade or service mark requires a payment of application fee costing 50,000 TZS and 15,000 TZS for advertisements for 60 days. If there is an objection, an investor can enquire to the registrar the reasons for the objection or apply for a hearing by paying 60,000 TZS based on grounds for appeal.

Business Licensing

The TIC's business licensing desk collects applications from investors, presents them on the investors' behalf and follows-up for the issuance of temporary business permits and permanent licences at respective licensing authorities. The recently introduced Business Activities Registration Act 2007 has replaced the Business Licensing Act No. 25 of 1972. Under the new system, each business activity operating in Tanzania shall be registered in the registry and the registration shall be permanent.

The Business Activities Registrar can suspend a certain business activity if the following happens:

- In case the business premise ceases to be useful for the intended purposes;
- The owner is convicted of any offence;
- Bankruptcy, or
- Failure to comply with conditions of the certificate.

Each application shall contain the following • name of the business • date of commencement • name and nationality of owners • Nature and core of activity of the business • nature of any auxiliary activity • number of employees • business address • chief executive or anyone in charge in the company.

Patent Registration

Registration for patent follows 6 procedures which include:

- Filing of Patent form No. 2 accompanied by patent document;
- Remittance of application fee 12,000 TZS;
- Formal examination;
- Advertisement of granted application;
- Invitation to pay certificate fee 10,000 TZS; and
- Assurance of Certificate of grant of Patent.

19.0 Immigration Procedures

TIC now has stationed officers from respective Government ministries and departments who facilitate the issuance of residence and work permits.

Residence Permit Class 'A' Process

Residence permit Class 'A' is issued to persons intending to engage in trade business, profession, agriculture, animal husbandry, prospecting of minerals or manufacturing. The fees include \$1,620 per permit, \$20 for each dependant and 10% of the said sum as facilitation fee. Upon expiry of permit's replacement is made by paying similar fees as first grant. The permit is issued for 2 years and renewable for another 2 years. All documents are submitted at TIC offices and addressed to:-

Director of Immigration Services

P.O. Box 512, Dar es Salaam.

Documents to be included in duplicate are: • Certificate of Incentives • Certificate of Incorporation • Memorandum and Articles of Association • Business Licence • Tax Clearance Certificate • Business Licence • TIN certificate • Certificate of Registration for VAT • Seven passport size photographs • CV • Educational certificates • Evidence of business premises • Sectoral approval from any relevant ministry • Share Certificate (if needed) or Share Transfer • TIF 1 • Copy of passport. **NB:** Marriage and birth certificates must be produced in case dependents are to be endorsed in the permit.

Residence Permit Class 'B' Process

Residence permit Class 'B' is issued to persons (expatriates) who have been offered a specific employment in Tanzania. For new (or renewal of) class 'B' permits three copies of TIF 1 should be completed together with seven passport size photographs. Marriage and birth certificates must be produced for dependants. Fees include US\$ 600 for two years, US\$ 20 has to be paid in respect of the applicant as a re-entry pass fees and each dependant, and 10% of the said sum has to be paid as facilitation fee. All applications are to be submitted to TIC offices and addressed to:-

Director of Immigration Services

P.O. Box 512, Dar es Salaam.

Attachments should include:

• Certificate of Incentives • Certificate of Incorporation • Seven passport size photographs • CV • Academic/professional certificates • Job description • Organizational structure of the company • A letter of clearance from the Government • Membership/registration certificates or clearances from local professional bodies for testing and monitoring the professional integrity of expatriates – i.e. doctors, lawyers, nurses, engineers, pilots, surveyors, accountants and the like • Employment contract • Photocopy of relevant passport pages • Business Licence • Tax Clearance Certificate • Business Licence • TIN Certificate • Certificate of Registration for VAT • Evidence to show that a company has tried to fill the position with a Tanzanian by producing copies of advertisements announcing the vacancy as well as the CV of a Tanzanian alternative.

Residence Permit Class 'C' Process

Residence permit class 'C' is issued to foreigners such as missionaries, students, researchers, doctors and volunteers. Applications are directly channeled to the Director of Immigration Services or through Regional Immigration Offices where the applicants reside. General documents for all categories' first application are: • TIF 1 forms in duplicate • A covering letter from the host agency • CV • A copy of passport • Academic certificates • Five passport size photographs. **NB:** Fees for RPC - 120\$

Specific required documents include:

Students: • Admission letter • Evidence of sponsorship • School's registration certificate for private schools • Immigration status of his/her host • Approval from the relevant authority i.e. Ministry of Science, Technology and Higher Education, Muhimbili University, Prime Minister's Office (Information), Ministry of Education, Ministry of Health, Civil Aviation, Director of refugee services for internship normal students, nurses, journalists, teachers, doctors, pilots and refugee students respectively • Six passport size photographs.

Researchers: • Covering letter and research permission from Tanzania Commission for Science and Technology (COSTECH)

Missionaries: • Certificate of registration of institutions i.e. Churches/Mosques • Covering letter signed • Photocopy of passport • Academic and professional certificates • Ordination Certificate (if appropriate) • Testimonials • Six passport size photographs • CV

Teachers: • Letter of approval from the Ministry of Education • Teaching licence • Certificate of Registration (for private schools)

Volunteers: • Certificate of Registration of NGO from the registrar of societies.

Dependant's Pass: is a document issued to foreigners who would like to stay in Tanzania while depending on their relatives with residence permits also to foreigners married to Tanzanians. These include children less than 18 years old, spouses, the aged, and people unable to support themselves. (120\$)

A special Pass of two months may be issued to applicants who are inside the country and who have already submitted their applications for permits while they wait for the decision. It can be extended for a further one month free of charge. (400\$)

Re-entry pass: is a pass granted upon issuance of a residence permits or exception certificates to holders of the said documents and their dependants who intend to depart and return back into the country within the period of validity of the said documents. (20\$)

Visitors pass is issued to visitors who are on temporary holidays in Tanzania for a period not exceeding three months.(50\$)

Business visa is a permission to enter into a country on temporary business for a period not exceeding two months and it is non renewable. (Carrying Temporally Assignments (CTA) - 150\$)

Referred visa is a permission to enter into the country either for business or holiday issued to persons from the special group of countries such as nationals of Lebanon, Pakistan, Bangladesh, Nigeria, Somalia, refugees and stateless people.

Holiday visa is a permission to enter into Tanzania issued to foreigners who want to come to Tanzania for a holiday.

20.0 Land Acquisition

Public land is categorised either as general land; village land; or reserved land. Under the Land Act, 1999, all land in Tanzania belongs to the state. However, land can be owned in three different ways (1) Government granted right of occupancy (2), TIC derivative rights (3), Sub-leases created out of granted right of occupancy by the private sector. Rights of occupancy and derivative rights are granted for a short term and long-term period. Long term rights of occupancy periods range from 5 - 99 years and are renewable.

TIC now has stationed officers from respective Government ministries and departments to facilitate land acquisition. This process is provided by TIC free of charge.

Right of Occupancy

Requirements for application of right of occupancy include:

- Duly filled land form No. 19,
- Passport size photograph
- 5,000 TZS application fee,
- Any other information as required by the Commissioner,
- Declaration of all rights and interests in land in Tanzania which the applicant has at the time of application,
- Consent of local authority or other body as required by law,
- Application by a non-citizen or foreign company should be accompanied by a Certificate of Incentives granted by TIC under the Tanzania Investment Act, 1997.

Acceptance of an offer of right of occupancy shall be: -

- By completion of land form no. 20 (for urban land) or land form no. 21 (for farm land) and signature by the applicant or his authorized representative or agent,
- Accompanied by a fee of 5,000 TZS.

A certificate of occupancy shall be issued in the name of the President and shall be in land form no. 22 (for urban land) and land form no. 23 (for farm land).

Citizen investors:

Under the Land Act 1999, citizen investors may acquire land by a granted right of occupancy or a derivative right or by obtaining a sub-lease from a private owner.

Non citizen investors:

Occupation of land by non-citizens is restricted to lands for investment purposes under the Tanzania Investment Act, 1997. Under the Land Act, 1999 a foreign investor may occupy land through:

- Derivative rights under section 20(2) of the Land Act, 1999,
- Application to the Commissioner for Lands for a grant of right of occupancy under section 25(1)(h) and (i) of the Land Act, 1999, and section 3 of the land (amendment) Act, 2004
- Sub-leases from a private owner,

- Licences from the Government,
- Purchase from other holders of granted right of occupancy.

Procedures to acquire urban land

TIC undertakes all these procedures on behalf of investors



Fees payable under (4):

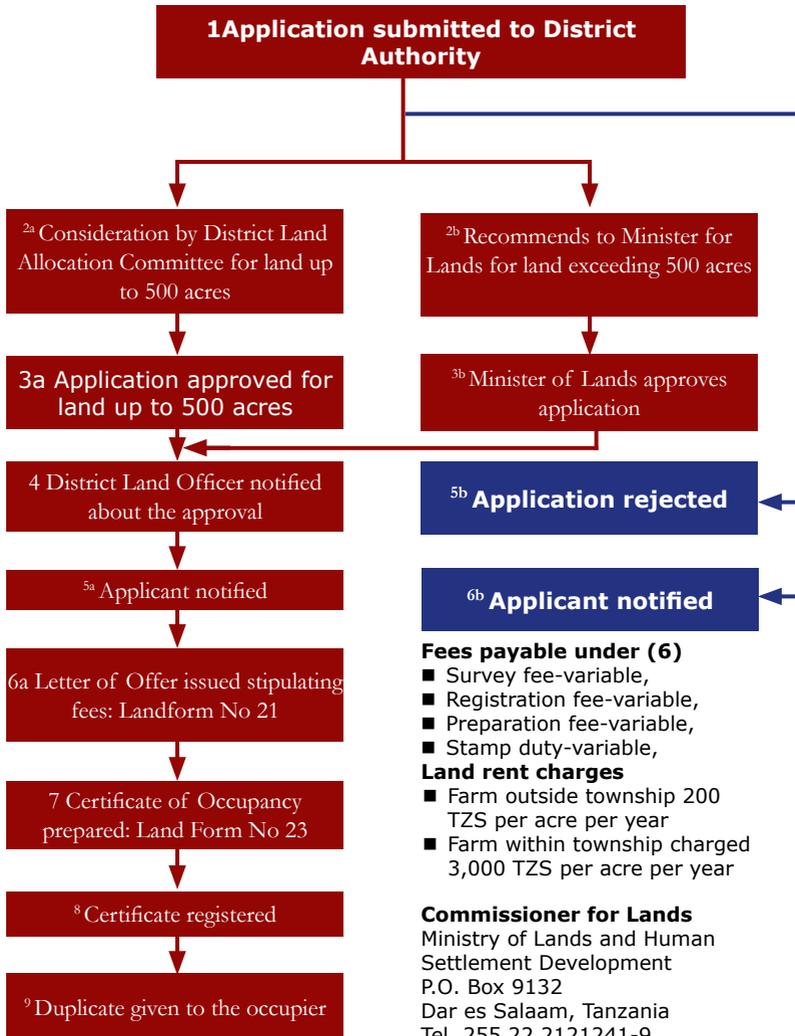
- Survey fee-variable,
- Registration fee-variable,
- Preparation fee-variable,
- Stamp duty-variable,

Land rent charges:

Industrial plots (within urban areas) range between 75–150TZS per m² per year, while for other uses charges vary depending on the market value of the land in question.

Procedures to acquire farmland

TIC undertakes all these procedures on behalf of investors

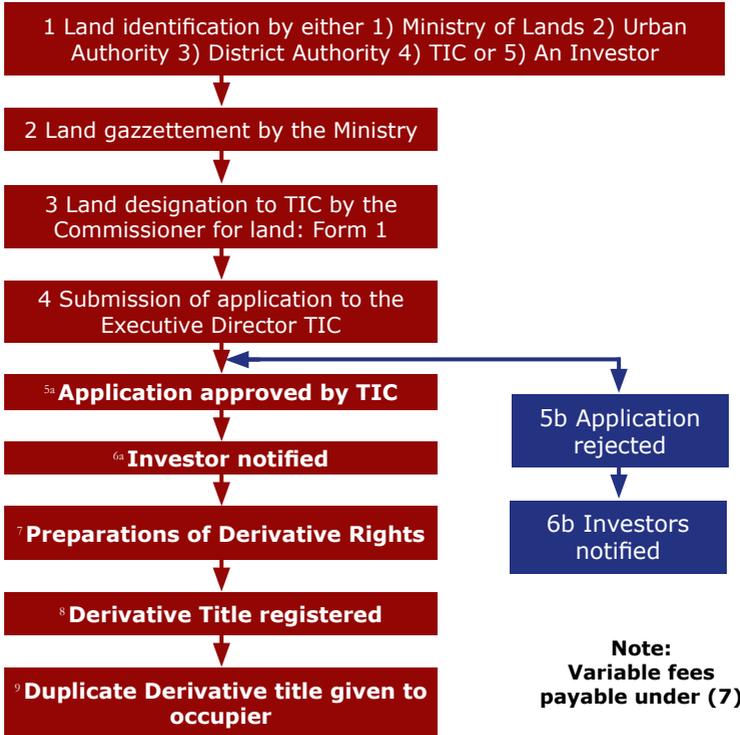


**For further information, please contact;
Permanent Secretary**

Ministry of Lands and Human Settlement Development
P.O. Box 9132
Dar es Salaam, Tanzania
Tel. 255 22 2121241-9
Fax: 255 22 2113224
Email: ps-ardhi@africanonline.co.tz

Procedures to acquire farmland

TIC undertakes all these procedures on behalf of investors



Application for granted right of occupancy by non-citizen investors

TIC undertakes all these procedures on behalf of investors



21.0 Sectoral & Specialised Licences

TIC facilitates investors in acquiring these licenses

Are you thinking of setting up a business in specific sectors in Tanzania? This section will provide you with an overview of the sectoral licences and the related fees for a establishing a business in some key economic sectors.

Tourist Agent Licence (TALA)

Conditions and regulations for issuing TALA licenses are specified in Tourist Agents (Licensing) Act 1969 and Tourist Agents (Licensing) Regulations 1998.

Tour Operators:

Requirements include: -

- Certificate of Registration and Memorandum and Articles of Association of the Company registered in Tanzania;
- Evidence of office premises for carrying out a business;
- All tour vehicles shall vividly display the name of the tour Operator on each side of the vehicle and must be comprehensively insured; and
- The company must have a fleet of not less than five road worthy vehicles if it is a Tanzanian company while a fleet of not less that 10 new vehicles will be required by a non Tanzanian owned company.

Travel Agents:

Business licences for tourist agents are classified into class A, B, C and D, all comprising of different fees. A travel agent licence can be issued to a business owned by Tanzanians with an investment capital of under US\$ 300,000. Requirements include: -

- Certificate of Registration and Memorandum and Articles of Association of the Company registered in Tanzania;
- Evidence of office premises;
- The applicant must have not less than two employees who are Tanzanian nationals and who have recognised certificates in tourism.

Other businesses, which are allowed to Tanzanian nationals with investment cost of under US\$ 300,000, include Car Hire, Travel Agent, Mountain Climbing/Trekking, and Tour Guiding.

For further information, please contact;

Director of Tourism

Ministry of Natural Resources and Tourism

P.O. Box 9372

Dar es Salaam

Tanzania

Tel: 255 22 2111061-4/2116682

Fax: 255 22 21106004

Email: mipango.mnrt.@twiga.com



Fishing Licence

An investor in this sector will be required to forward a letter of intent to the Director of Fisheries specifying the type of fishing method to be used, the particulars of the fishing vessel-length, capacity and gross tons (GRT).

Certificate of Registration with an identification mark will be issued. Fishing vessels allowed are those of 11.0m long or more, for Prawn Trawler. Vessels between 21-159 GRT are allowed as well as Sport Fishing Vessel.

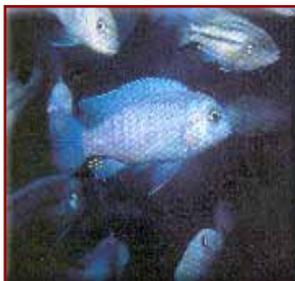
Two types of fishing are allowed in Tanzania (i) Purse Seine and (ii) Long Line Fishing. There are two types of fishing areas

- i) Territorial Waters: i.e. within 12 nautical miles where most of the fishing done involves prawn fishing.
- ii) Exclusive Economic Zone: There is no limitation to fishing in the Exclusive Economic Zone.

A fishing licence can also be obtained through the regional/district offices. However, licensing of fishing vessels, whose length is more than 11m and of all foreign investors is undertaken in Dar es Salaam only.

**For further information, please contact:
Director of Fisheries**

Ministry of Natural Resources and Tourism
P.O. Box 9372
Dar es Salaam
Tanzania
Tel: 255 22 2122930
Fax: 255 22 21106004
Email: mipango.mnrt.@twiga.com



Banking license

Banking and financial institutions are regulated under The Banking and Financial Institutions Act, 2006, Bank of Tanzania Act, 2006 and Foreign Exchange Act, 1995. Regulations in place are Banking and Financial Institutions Regulations, 1997, the Management of Risk Assets Regulations, 2001, the Capital Adequacy Regulations, 2001, the Liquid Assets Ratio Regulations, 2000, the Publication of Financial Statements Regulations, 2000, the Independent Auditors Regulations, 2000 and the Credit Concentration and Other Exposure Limits Regulations, 2001. Requirements for registration of a bank or financial institution include: -

- Letter of application in prescribed format;
- Memorandum and Articles of Association (unregistered with the Registrar of Companies);
- Proof of availability of funds for investment.;
- List and information sheet of incorporators/subscribers and proposed members of the board of directors and other senior officers;
- Proof of citizenship of every incorporator/subscriber and every proposed director and senior officer. This includes detailed CV, photocopy of the first five pages of a passport, a passport size photograph and historical background;
- Audited balance sheet and income statement of every incorporator/subscriber and every proposed member of the board of directors and senior officers;
- Certified copies of annual returns of every incorporator/ subscriber and every proposed member of the board of directors and senior officers (together with accompanying schedules/financial statements) filled during the last five years with income tax office for income taxation purposes;
- Tax clearance from the income tax office;
- Statement from two persons (not relatives) vouching for the good moral character and financial responsibility of the incorporators/subscribers and the proposed directors and senior officers;
- Business plans for the first four years of operations including the strategy for growth, branch expansion plans, dividend payout policy and career development programme for the staff. Budgets for the first year must also be included;
- Projected annual balance sheets, cash flow and income statements for the first four years of operations;
- Discussion of economic benefits to be derived by the country and the community from the proposed bank/financial institution; and
- A bankers cheque for 2,000,000 TZS.

For further information, please contact;

The Governor

Bank of Tanzania, P.O. Box 2939, Dar es Salaam • Tel: 255 22 2110945/52

Fax: 255 22 2117342/2119345 • Email: info@hq.bot-tz.org • Website: www.bot-tz.org

Insurance License

The Insurance Supervision Department (ISD) is an agency of the Government established under section 5 of the Insurance Act. No. 18 of 1996 to licence and regulate all forms of insurance business in Tanzania. Applications for insurance licences are addressed to the Commissioner of Insurance.

Requirements for insurance companies:

- Duly filed and signed application forms,
- Copy of Memorandum and Articles of Association, copy of Certificate of Incorporation of the company in Tanzania,
- Paid up share capital, reinsurance programmes, and business plan of the company,
- Evidence of having competent qualified professionals at the management level, organisation and administrative structure,
- Shareholding pattern of the company, last audited accounts, professional qualifications of the staff, business interest of each director and the principal offer etc.

Requirements for Brokers, Agents, Surveyors, Assessors and Loss Adjusters

- Completed application forms, evidence of registration of a company, evidence of minimum paid-up share capital, professional indemnity cover from any registered insurance company, competent qualified professionals, business plans etc.
- Registration certificates (licences) issued under the Insurance Act, 1996 are only valid up to the 31st day of December of each calendar year and are renewable.

For further information, please contact;

The Commissioner of Insurance

Insurance Supervision Department

Ministry of Finance

P.O. Box 9892, Dar es Salaam, Tanzania

Tel: 255 22 2132537/2116120 • Fax: 255 22 2132539 • Email: isd@africaonline.co.tz

Tanzania Food and Drugs Licences

Tanzania Food and Drugs Authority (TFDA) is a regulatory body responsible for controlling the quality, safety and effectiveness of food, drugs, herbal drugs, cosmetics and medical devices. TFDA was established under Tanzania Food, Drugs and Cosmetics Act No. 1 of 2003. In Tanzania drugs, pre-packaged food, cosmetics, herbal drugs, medical devices and food supplements are evaluated and registered by the Tanzania Food and Drugs Authority (TFDA) before being approved for distribution and marketing in the country. TFDA is also responsible with inspecting manufacturers, wholesalers and retailers and clinical trials sites and at port of entry to ensure that standard requirements for food, drugs, herbal drugs, cosmetics and medical devices are complied to. On the TFDA's website of (www.tfda.or.tz) you will find guidelines for application for registration of food, drugs and herbal drugs, cosmetics and biological as well as food importation guidelines.

For further information, please contact;

Tanzania Food and Drugs Authority (TFDA)

P. O. Box 77150, Dar es Salaam, Tanzania

Tel: 2450512/2450751/2452108 • Fax: 2450793 • Mobile: 078 7555527/075 4772220

Email: info@tfda.or.tz • Website: www.tfda.or.tz

Telecommunication Licences

The Tanzania Communications Regulatory Authority (TCRA), established by the TCRA Act no. 12 of 2003 is an independent Authority for the Postal, Broadcasting and Electronic communications industries in the United Republic of Tanzania. It merged the former Tanzania Communications Commission and the Tanzania Broadcasting Commission. Its role includes licensing and regulating the Postal services, Broadcasting services and Electronic Communications sectors in the United Republic of Tanzania.

TCRA became operational in 2003 and has effectively taken over the functions of the two defunct commissions. Specifically the Authority is responsible for enhancing the welfare of Tanzanians through:

- Promoting effective competition and economic efficiency;
- Protecting the interests of consumers;
- Promoting the availability of regulated services;
- Licensing and enforcing licence conditions for Broadcasting, Postal and Telecommunications operators;
- Establishing standards for regulated goods and services;
- Regulating rates and charges (tariffs);
- Managing the radio frequency spectrum;
- Monitoring the performance of the regulated sectors.

The Authority is required by section 6, of TCRA Act 12 of 2003 to process and issue licences. The Authority can grant a licence or refuse the application. There are basically two licence categories, **Converged licences and other licences.**

Converged licences include

- Network Facility (NF)
- Network Service (NS)
- Application Service (AS)
- Content Services (CS)

Other licences include

- Public Postal Licence
- Courier Service Licence
- Frequency User Licence
- Installation and Maintenance Licence
- Importation and Distribution Licence
- Equipment Certification Licence
- Numbering and Electronic Address Licence

An applicant is required to obtain and complete an application form which is available at the Authority's office or TCRA website (www.tcra.go.tz) at an appropriate non-refundable application fee.

For further information, please contact:

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Mining licences

Businesses operating under the mineral sector are governed by the Mineral Policy, 1997, Mining Act, 1998 and Mining Regulations, 1999.

Prospecting Licence: Form MTF1 should be filled and submitted to the Registrar of Mineral Rights in duplicate. The maximum area for a prospecting licence is 5,000km². The application fee for reconnaissance period is US\$ 50; a prospecting licence is US\$ 50. Requirements include: -

- A plan on a topographical map to a scale of 1:50,000;
- A statement giving financial and technical resources available; and evidence of the registration of a company;
- Details of any mineral rights previously granted.

Special Mining Licence: An applicant has to fill form MRF 3 and pay an application fee of US\$1,000. Requirements include:

- A statement of the area for which the licence is sought;
- Information on mineral deposits in the proposed area;
- Proposed programme for mining operations;
- Environmental management plan;
- Expected infrastructure requirements;
- Employment and training of Tanzanian;
- Any other information as may be required.

Mining Licence: An application fee of US\$ 500 is charged for a mining licence. The maximum area for all minerals other than building materials or gemstones is 10km². Every application for a mining licence should be accompanied by:

- Relevant prospecting licence;
- Description of the area and the mineral deposits in it;
- Feasibility study;
- Statement of the duration not exceeding ten years;
- Environmental impact assessment;
- Any other information as may be required.

Gemstone Mining Licence: An application should be made to the Minister through form MRF 5 with US\$ 500 as an application fee. The maximum area for a Gemstone Mining Licence is 1km². Requirements include

- A statement on the duration not exceeding ten years;
- A description and sketch of the area of land;
- Description of gemstone deposits in the area;
- Proposed programme for mining operations;
- Environmental impact assessment if it falls under schedule of the Mining (Environmental Management and Protection) Regulation
- Any other information as may be required

**For further information, please contact:
Commissioner for Mineral**

Ministry of Energy and Minerals
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22.0 Profiling Tanzania's Transport Facilities and Utilities

Tanzania is constantly improving its infrastructure from railways and road networks to air and marine transport facilities. Some of these improvements can be attributed to the liberalisation process that has attracted private investment and continues to offer opportunities for additional investment to keep pace with the expansion of Tanzania's economy.

Information dissemination systems:

There are various information dissemination facilities covering the entire nation. These include 33 radio stations, 15 television stations, 17 television operators and 17 cable television networks, 21 internet service providers, 2 PSTN operators (land line telephone operators), 4 mobile cellular network operators, 16 data operators and 17 postal operators.

Power generation:

The main power producer and supplier is a public company TANESCO with a generation system consisting of hydro, thermal and gas. The total generation from TANESCO own sources in 2003 was 2.66bn kWh out of which 2.55bn is from hydro. Some regions, districts and townships depend on isolated diesel run generators with total installed capacity of 31MW. Two private independent power projects (IPP) which are connected to the TANESCO grid include IPTL (Independent Power Tanzania Ltd) with 100MW installed capacity and SONGAS (gas to electricity) with 120MW capacity. TANESCO also imports 10MW from Uganda and 3MW from Zambia.

Several categories of supply and service charges have been made depending on the power usage.

Category	Costs (US\$)
Domestic low usage Tariff (DI)	
Low energy charge per kWh (0-50kWh)	0.03
High energy charge per kWh (above 50kWh)	0.10
General usage tariff (T1)	
Service charge per month	1.54
Energy charge per kWh	0.08
Low voltage max. demand tariff (T2)	
Service charge per month	5.72
Demand charge per KVA	6.27
Energy charge per kWh	0.05
High voltage max. demand tariff (T3)	
Service charge per month	5.72
Demand charge per KVA	5.81
Energy charge per kWh	0.05

- D1: Consumers below 50kWh
- T1: Consumption of more than 236kWh per meter reading period power is given at low voltage single phase 230V, and three phase 400V
- T2: Users of power metered at 400 Volts and average consumption is more than 7,500 kWh per meter reading period and demand does not exceed 500 KVA per meter reading period.
- T3: Users of power metered at 11KV and above.



Railway transport: Two railway systems operate in Tanzania. The Tanzania Railway Corporation (TRC) has two lines; the central line that runs from Dar es Salaam to Tabora with three branches; the first to Kigoma in the west along lake Tanganyika, hence providing freight cargo services to west Tanzania as well as the land-locked countries of Burundi, Rwanda and DR Congo. The second branch runs from Tabora to Mpanda and the third branch runs from Tabora to Mwanza port on Lake Victoria, also providing services to north and north-western part of the country including landlocked Uganda. The other line runs from Ruvu northward to Korogwe and then branches to Tanga port on the Indian Ocean, another branch to Moshi and connecting to Kenya. The second railway system is the Tanzania-Zambia Railway Authority (TAZARA), linking Dar es Salaam port with Zambia and handling freight cargo for the countries of Malawi, Zambia, Zimbabwe and DR Congo.

Marine transport: The Tanzania Harbors Authority (THA) operates the ports of Dar es Salaam, Tanga, Mtwara, and minor ports of Kilwa, Lindi and Mafia. Dar es Salaam is the main port with capacity of 3.1mn tons of containerized cargo and 6.0mn tons of bulk liquid.

Air transport: Tanzania has three international airports in Dar es Salaam, Kilimanjaro and Zanzibar, as well as several aerodromes and airstrips. The national airline, Air Tanzania Corporation (ATC), private companies and several charter services are active in the industry; as well as International airlines operating in and out of Tanzania with daily flights to Europe, India, Middle East and Southern Africa.

Surface water:

Surface water resources in Tanzania consist of lakes, rivers, springs, man-made reservoirs and natural ponds. About 7% of the land surface is covered by 3 fresh water lakes i.e. Lake Victoria, Lake Tanganyika and Lake Nyasa. Other inland lakes include Rukwa, Eyasi, Natron and Manyara.

Drainage systems:

Tanzania is divided into five major drainage systems including (1) the Indian Ocean drainage system (2) the Internal drainage of Lake Eyasi, Natron and Bubu depression complex, (3) the internal drainage of Lake Rukwa, (4) Atlantic ocean drainage system and the (5) Mediterranean sea drainage system.

Ground water resources:

Ground water is a major source of water for many areas in Tanzania and the most viable alternative supplement in the central and northern parts of the country.

23.0 Profiling Tanzania's Human Resources and Employment Environment

Tanzania believes in its people and welcomes talent from around the world. That's why it is one of the biggest spenders in education compared to other Sub-Saharan countries. In addition, Tanzania has implemented progressive immigration policies and invites skilled people from around the world to make Tanzania their home and contribute to its economic growth.

Labour Relations

Legislations and guidelines which set "Labour Standards" include: • The Employment Ordinance, Chapter 366 R. E 2002 • Regulations of Wages and Terms of Employment Ordinance, Chapter 300 • National Social Security Fund Act No. 28 of 1997) • Security of Employment Act, 1964 Cap. 387 RE 2002 • Workmen's Compensation Ordinance Cap. 263 R. E 2002 • Employment of non citizen in Tanzania (Policy) • Occupation Health and Safety Legislations • Industrial Court Act, 1967 Cap. 60 R. E. 2002.

Social Security: Tanzanians cannot be exempted from the National Social Security Fund (NSSF) scheme, but foreign employees can be exempted if they can prove to be involved in another scheme. The payable contribution is 20% of the basic wage bill for both employers and employees.

Workmen's Compensation Ordinance: Employers are required to purchase workmen's compensation insurance for their employees.

Working hours: Standard working time is 45 hours a week. Over 45 working hours per week may be allowed in the event of overtime work. The standard overtime pay is 1.5 times the employee's standard pay for normal working days and 2 times for Sunday and Public Holidays.

Annual leave & holidays: The law provides for an annual leave of 28 calendar days. At the end of every second year; a leave allowance is paid. Employees should be excused from work on 16 mandatory public holidays in Tanzania.

Sick leave: An employee has a right to three months fully paid continuous leave. For the subsequent three months, after sick leave, the employer is required to pay half the employee's usual wages. After six months continuous absence from duty on account of illness, an employee may be terminated on medical grounds.

Maternity Leave: Female employees are entitled to be paid maternity leave of 84 calendar days once in every 3 years.

Other statutory benefits: Employers may provide fringe benefits to their employees e.g. rent allowances, transport allowance, etc. Employers should pay the skills development levy which is 6% of the gross wage bill.

Dismissal procedures: Employees must be given a series of warnings before they can be dismissed.

Enrolment in higher education

In 1990 Tanzania had only two universities and three technical colleges with a total enrolment of 5,212. Up to December 2007, the total number of universities has reached 32, with 11 being public and the remaining 21 private owned. Furthermore, there are five technical colleges. Currently, the total number of enrolment in all universities stands at 64,878, while for the technical colleges and other colleges of higher education; the total enrolment has reached 25,000. For the technical institutions, 5 have already received full accreditation, 34 provisional and 17 candidacies.

The reputable University of Dar es Salaam has been ranked 13th among more than 100 universities in Africa by the Webometrics Ranking which adheres to the Berlin Principles of Higher Education Institutions. This ranking exercise is an initiative of the Cybermetrics Lab, a research group of the Centro de Información y Documentación (CINDOC), part of the National Research Council (CSIC), the largest public research body in Spain.

Retrenchment procedures: Firms must first meet with the Trade Union leaders. After reaching an agreement it must be discussed with the industrial court.

Severance Pay: Is determined by the following formula (Annual Wage) x (0.0005) x (Number of year of service). Severance allowance is paid to an employee if the employer terminates the employment.

Employment of foreigners: investors who qualify for TIC Certificate of Incentives are allowed to employ 5 foreign experts.

Laws regulating various professions: A number of professionals such as dentists, doctors, accountants, auditors, engineers, advocates and notaries are required to be licensed.

Settlement of labour disputes:

Disputes by more than one employee:

This is governed by the Industrial Court of Tanzania Act No. 2 of 1993. Disputes must pass through a Trade Union, and then the District Labour Officer will be involved in the conciliation process before being sent to the Labour Commissioner who in turn will refer the dispute to the Industrial Court.

Disputes by managerial staff:

Disputes must pass through the Conciliator (normally a District Labour Officer). If the Conciliator fails to settle the dispute, the matter will be forwarded to the Labour Commissioner who in turn will refer the dispute to the Industrial Court.

Dispute by junior staff:

This is regulated by the Security of Employment Act, 1964. Cap. 387 – R.E. 2902. Decision of the Minister is final but may be subjected to review by the High Court for breach of procedure or rules of natural justice. An employer who intends to impose a disciplinary penalty informs the employee and the Workers Union Branch at the work place or the District Labour Officer where there is no branch. In case of termination, the employer must give reasons for termination and if no appeal thereafter, the employee should be paid all terminal benefits.

24.0 Public Private Dialogue

Strong partnership between the Government and the private sector has been established through regular Public Private Dialogue in different fora. The bottom line is to create an environment conducive for a private sector led economic growth in terms of wealth and employment creation and revenue generation. These platforms include:

(1) The National Investment Steering Committee: Established in September 2000, the Committee, which is chaired by the prime minister, is mandated to resolve investment issues that cut across different sectors on a fast track manner. The National Investment Steering Committee is comprised of highly powered cabinet ministers and other senior officers including the Attorney General, the Governor of the Central Bank with the Executive Director – TIC as secretary.

2) Tanzania National Business Council (TNBC): TNBC was established through Presidential Circular as an institution providing a forum for public/private sector dialogue with a view to reaching consensus and mutual understanding on strategic issues relating to the efficient management of resources in the promotion of social economic development in Tanzania. Through TNBC, Local Investors Round Table (LIRT) and International Investors Round Table (IIRT) being chaired by the president and attended by various international investors. The discussion in these fora feed into policy reforms and contributes further to improve the investment and business environment in Tanzania. These fora are facilitated by both the Government and umbrella organizations such as the Tanzania Chamber of Commerce Industry and Agriculture (TCCIA), Confederation of Tanzania Industries (CTI) and the Tanzania Private Sector Foundation (TPSF). At the regional level, business councils have been established in Kilimanjaro, Mtwara, Tanga, Mwanza, Kigoma, and Iringa. Manyara, Coast, Ruvuma, Dodoma, Mara and Singida.

25.0 Important Contacts

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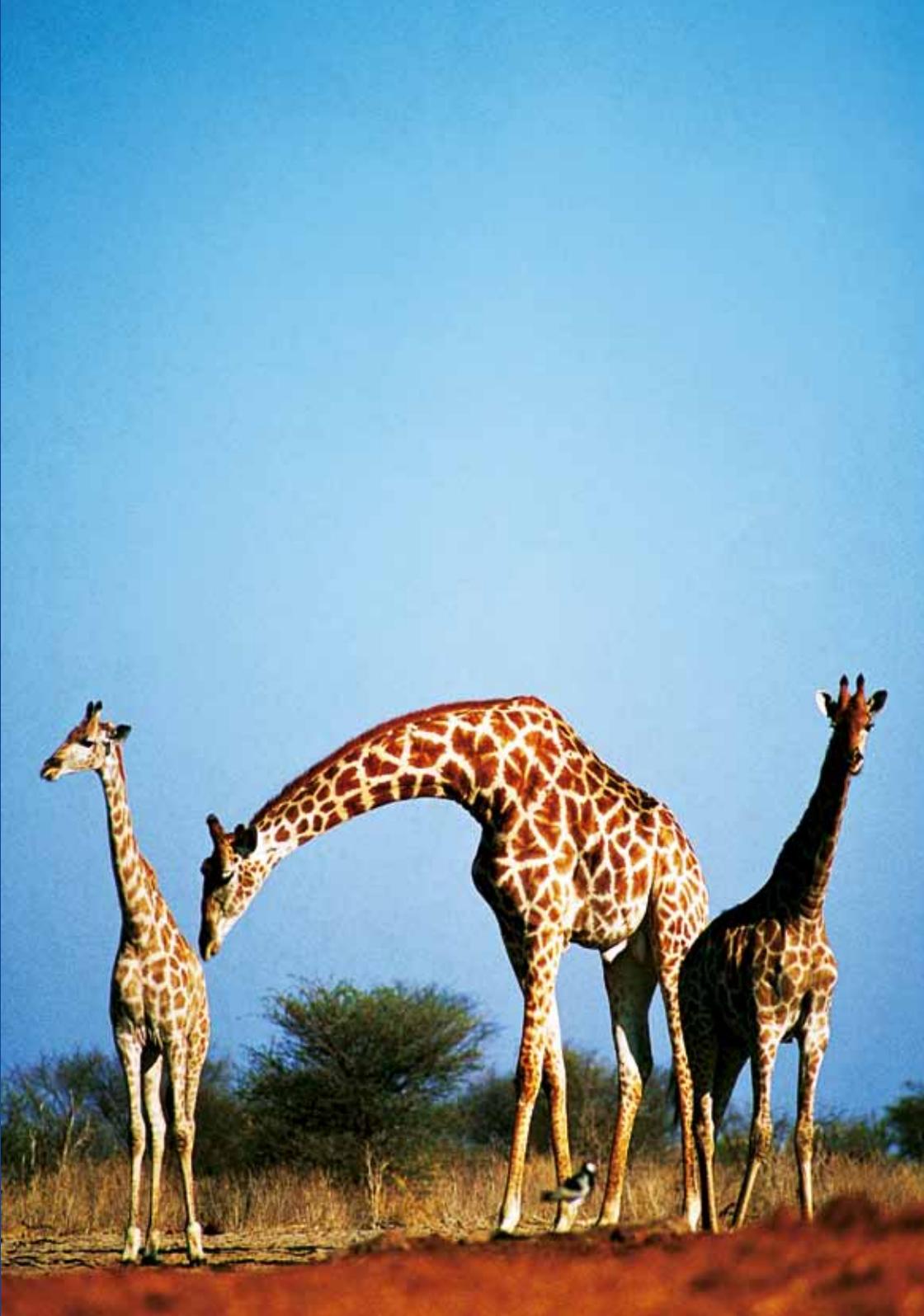
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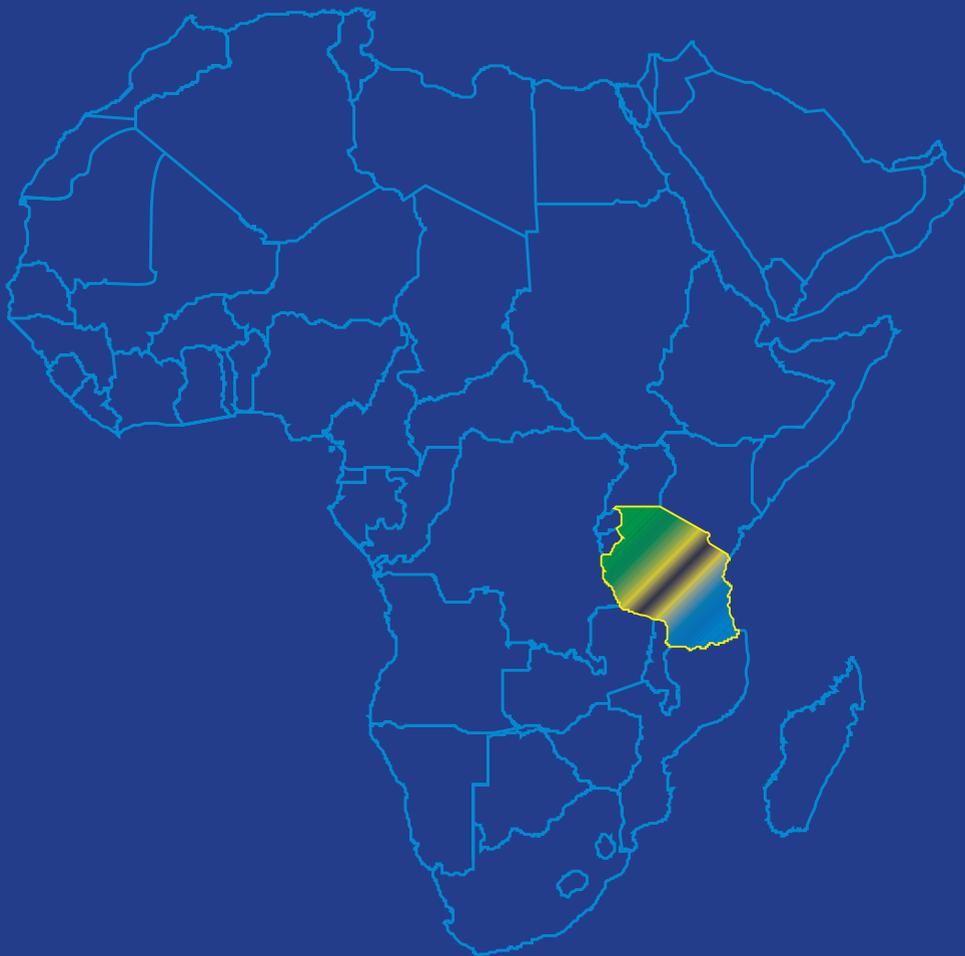
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