



THE UNITED REPUBLIC OF TANZANIA
THE PRESIDENT'S OFFICE REGIONAL ADMINISTRATION
AND LOCAL GOVERNMENT
KILIMANJARO REGION

KILIMANJARO REGION INVESTMENT GUIDE





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AND LOCAL GOVERNMENT
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(UPDATED VERSION 2018)

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FOREWORD



Welcome to and invest in Tanzania, particularly in Kilimanjaro Region, the home to the famous UN's World heritage the Kilimanjaro Mountain. The highest mountain in Africa and also the highest free-standing mountain in the world.

This Investment Guide presents available investment opportunities in Kilimanjaro region. This holistic guide aligns with the Mission and Vision of this mighty region.

Also, it is in-line with the overall national investment policy and its national development frameworks: the Vision 2025 and the Second Five Year Development Plan 2016-2021 (FYDP II).

This Investment guide is meant to implement the development pathway of the region as instructed by the Kilimanjaro Regional Development and Local Government Authorities (LGAs) Development Plans. It includes information to prospective investors: local and foreign firms as well as individuals and groups with interests to invest in the region. It aims to attract them to exploit available investment opportunities in the region so as to speed up development growth of the regional economy through viable investments.

This Guide will enhance and strengthen the understanding of prospective investors on the region's comparative advantages as an emerging economy. It is meant to attract investments in both the primary and secondary productive sectors so as to accelerate the economic growth and well-being of the people of Kilimanjaro and Tanzania as a whole.

The Region has prioritized all possible investment areas for investors to explore and my office will provide maximum support to potential investors.

In addition, the Regional Secretariat and its Local Government Authorities namely Hai, Moshi, Mwanga, Rombo, Same, Siha and Moshi Municipality will provide satisfactory conducive policy, regulatory, and business environment. It will also provide further details on the selected strategic and viable opportunities to investors.

I am personally indebted to express my sincere gratitude to both the United Nations Development Programme (UNDP) for their financial support and the Economic and Social Research Foundation (ESRF) for the technical support in producing this guide. I would like to specifically acknowledge Prof. Haidari Amani and his team of experts namely; Mrs. Margareth Nzuki, Mr. Mussa M. Martine, Mr. John Shilinde, Mr. Joseph Nyampepela Ngonyani and the Late Mr. Abdallah K. Hassan for their commitment and technical support that collectively resulted in the publishing of this guide. May I extend my deepest gratitude to Prof. Samuel Wangwe for devoting his time to offer technical review. Although it is difficult to mention everyone, I would like to thank all individuals who contributed in one way or another towards making this investment guide possible.

May I then use this rare opportunity to warmly welcome all investors to invest in my Region. I assure you of my office's continued support to make your investments productive and attractive Return of Investment (ROI) for our mutual benefits.



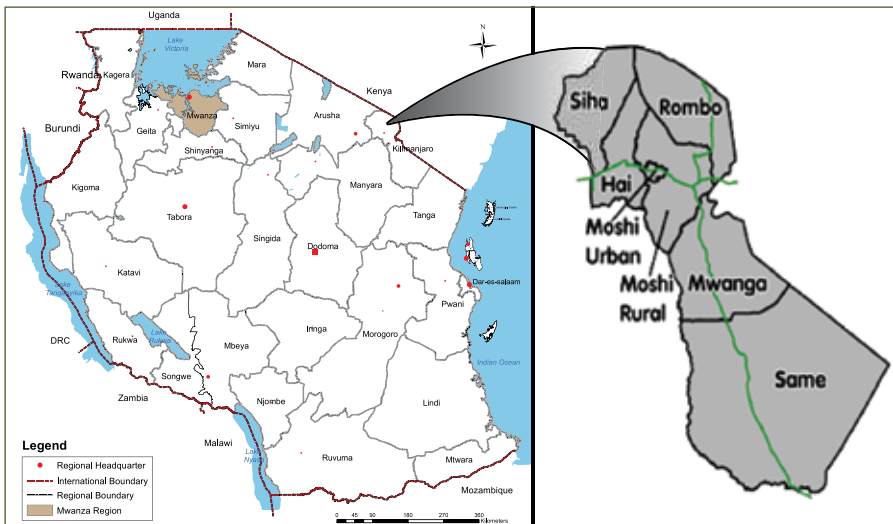
Hon. Anna E. Mghwira
Regional Commissioner
Kilimanjaro Region, Tanzania

DISCLAIMER

This guidebook was published to assist potential investors to get essential information regarding investment available opportunities in Kilimanjaro region. The guidebook does not in any way provide exhaustive information or detailed practical assistance on how to establish businesses.

The information contained in this guidebook derived from consultations with Regional and Districts Government officials, public and private sector agencies. None of the information provided in this guidebook can be used for legal redress or any dispute resolution whatsoever..

Kilimanjaro Region



EXECUTIVE SUMMARY

Kilimanjaro region is located in the north eastern part of Tanzania mainland. It borders the Republic of Kenya to the north, Arusha region to the west, Tanga region to the south east and Manyara region to the south west. Administratively, the region has six districts and seven Local Government Authorities namely Moshi, Rombo, Same, Mwanga, Hai and Siha district councils as well as Moshi Municipality.

The Region comprises of three agroecological zones based on altitude, soils, climate and farming system. The zones includes highland zone/ coffee zone, the intermediate zone with mixed farming and the lowland plain with extensive grazing.

The investment opportunities are in various socio and economic sectors of industries, agriculture, tourism, health, infrastructures and education/ skills. Investment in these areas will substantially increase employment in the region because of their inter-linkages with other sectors.

There are several reasons as to why should one invest in Kilimanjaro Region that include: strategic location of the region serving as a gateway to neighbouring East African Countries, proximity to Arusha region which is the headquarters of East Africa Community and tourist city and availability of work force with skilled human capital and wide entrepreneurial experiences.

Moreover, the region has a good business friendly investment environment with the following characteristics: safe and peaceful community; administrative support at both regional and district levels; good road network, health facilities and accessibility of electricity and water services in all districts.

Other reasons include the presence of Tanzania Investment Centre (TIC) Northern Zone Office in Moshi; One Stop Boarder Post (OSBP) at Holili to neighbouring country of Kenya; presence of Kilimanjaro International Airport (KIA) and accessibility to communication network including fiber optic network.

In terms of availability of production raw material for manufacturing industries, Kilimanjaro region offers a number of produces like coffee, wheat, maize, ginger, vegetables, sugarcane, forest plantations as well as minerals. Investment in agro-based and service oriented small scale industries is greatly encouraged.

The identified investment projects can be categorized into Regional flagship projects and district projects. The regional flagship projects includes construction of international cereal market at Lokolova in Moshi district to facilitate cereal market in the region, establishment of information communication centre in Moshi Municipality and Hai district and establishment of local ranches to facilitate development of dairy and beef cattle.

Others are agro processing projects including secondary processing of fruits and of vegetables, meat processing, milk processing into various dairy products and production of packaging materials for the processing industries.

The district investment opportunities includes Value addition in primary processing of horticultural products in Siha, Hai, Moshi, Rombo, Mwanga and Same district councils; value addition and processing industry for spices in Same district; vocational training on skill development in Siha, Hai, Mwanga, Same and Rombo districts; construction of modern slaughter house (abattoirs) in Moshi Municipality and Siha district and grain leather development in Mwanga.

Other projects includes establishment of cement industry in Same, construction of modern market and shopping malls in Moshi Municipality, construction of irrigation infrastructures and contract farming in Moshi, Same, Mwanga and Hai districts; the establishment of Nyumba ya Mungu Fishery, aqua culture and fish hatcheries in Mwanga and Same and construction of tourist hotels, sports facilities, Campsites, Cables, Air Strips, and other similar investments in Moshi, Rombo and Siha district councils.

Other investment opportunities in the districts include construction of bus stand at Kisangiro in Mwanga and Moshi, construction of stadium and recreation centres in Moshi municipality, Siha, Hai, Moshi, Rombo, Mwanga and Same district councils, crop farming particularly ginger and onions in Same district, production of wind energy in Same and the construction and operation of biogas plants in the districts of Siha, Hai, Moshi, Rombo, Mwanga, Same and Moshi municipality.

Moreover, there is mining in Mwanga, Rombo and Same districts, establishment of solid waste management facility in Siha, Hai, Moshi, Rombo, Mwanga, Same and Moshi Municipality; establishment of saw mills in Siha, Rombo and Hai districts; Construction of grain warehouse in Siha and Moshi districts as well as establishment of hatchery and animal feeds industry in Siha district.

Based on these investment opportunities, Kilimanjaro region is inviting investors to exploit these opportunities for mutual benefits. The investors will be availed with the key investment policies, laws, strategies, plans and programs that are promoting investments in Tanzania and in the region in particular. The government has set favourable conditions to attract and facilitate investments in the region and speedy investment decisions will be ensured.

The government is ready and committed to provide a series of further support services and incentives to investors committed to invest in the

region so as to drive industrial development and growth in the short, medium and long-term plans.

PART ONE

WHY ONE SHOULD INVEST IN TANZANIA AND KILIMANJARO REGION



*Her Excellency,
Samia Suluhu Hassan,
Vice President, United Republic
of Tanzania*



*His Excellency,
Dr. John Pombe J. Magufuli,
President of the United Republic
of Tanzania*



*Hon. Majaliwa Kassim Majaliwa,
Prime Minister of
the United Republic of Tanzania*

1.1 Investment Environment in Tanzania

The Government of Tanzania (GoT) has taken a positive approach towards local and international investments. It has therefore approved Foreign Direct Investment (FDI's) and has shown considerable success in attracting FDI. Currently, both the laws and regulations permit foreign investments and participation as per agreed conditions.

On the other hand, the government also recognizes the important role of the local private sector in industrialization. This recognition has been emphasized in many policy documents and particularly in the Second Five

Year Development Plan (FYDP II) where the Government has committed itself to ensure that investment climate is supportive of local and foreign investors including micro, small and medium enterprises.

The GoT uses the World Trade Organization's (WTO) Trade-related Investment Measures (TRIMs) to encourage and attract investments in line with national priorities, and the regulatory framework for foreign investments. Tanzania has adopted a myriads of Trade development instruments namely "Export Processing Zones (EPZs), Investment Code and Rules, Export Development/Promotion and Export Facilitation". EPZs were established by the 2002 EPZ Act and are open to both domestic and foreign investors in particular with emphasis on agribusiness, textiles and electronics sectors.

The Export Processing Zones Authority (EPZA) governs both EPZs and Special Economic Zones (SEZs). The Government has encouraged both local and foreign investors to take advantage of the investment opportunities under the Export Processing Zones Authority (EPZA) for both their benefits and for the benefit of the country in general. Therefore there are three categories of licenses issued by the EPZA; these are:

- (i) The Developer's Licence for investment in infrastructure development including the construction of industrial buildings and warehouses, the development of internal roads, landscaping and fencing and the provision of utilities;
- (ii) The Operator's Licence for investors who are undertaking manufacturing operations including manufacturing, processing breaking bulk, repackaging, re-labeling and trading; and
- (iii) The Service Provider's Licence for investors who are providing services and utilities to EPZ and SEZ investors within the zone, including banking, insurance and Information Technology (IT).

The EPZA also oversees incentive packages such as exemptions from corporate and withholding taxes on rent, dividends and interests, remission of customs duty, value-added tax (VAT) and other taxes on raw materials and capital goods; and exemption from VAT on utilities and levies imposed by

local authorities. More information can be found on EPZA website **www.epza.go.tz**.

1.2 Reasons for Investing in Tanzania

The following **are some of** the reasons why one should invest in Tanzania; for more details visit **www.tic.go.tz**:

- Safe, peaceful, attractive and strategically located;
- Business-friendly macro economic stability with low inflation rates around 5 percent;
- Member of the East African Community single market with over 138 million people; and SADC with a population of about 297 million people (World bank data 2013)
- Simplified bureaucracy with one-stop facilitation agency, that is Tanzania Investment Centre (TIC);
- A well balanced package of incentives to investors;
- Rapidly emerging as the most effective entry point and gateway for trade into eastern, Southern and Central Africa;
- Lucrative investment opportunities; and
- Possibility of obtaining credit from domestic financial institutions.

1.3 Reasons for investing in Kilimanjaro

There are four main reasons why you should invest in Kilimanjaro Region:

a) Advantageous Geographic Location

- Attractive and strategically located; gateway to neighboring Kenya; Great lakes Africa, SADC and
- Proximity to Arusha (headquarters of East Africa Community and tourist city).

b) Skilled Workforce

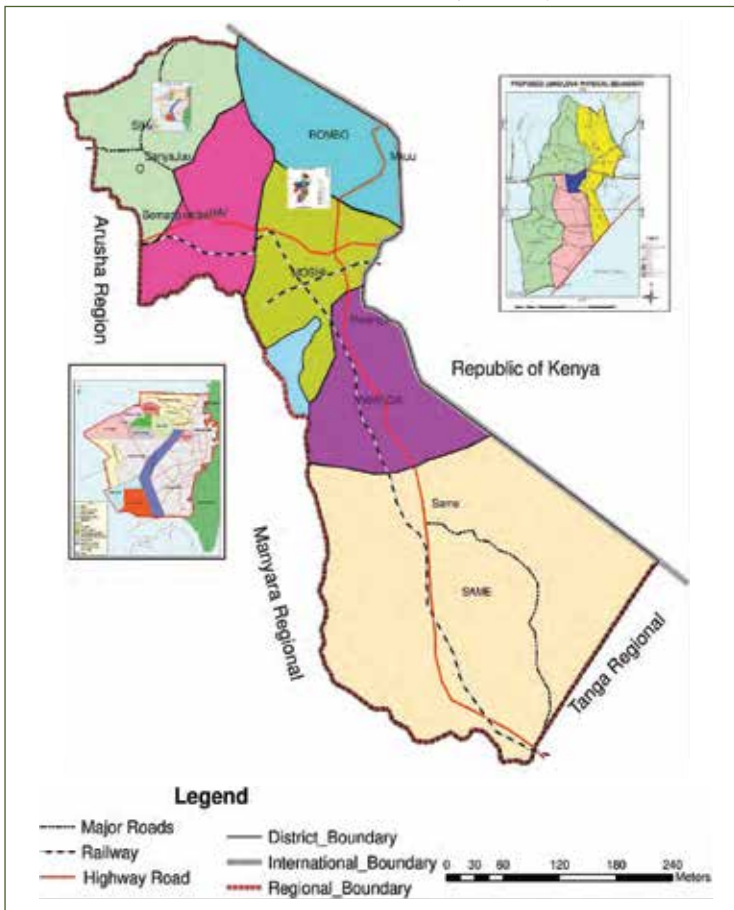
The region is renowned for its skilled labor-force and huge academic base which is the quality for any viable investment to tap required

labor. Moreover, the people of Kilimanjaro are renowned for their wide entrepreneurial skills/ and they are spread to other parts of the country.

c) Business Friendly Investment Climate

- Administrative support at Regional and District levels;
- Accessibility of electricity and water services in all Districts;
- Road network, more than 70 percent of all roads are passable throughout the year;

Roads Network - Kilimanjaro region



-
- Prevailing peace and tranquility with a peaceful society.
 - Accessibility to health facilities in all districts;
 - Tanzania Investment Centre (TIC) Northern Zone Office is located in Moshi;
 - One Stop Boarder Post (OSBP) at Holili to neighboring Kenya;
 - Presence of Kilimanjaro International Airport (KIA);
 - Accessibility to communication network including optic fiber network;
 - Consistently improving infrastructures;
 - Ongoing improvement of railway network which can be used for transporting bulky cargo to Arusha and Tanga in Tanzania and Voi in Kenya; and
 - The road network linking the region with its neighbors': Tanga, Arusha, Manyara; and neighboring Kenya.

c) **Prospective Economy**

The Kilimanjaro Region economy is growing and the middle class income is increasing; therefore creating huge market prospects. It is expected to improve further with the coming mega projects such as tourism, commercial and international markets, some of which are in the pipeline and ongoing. These investments will support socio-economic growth for decades.

PART TWO

SOCIO-ECONOMIC PROFILE OF KILIMANJARO REGION

2.1 Introduction

Location	<p>North Eastern part of Mainland Tanzania, South of the Equator (20° 25' and 40°15' S; 36° 25' 30" and 38° 10' 45" E).</p> <p>The region borders Kenya to the North East; Tanga Region to the South East; Arusha Region to the West; and Manyara Region to the South West respectively.</p>												
Surface Area	<p>The Region has an area of 13,209 square kilometers. About 2.3 percent of the regional land is covered by water (Rivers, Lakes and Dams) while the surface area is 98.7 percent.</p>												
Land Use Pattern	<table border="1"> <caption>Land Use Pattern Data</caption> <thead> <tr> <th>Category</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Arable land</td> <td>49%</td> </tr> <tr> <td>National Parks and Game Reserves</td> <td>23%</td> </tr> <tr> <td>Grassland and range</td> <td>15%</td> </tr> <tr> <td>Forests</td> <td>11%</td> </tr> <tr> <td>Water</td> <td>2%</td> </tr> </tbody> </table>	Category	Percentage	Arable land	49%	National Parks and Game Reserves	23%	Grassland and range	15%	Forests	11%	Water	2%
Category	Percentage												
Arable land	49%												
National Parks and Game Reserves	23%												
Grassland and range	15%												
Forests	11%												
Water	2%												
Population	<ul style="list-style-type: none"> ▪ 1,640,087 of which 793,140 are males and 846,947 are females (2012 National Census) ▪ 1,801,050 (2017 estimates) with annual population growth rate of 1.8 percent with an average household size of 4.3 ▪ 0 - 14 years: 35.1 percent ▪ 15 - 64 years: 61.5 percent ▪ 65+ years: 3.4 percent ▪ Life expectancy at birth: 61 years 												
Population Density	<p>124 persons per km²</p>												
Language	<p>Swahili, English, and other local dialects</p>												

Climate	<p>The amount of rainfall varies according to altitude and the direction of the slope in the mountainous areas. There are two rainy seasons; the long rains between March - June and the short rains between October and December. The mean annual rainfall varies from 500mm in the lowlands to over 2,000 mm in the mountainous areas (over 1,600 meters above sea level). Mount Kilimanjaro rain shadow in the southern and eastern sides of lower altitude dramatically reduces rainfall.</p>
Administration	<p>Divided into six district councils namely; Moshi, Rombo, Mwangi, Same, Hai, and Siha district councils; and one Municipality, namely Moshi.</p>



Mount Kilimanjaro

2.2 Agro-ecological zones

The Region may be divided into three agro-ecological zones, namely the Lowlands (1,500 m and below); the Highlands (1,500-3000 m); and the Forest (above 3000 m). With the exception of land above 3000 m above the sea level, most of the land can be used for agricultural activities. Agricultural

land on the other hand can be classified into four main zones: The Coffee zone which can be cultivated to grow coffee, bananas, maize, beans, vanilla, rice and dairy cattle. The Wheat zone, where the agricultural activities include wheat, beans, maize and dairy production.

The Lower zone include areas suitable for ranching as well as areas suitable for maize, cotton, beans and paddy. The Forestry zone, accounts for 388,500 ha of forest in the Kilimanjaro region.



2.2.1 The Coffee Zone

The coffee zone is found at higher and middle altitude of the region. The area is intensely cultivated with coffee and bananas in pure or mixed stands, and is very densely populated hence it form the core of the region's economy.

2.2.2 The Wheat Zone

The wheat zone is located in the western part of Mt. Kilimanjaro. The area is suitable for wheat, beans, maize and dairy, though other crops. In addition, dairy farming is practiced by large farmers, beef cattle and goats are grazed on natural pastures called the Maasai steppes.

2.2.3 The Mixed Crop Zone (The Lower Zone)

The lower zone accommodates a variety of agricultural activities. In the south-eastern part of the lower zone where water for irrigation is available, paddy, and maize are cultivated in rotation and in many cases double-cropping of paddy and maize is practiced. In Moshi district, this part is endowed with abundant subterranean water, and has many springs including Miwaleni Spring which support irrigation farming with minimum effort. Rombo that is Lower Zone is suitable for rain fed cropping because it has long and short rain season for crops like finger millet, maize, beans and groundnut.

2.2.4 The forestry Zone



The forestry zone is 1,453 Ha which is 11% of the total area of the region. The forest area of Hai, Moshi, Siha and Rombo districts form the Kilimanjaro National Park (KINAPA). In Rombo and Hai Districts, Irish potatoes and maize are grown at the height of between 1,800 to 2,000 m above the sea level in re-forested blocks.

The forestry zone in Mwanga (Kindoroko, Mramba etc) and Same (Shengena/Chome, Chambogo etc) are reserved, and therefore form(s) important water catchment areas.

2.3 Socio-economic context.

Kilimanjaro Region is ranked higher than many parts of the country in terms of socio-economic indicators. According to the 2017's Tanzania Human Development Report, the region's Gross Domestic Product (GDP) was TZS 4,126,036 million in 2015 and its GDP per capita was TZS 2,387,031. With regard to Human Development Index (HDI)¹, Kilimanjaro region scored HDI of 0.75 leading the remaining 25 regions of Tanzania Mainland. The average HDI score for Tanzania Mainland is 0.614.

¹ The Human Development Index (HDI) is a composite dimension of Health represented by life expectancy; education represented by expected years of schooling and mean years of schooling; and income represented by Gross National income per capita in purchasing power parity in US dollars, which are used to rank countries into four tiers of human development. For the THDR, dimensions of education are expected years of schooling and school attendance, while for income GDP per capita is used as proxy for GNI per capita.

POTENTIAL INVESTMENT AREAS

3.1 Introduction

Given the investment opportunities identified by the region, seven investment opportunities, namely: industries, animal husbandry, agriculture, tourism, health, infrastructure and education/skills development have been earmarked as priorities. Investment in these areas will increase employment in the region substantially because of their inter-linkages with other sectors and hence enable the region to increase regional GDP and per capita incomes of its residents. In particular there is need for intensive modern technology training as preparation for broader industrial labor work force. This is planned to take place in our various Vocational and Technical Training Institutes.

3.2 Regional and District Investment Opportunities

Regional and District investment opportunities in Kilimanjaro region are summarized below:-

3.2.1 Regional Investment Priorities

Sector/Project	Investment
Agriculture	Construction of an international cereal market
Agriculture/Livestock	Artificial Insemination for Cattle Industry/ local ranching.
Industry	Building a Printing Press
Industry	Secondary Processing of Vegetables
Industry	Secondary Processing of Fruits
Industry	Meat processing
Industry	Processing of Milk into Various Dairy Products

Industry	Packaging Materials for both Primary and Secondary Processing Industries plus Cold Chain Trucks
Industry	Cereal Milling Industries
Tourism	Building Kilimanjaro International Tourism Centre

3.2.2 Districts Investment Priorities

3.2.2.1 Same District

Industry	Investment
Value Addition	Tomatoes grading, drying and packaging
Value Addition	sorting, grading and packaging of ginger
Vocation Training centres	skills development targeting value addition on Horticultural produces.
Modern Animals Slaughter House (Abattoirs)	Building modern abattoirs.
Cement Industry	Construction of Cement Industry.
Kalimawe Fishery, Aqua culture and fish hatcheries	Fish hatcheries planting new fish into the dam.
Tourist Hotels and Sports Facilities, Campsites, Cables, Air Strips, and Other Similar Investments	Building tourist hotels mainly at Mkomazi National Park.
Stadiums and Recreation Centres	Investment in recreational and entertainment facilities.
Investment in crop Farming	Ginger, Onion farming at Ruvu jiungeni and Irrigation farming for vegetables and grains.
Development of Wind Energy Generating Station at Same District	Generation of wind energy at Makanya Ward.
Construction and Operation of a Biogas Plant	Biogas from organic waste generated from households, markets and commercial premises.
Solid Wastes Management	Construction of waste stabilization ponds and generation of electricity from waste.

Mining	Bauxite at Mwembe and Chome, Gypsum at Makanya and Bendera and Ceramic.
Establishment of integrated industrial parks	The industrial park to comprise the opportunities in the form of clusters, industries, and services centres.
Local Ranching	Establishment of ranches for pastoralist communities to ensure their contribution in the economic sectors; Meat, Milk, Leather, Bones etc.

3.2.2.2 *Mwanga District*

Industry	Investment
Value Addition	Tomatoes grading, drying and packaging
Vocation Training centres	Vocational training specifically on fishing
Modern Animals Slaughter House (Abattoirs)	Expansion of existing abattoir at Kisangiro area./ Establishment of local ranches.
Grain Leather	Leather processing plant to produce grain leather
Irrigation Infrastructure and Contract Farming	Irrigation infrastructure supporting rain water harvest
Nyumba ya Mungu Fishery, Aqua culture and fish hatcheries	Fish hatcheries in order to plant new fish into the dam.
Tourist Hotels and Sports Facilities, Campsites, Cables, Air Strips, and Other Similar Investments	Campsites in cultural tourist attractions at Kindoroko, Kamwala, Minja and Kileo mountainous areas and forestry zones.
Bus Stations	Construction of modern bus stands at Kisangiro Mwanga District.
Stadiums and Recreation Centres	Recreational and entertainment facilities
Investment in crop Farming	Agriculture mainly horticulture.
Construction and Operation of a Biogas Plant	Biogas from organic waste generated from households, markets and commercial premises.
Solid Wastes Management	Construction of waste stabilization ponds and generation of electricity from waste.

Mining	Copper at Vuchama, Gypsum at Njiapanda, and Limestone in Kisangiro Village, Aggregates at Kifaruru / Kwanyanga Kivisini Ward. Other minerals like quamarine green, red garnet at Jipe and manganese at Kwakoa Village.
Establishment of integrated industrial parks	The industrial park to comprise the opportunities in the form of clusters, industries, and services centres.

3.2.2.3 Moshi DC

Industry	Investment
Value Addition	Primary processing for horticultural produces, especially tomatoes.
Vocation Training centres	Skilled-labor development targeting value addition on horticultural crops.
Grain Leather	Building leather processing industry for producing grain leather.
Modern Markets and Shopping Malls	Construction of modern market, shopping mall, Market estate, international market for horticultural crops at Himo junction.
Irrigation Infrastructure and Contract Farming	Building irrigation infrastructure and contract farming on horticultural and cereal crops at lower Moshi
Tourist Hotels and Sports Facilities, Campsites, Cables, Air Strips, and Other Similar Investments	Construction of tourist hotel near waterfalls, campsites and buildings at Marangu, Kibosho, Uru and Mwika areas.
Bus Stations	Expansion of Himo Bus Stand
Stadiums and Recreation Centres	Recreational and entertainment facilities specifically in cultural, sports, eco-tourism, and development of tourism facilities
Construction and Operation of a Biogas Plant	Biogas from organic waste generated from households, markets and commercial premises.
Solid Wastes Management	Construction of waste stabilization ponds and generation of electricity from waste.
Build Grain Warehouse	Build grain warehouse to support food security;

Animal Feeds Processing Industry	Construction of Animal feeds industry at Lokolova
Establishment of integrated industrial parks	The industrial park to comprise the opportunities in the form of clusters, industries, and services centres.
Establishment of local ranches for pastoralist communities.	Production of Milk, Meat, Leather, Bones e.t.c as value added industries.

3.2.2.4 *Moshi MC*

Industry	Investment
Vocation Training centres	Skills development targeting value addition on horticultural crops.
Modern Animals Slaughter House (Abattoirs)	Modern slaughter house at central Moshi
Grain Leather	Building leather processing industry for producing grain leather. There is sufficient land at Soko estate where the industry can be built.
Modern Markets and Shopping Malls	Rehabilitation and construction of modern market and Building shopping mall
Stadiums and Recreation Centres	Construction of Jamhuri Stadium and sports centres
Construction and Operation of a Biogas Plant	To produce biogas from organic waste generated from households, markets and commercial premises.
Solid Wastes Management	Construction of waste stabilization ponds and generation of electricity from waste.
Establishment of integrated industrial parks	The industrial park to comprise the opportunities in the form of clusters, industries, and services centres.

3.2.2.5 *Rombo District*

Industry	Investment
Value Addition	Adding value to Avocado and Banana
Vocation Training centres	Vocational Training on horticultural products focusing on value addition.

Modern Animals Slaughter House (Abattoirs)	Building modern abattoirs.
Cement Industry	Cement factory using Pozzolana minerals at Mamsera, Chala and Holili.
Irrigation Infrastructure and Contract Farming	Contract farming on horticultural crops such as beans, legume plants
Tourist Hotels and Sports Facilities, Campsites, Cables, Air Strips, and Other Similar Investments	Construction of tourist hotels at Mengwe, Chala, Build Campsites, Construction of cables to promote tourism around Mount Kilimanjaro; and Construction of air strip.
Stadiums and Recreation Centres	Recreational and entertainment facilities specifically in cultural, sports, eco-tourism, and development of tourism facilities
Construction and Operation of a Biogas Plant	To produce biogas from organic waste generated from households, markets and commercial premises.
Solid Wastes Management	Construction of waste stabilization ponds and generation of electricity from waste.
Mining	Pozzolana at Mamsera, Chala and Holili
Saw Mills and Furniture	<ul style="list-style-type: none"> • Saw Mills; and • Establishment of furniture factory.
Establishment of integrated industrial parks	The industrial park to comprise the opportunities in the form of clusters, industries, and services centres.

3.2.2.6 *Siha District*

Industry	Investment
Value Addition	<ul style="list-style-type: none"> ▪ Primary value addition of horticultural crops, including carrots, onions, tomatoes, avocado, french beans and irish potatoes; and ▪ Invest in building filter and the binding bee factory.
Vocation Training centres	Build a training institute for impacting skills in various fields that will fill skill gaps among farmers
Modern Animals Slaughter House (Abattoirs)	Investment in construction of a cattle slaughtering plant and market for livestock.

Grain Leather	Building leather processing industry (pre-tannery processing).
Modern Markets and Shopping Malls	<ul style="list-style-type: none"> ▪ Building modern markets for vegetables. ▪ Establish a guaranteed market for cereal crops. ▪ Investment in the construction of auction
Tourist Hotels and Sports Facilities, Campsites, Cables, Air Strips, and Other Similar Investments	<ul style="list-style-type: none"> ▪ Hotel with golf and tennis ground ▪ Construction of airstrip; ▪ Investing in opening Ngarony route to Mount Kilimanjaro; ▪ Investing in improving various historical areas; and ▪ Improve Soda Lake which is very attractive to flamingo gulls at Magadini and Wiri villages.
Stadiums and Recreation Centres	Investment in recreational and entertainment facilities specifically in cultural, sports, eco-tourism, and development of tourism facilities
Investment in crop Farming	Establish coffee nursery garden at Siha Primary Society's Pongo farm
Construction and Operation of a Biogas Plant	To produce biogas from organic waste generated from households, markets and commercial premises.
Solid Wastes Management	Dumps for depositing, collecting and compressing solid waste products along with recycling them, construction of waste stabilization ponds and generation of electricity from waste.
Saw Mills and Furniture	<ul style="list-style-type: none"> ▪ Saw Mills; and ▪ Establishment of furniture factory.
Build Grain Warehouse	Kibong'oto Cooperative Society in Siha District has set aside land of 3.94 ha from their farm
Hatchery	Investment in building modern incubation factories
Animal Feeds Processing Industry	Building of animal feeds processing factory for cattle, pigs and chicken
Establishment of integrated industrial parks	The industrial park to comprise the opportunities in the form of clusters, industries, and services centres.
Establishment of local ranches for pastoralist communities.	Production of Milk, Meat, Leather, Bones e.t.c as value added industries.

3.2.2.7 Hai District

Industry	Investment
Value Addition	Adding value to horticultural crops such as tomatoes, and bananas.
Vocation Training centres	Investing in skills development targeting value addition on horticultural crops.
Modern Animals Slaughter House (Abattoirs)	Investment in a modern abattoir that will supply joints and carcasses to 160 butchers/ Establishment of local ranches for pastoralist communities- adaptive method in modern economy.
Modern Markets and Shopping Malls	<ul style="list-style-type: none"> ▪ Construction of Modern Market, there are 5 plots earmarked for construction (PPP is envisaged); and ▪ Construction of shopping malls (PPP is envisaged).
Irrigation Infrastructure and Contract Farming	Investing into rainwater harvesting supply and deep well water scheme to catch water for irrigation
Tourist Hotels and Sports Facilities, Campsites, Cables, Air Strips, and Other Similar Investments	Campsite and hotels. There are good numbers of attractive natural water falls, miracle rocks, caves and Chemka hot spring.
Stadiums and Recreation Centres	Investment in recreational and entertainment facilities specifically in cultural, sports, eco-tourism, and development of tourism facilities
Construction and Operation of a Biogas Plant	To produce biogas from organic waste generated from households, markets and commercial premises.
Solid Wastes Management	Dumps for depositing, collecting and compressing solid waste products along with recycling them, construction of waste stabilization ponds and generation of electricity from waste.
Saw Mills and Furniture	<ul style="list-style-type: none"> ▪ Saw Mills; and ▪ Establishment of furniture factory.
Establishment of integrated industrial parks	The industrial park to comprise the opportunities in the form of clusters, industries, and services centres.

3.3 Investment Analysis

3.3.1 Agriculture

Agriculture (crops, livestock and fisheries) is the main economic activity contributing about 60 percent to the region's GDP and over 75 percent of employment to the rural population. The Highland and Intermediate zones are the most fertile, with good reliable rains, moderate temperatures and thus viewed as most agricultural high potential areas in the region.

Irrigation Farming: In Kilimanjaro Region, water plays a very crucial role. Three sources of irrigation water may be considered: surface water, underground water and dams. Water resources in Moshi, Hai and Rombo districts originate primarily from rain in the mountain area and from the melting snow on the mountain slopes, forming numerous streams flowing down the mountain. Increasing number of people are gradually being forced by population pressure to move downhill and settle in lowland areas thus using increasingly large amount of water for irrigation in paddy and vegetables. There is opportunity of construction of infrastructures for modern irrigation systems.

Livestock: About 15.3 percent of the total area of the region is under livestock farming. Despite scarcity of grazing land, livestock keeping could still be ranked second predominant economic activity after crop farming. Households living in the highlands and intermediate zones practice modern dairy farming under zero grazing system or stall feeding; whereas those in the lowlands are engaged in what may be termed as "Traditional Ranching". Most of the cattle reared under this system are mainly local zebu. The other types of livestock are evenly distributed in both zones.

Feed Resources: Farmers in Kilimanjaro areas have developed a keen interest in dairy farming. However, due to land scarcity, livestock feed resources are very limited. The major resources can be grouped into natural grasslands, established pastures, crop residues, agro-industrial by products, and others. As most of the smallholder dairy farmers in Kilimanjaro live in the densely populated highland areas, there are hardly any areas which can be reserved

for herding cattle. All the cattle in the highland areas are stall-fed and feed has to be brought in from long distances.

Kilimanjaro is one of the few areas in Tanzania where established pastures do play a significant role in livestock feeding. Nearly every small dairy farmer in Kilimanjaro has at least two grass species in his/her pasture plots. Due to scarcity of land these grasses are grown mostly in rows and terraces between the coffee and banana plants, on farmstead boundaries and along road sides.

Crop Residues: Two main crop residues are utilized as livestock feeds in Kilimanjaro. These are maize Stover and bean Haulms. Unlike other areas in the country where these crop residues are produced in the vicinity of livestock dwellings, in Kilimanjaro the crop residues have to be transported from the lowland areas to the highland homesteads. Transport is the main factor limiting the quantities utilized per year.

Despite availability of these feed types, there is more opportunity to produce agro-industrial by-products as animal feed. These can be divided into two main categories: the milling by-products of cereals and the by-products of oil seed industries. The milling by-products commonly used in Kilimanjaro are: maize bran, wheat pollard, and wheat bran and rice husks. The production of these cereals in the region is not sufficient to meet demand for feed production, but imports can be made from neighboring regions of Arusha and Manyara.

The following are the investment opportunities in Agricultural Sector:-

1. *International Cereal Market Estate at Lokolova in Moshi District*

Overview of the Opportunity	
Key Features	<ul style="list-style-type: none">▪ Construction of an international Cereal Market in 55.12 ha of land;▪ There are seven zones to accommodate international investments; and▪ The zones include international services around the market; weigh bridge area, parking areas, waste processing area, the cereal market main building and cereal drying and

	storage areas. Public Private Partnership (PPP) is envisaged and encouraged.
Key Investment Rationale	<ul style="list-style-type: none"> ▪ Easily accessible to Kenya, Somalia, and South Sudan; ▪ Value added agro-products from investments on cereal both for domestic, regional and international markets; and ▪ The international market will generate direct and indirect employment within and outside the region; increase domestic and foreign revenue.

2. Artificial Insemination for Cattle Industry

Overview of the Opportunity	
Key Features	<ul style="list-style-type: none"> ▪ Artificial insemination delivery for dairy and beef cattle to be located in Siha (allocated land) and will serve for the whole region. PPP model is envisaged. 
Key Investment Rationale	<ul style="list-style-type: none"> ▪ The opportunity goes hand in hand with the ranching program being promoted in the region; ▪ It is one of the interventions for improving rural community; ▪ A better breeding practice plus better genetic approach of cross breeding; ▪ High productivity in terms of milk and meat hence potential for milk and meat processing industries; ▪ Livestock policy and development programmes support expansion of dairy farming.

3. Investment in crop Farming

Overview of the Opportunity	
Key Features	<p>Same District:</p> <ul style="list-style-type: none"> ▪ Ginger farming at Ruvu Jiungeni; 157.48 ha are available; ▪ Onion farming at Ruvu jiungeni; 78.74 ha are available; and ▪ Irrigation farming for vegetables and grains like paddy and maize using water from Pangani River. <p>Mwanga District:</p> <ul style="list-style-type: none"> ▪ Agriculture mainly horticulture. There are 2,260 ha of land for irrigation and the main crops for irrigation are vegetables, paddy, fruits, beans and sunflower. <p>Siha District:</p> <ul style="list-style-type: none"> ▪ Establish coffee nursery garden at Siha Primary Society's Pongo farm; 19.96 ha located 1 km from the district headquarters have been identified. A joint venture between potential investor and Kiyeyo Cooperative Society is requested; and ▪ Investment in producing cattle farming leaves fodder (grass). Total 39.37 ha allocated to the centre of livestock research - TALIRI (PPP is envisaged).
Key Investment Rationale	<ul style="list-style-type: none"> ▪ The Region's agro-processing agenda will envisage through increased supply of agricultural products; ▪ There are untapped irrigation potentials in the said areas; ▪ Small scale farmers have not been able to fully utilize the irrigation potentials available due to inadequate financial and technical capacities; and ▪ Existence of horticultural association (TAHA) in northern zone.

4. Build Grain Warehouse

Overview of the Opportunity	
Key Features	<p>Siha and Moshi District:</p> <ul style="list-style-type: none"> ▪ Build grain warehouse to support food security; ▪ Kibong'oto Cooperative Society in Siha District has set aside land of 3.94 ha from their farm; and ▪ Joint venture is expected.

Key Investment Rationale	<ul style="list-style-type: none"> ▪ Needs by farmers to store their produce and earn higher price by smoothening sales; ▪ Market needs for maintain the quality of products; ▪ Sometimes the yields can be higher than the farmers can store in their home storage; and ▪ Policy and political support at national, regional and local government level for warehouse receipt system.
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6. Hatchery

Overview of the Opportunity	
Key Features	<p>Siha District:</p> <ul style="list-style-type: none"> ▪ Investment in building modern incubation factories; and ▪ An area of 3.94 ha is set aside by the research centre of livestock – TALIRI (PPP is envisaged).
Key Investment Rationale	<ul style="list-style-type: none"> ▪ Existence of high demand for local chicken (the consumption pattern for chicken has changed away from broilers to local chicken) in the market and current production has not been able to meet this demand; and ▪ As per 2017/2018 agriculture budget, Livestock keepers will be able to enjoy the exemption of VAT on locally produced animal feeds. This is an effort to encourage livestock production and promote the production of fertilized eggs used for incubation.

3.3.2 Horticulture in Kilimanjaro Region

The Kilimanjaro Region is one of the main regions in Tanzania where the production and export of horticultural crops have developed. The region has favourable geographical and climatic conditions as well as good soil and water conditions which are crucial for horticulture sector growth ensuring a year round growing season of flowers, cuttings, vegetables and horticultural seeds. This geographical concentration provides the option to build up an efficient export cluster of horticulture industry, infrastructure, related companies and support services.



Some variety of crops grown (onions, tomatoes, paddy and maize)

Exports of Horticultural Produce: The horticulture sector is a strong industry and has considerable strength with regard to entrepreneurship level and market orientation. Most producers adapt well to new market requirements, but also the level of diversification into related sectors like the production of horticultural seeds and vegetable oil is remarkable.

The Tanzania Horticulture Association (TAHA) is heavily involved in horticulture sub-sector through lobbying and policy influence in the country. Producers also have good in-house capacity on phytosanitary standards and are able to ensure that their produce fulfill the 100 percent check at the importing country.

The fresh produce handling facilities at Kilimanjaro International Airport (KIA) have been upgraded enormously and are now well up to international standards for efficient handling of export produces like flowers, cuttings and fresh vegetables to the United States, European, Arabic, Asian and some of African Countries.

3.3.3 Industries/Manufacturing


As the country moves towards industrialized-middle class income by 2025, the region offers a number of produces like; coffee, wheat, maize, ginger, sugarcane and forest plantations which provide plenty of raw materials for manufacturing industries.

Investment in appropriate agro-based and service oriented small scale industries is priority for job creation opportunities in the region. There is an extensive network of electrical network in the rural area where over 30.3% of all villages are linked to the national grid which gives rise to consolidated interests for investment in the region.


The manufacturing industry is growing steadily. It is expected to contribute more to the regional GDP. The main industrial activities are food manufacturing, textiles and leather, wood products, paper and paper products, chemicals and machinery. We invite investors from both local and international to invest into this area. The following are the investment opportunities in this area:-

A. Region Level Investment Opportunities in Industries


1. Secondary Processing of Vegetables

Overview of the Opportunity	
Key Features 	Building processing industries for vegetables in Same District Council at Makanya and Mwanga District (at Kifaru, Kisangiro & Mforo), especially for horticultural crops (tomatoes, carrots etc).
Key Investment Rationale	The rationale behind this proposal is solely based on the adequate volumes of output with frequent spoilage of horticultural products: Processing is seen as a major avenue for reducing post-harvest loses along with provision of employment to the residents, mainly the youths in the districts

2. Meat Processing Industry

Overview of the Opportunity	
Key Features	Building a meat processing factory at central Moshi in Moshi Municipal Council (2.99 ha available).
Key Investment Rationale 	<ul style="list-style-type: none"> ▪ High demand for quality meat in the region by both domestic consumers and tourists; ▪ Meat industries will generate employment to the people of the region; ▪ The closeness of KIA provides an appropriate transport system for processed meat products outside the region; and ▪ An abattoir operations need to be professionalized and modernized.

3. Processing of Milk into Various Dairy Products


Overview of the Opportunity	
Key Features	Construction of Milk processing industry in Hai District Council. Hai District is endowed with more than 38,000 zero grazing dairy cattle which are kept on southern slopes of Mount Kilimanjaro where Chagga garden farming is (practiced) carried out. It is estimated that over 40 million (litres) consumed locally and sold to urban areas as raw or litters are produced annually most of which is cultured milk.
Key Investment Rationale 	<ul style="list-style-type: none"> ▪ Kilimanjaro is producing a lot of milk most of which is unprocessed hence failing to meet demand for various dairy products such as cheese, yoghurt etc.; ▪ In relation to the above dairy farmers would now increase income from processed milk; ▪ Dairy industries will generate profit to investors and employment to the people of the region; ▪ The closeness of KIA Airport provides an appropriate transport system for dairy products to be marketed outside the region; and ▪ <i>VAT Special Relief on Project Capital Goods</i>: VAT exemption on heat insulated milk cooling tanks and aluminium jerry cans used for storage and collection of milk in diary industry.



4. Packaging Materials for both Primary and Secondary Processing Industries plus Cold Chain Trucks

Overview of the Opportunity	
<p>Key Features</p> 	<p>Packaging materials industry targeting horticultural crops, cereals, tomatoes, etc. in Mwanga District Council.</p>
<p>Key Investment Rationale</p> 	<ul style="list-style-type: none"> ▪ High demand of packaging materials by current industries and future industries; ▪ Currently, there are no appropriate packaging industries; ▪ It is the government policy to prevent usage of plastic packing materials and therefore, a need to establish appropriate packaging materials; ▪ The region is inviting more investments in constructing industries, markets, and shopping malls all of which will require packaging materials. Land is available for the building packaging materials industry; and ▪ Good infrastructure which includes road networks, communication, electricity and markets.

5. Cereal Milling Industries

Overview of the Opportunity	
<p>Key Features</p> 	<ul style="list-style-type: none"> ▪ Building cereal milling plant in Moshi District Council; and ▪ Moshi district produces more than 167,305 tonnes of cereal per year (mainly maize and paddy) accounting to 45 percent of the region production.
<p>Key Investment Rationale</p>	<ul style="list-style-type: none"> ▪ Kilimanjaro produces substantial amounts of maize enough to meet a bigger portion of the milling supply with supply gap to be imported from neighbouring region such as Manyara; and ▪ The by-products from maize milling are a major raw material for feeds industries, which is currently in high demand in the region.

B. District Level Investment Opportunities in Industries

1. Value Addition (Primary Processing: Sorting, Grading, drying and Packaging) of Horticultural Products plus Natural Honey

Overview of the Opportunity	
<p>Key Features</p>	<p>Siha District:</p> <ul style="list-style-type: none"> ▪ Primary value addition of horticultural crops, including carrots, onions, tomatoes, avocado, french beans and irish potatoes; and ▪ Invest in building filter and the binding bee factory. A local investor has set aside an area of 1.97 ha for joint venture. The area is located 4 km from the district headquarters. <p>Same District: Adding value to tomatoes by grading, drying and packaging.</p> <p>Mwanga District:</p> <ul style="list-style-type: none"> ▪ Adding value to tomatoes by grading, drying and packaging.

	<p>Rombo District:</p> <ul style="list-style-type: none"> ▪ Adding value to Avocado and Banana such as dried banana. <p>Hai District:</p> <ul style="list-style-type: none"> ▪ Adding value to horticultural crops such as tomatoes, and bananas. <p>Moshi District:</p> <ul style="list-style-type: none"> ▪ Primary processing for horticultural crops, especially tomatoes.
Key Investment Rationale	<ul style="list-style-type: none"> ▪ Value addition at farm gate level reduces post- harvest loses; increases prices to farmers and provides secondary processors with quality raw materials and at the same time provides consumers of the unprocessed commodities with fresh and healthy consumer goods; and ▪ The Districts will promote the establishment of vocational training institutes focusing on skills development for value addition with intention of imparting such skills to farmers.

2. Value Addition and Processing Industry for Spices

Overview of the Opportunity	
Key features	<p>Same District:</p> <ul style="list-style-type: none"> ▪ Promoting farm gate level primary value addition (sorting, grading and packaging of ginger); and ▪ Secondary processing of ginger into ginger powder.
Key Investment Rationale	<ul style="list-style-type: none"> ▪ Same district produces 70 percent of Tanzania’s ginger output; ▪ The district authority has put aside land for establishing ginger processing industry; and ▪ The district will promote the establishment of Vocational Training Institutes focusing on skills development for value addition with intention of imparting such skills to farmers.

3. Modern Animals Slaughter House (Abattoirs)

Overview of the Opportunity	
Key Features	<p>Moshi Municipal:</p> <ul style="list-style-type: none"> ▪ Construction of modern slaughter house at central Moshi (2.99 ha available).

	<p>Siha District:</p> <ul style="list-style-type: none"> Investment in construction of a cattle slaughtering plant to give farmers a guaranteed market for livestock. Kibong'oto cooperative society has set aside 3.94 ha in their Leoni farm located 3 km from the district headquarters. A joint venture is expected. <p>Hai District:</p> <ul style="list-style-type: none"> Investment in a modern abattoir that will supply joints and carcasses to 160 butchers. The district has a plot about 1.57 ha allocated for construction of abattoir through PPP. On average about 2,755 metric tons of meat are produced per year. <p>Mwanga District:</p> <ul style="list-style-type: none"> Investment in expansion of existing abattoir at Kisangiro area. <p>Same & Rombo Districts:</p> <ul style="list-style-type: none"> The Districts are also potential for investing/building modern abattoirs.
<p>Key Investment Rationale</p>	<ul style="list-style-type: none"> The existing abattoirs are inefficient particularly with respect to meeting supply requirements for meat processing and tanneries; Kilimanjaro region is one among high meat consumers in the country; and Easy linkages with leather industries/tanneries. Currently there are four leather industries in the region.

4. Grain Leather (Softening Leather as input into Tanneries)

Overview of the Opportunity	
<p>Key Features</p>	<p>Mwanga District:</p> <ul style="list-style-type: none"> Leather processing plant to produce grain leather; the district has 117,700 cattle and produces 832 leather per month. <p>Siha District:</p> <ul style="list-style-type: none"> Building leather processing industry that will convert raw materials into grain leather (pre-tannery processing).

	<p>Moshi District:</p> <ul style="list-style-type: none"> ▪ Building leather processing industry for producing grain leather. There is sufficient land at Soko estate where the industry can be built.
Key Investment Rationale	<ul style="list-style-type: none"> ▪ Kilimanjaro slaughters many cattle and goats for meat. The leather that comes out of these is available. It remains unprocessed and often sold as raw materials outside the region; and ▪ The number of leather is expected to increase with the modernization of the ranching industry and slaughter houses.

5. Cement Industry

Overview of the Opportunity	
Key Features	<p>Same District:</p> <ul style="list-style-type: none"> ▪ Construction of Cement Industry. About 39.37 ha set aside at Makanya ward, Makanya village for construction of cement factory; huge amount of gypsum is available. <p>Rombo District:</p> <ul style="list-style-type: none"> ▪ Medium size Cement factory using Pozzolana minerals at Mamsera, Chala and Holili all under an area of 1181.1 ha.
Key Investment Rationale	<ul style="list-style-type: none"> ▪ Raw materials required for cement production are available, such as gypsum; and ▪ Cement industries will generate employment to the people, as well as reducing consumer prices and promote construction of modern houses.

6. Irrigation Infrastructure and Contract Farming

Overview of the Opportunity	
Key Features	<p>Moshi District:</p> <ul style="list-style-type: none"> ▪ Building irrigation infrastructure and contract farming on horticultural and cereal crops at lower Moshi (44,190 ha potential for irrigation with 34,519 ha already irrigated with paddy, sugarcane, maize, coffee, beans, flowers, vegetables and fruits).

	<p>Mwanga District:</p> <ul style="list-style-type: none"> ▪ Irrigation infrastructure supporting rain water harvest (9,324 ha. potential for irrigation with 5,019 ha already under irrigation for paddy, maize, coffee, beans, vegetables and fruits). <p>Rombo District:</p> <ul style="list-style-type: none"> ▪ Contract farming on horticultural crops such as beans, legume plants etc. (2,109 ha potential for irrigation with 550 ha already under irrigation for maize, coffee, beans, vegetables and fruits). <p>Hai District:</p> <ul style="list-style-type: none"> ▪ Investing into rainwater harvesting supply and deep well water scheme to catch water for irrigation (27,503 ha potential for irrigation with 20,111 ha already under irrigation for paddy, maize, coffee, beans, flowers, vegetables and fruits).
<p>Key Investment Rationale</p>	<ul style="list-style-type: none"> ▪ Unreliable rainfall pattern which limits agricultural production of various commodities; ▪ To increase number of farming seasons to increase supply of agricultural produces for both direct consumption and for processing; ▪ Water harvest technologies are available making it easier to collect and distribute water for irrigation purposes; ▪ The modern irrigation technologies which do not require a lot of water allows even areas with little water to irrigate such as drip irrigation; ▪ Land is available for irrigation schemes; and ▪ Good infrastructure which includes roads networks, communication, electricity and markets.

7. Saw Mills and Furniture

<p>Overview of the Opportunity</p>	
<p>Key Features</p>	<p>Rombo, Hai & Siha District:</p> <ul style="list-style-type: none"> ▪ Saw Mills; and ▪ Establishment of furniture factory.
<p>Key Investment Rationale</p>	<ul style="list-style-type: none"> ▪ There is plenty timber products in the said district which is marketed without adding any value;

- It is one way of generating employment for youth;
- Sawdust can be used for charcoal making; and
- Increase of excise duty on imported furniture (2017/18 Budget Speech).

8. *Animal Feeds Processing Industry*

Overview of the Opportunity	
Key Features	<p>Siha District:</p> <ul style="list-style-type: none"> ▪ Building of animal feeds processing factory for cattle, pigs and chicken; and ▪ 3.94 ha have been set aside at Tanzania Livestock Research Institute (PPP is expected). <p>Moshi District:</p> <ul style="list-style-type: none"> ▪ Construction of Animal feeds industry at Lokolova;
Key Investment Rationale	<ul style="list-style-type: none"> ▪ The region is among the regions with a fairly advanced dairy industry. But given shortage of natural pasture and rising demand for animal feeds, there is need for establishing animal feeds industries, which affects other livestock like beef cattle, goats, chicken and pigs; ▪ There is availability of raw materials for feeds industries, like maize bran; and ▪ The industries will generate employment.

9. *Establishment of integrated industrial parks, in Moshi Municipal, Siha, Moshi, Rombo, Mwangi, Same Districts and export processing facility near KIA - Hai District.*

Overview of the Opportunity	
Key Features	<p>Initially, the industrial park to comprise of the following investment opportunities in the form of clusters, industries, and services centres:</p> <ol style="list-style-type: none"> 1. Manufacturing cluster: <ul style="list-style-type: none"> ▪ Secondary processing of horticultural products: Conversion of horticultural products into other products such as oranges to orange juice; ▪ Value addition (Primary Processing: Sorting, Grading, and Packaging) of horticultural products plus natural honey;

	<ul style="list-style-type: none"> ▪ Value addition and processing industry for spices; ▪ Processing of milk into various dairy products; ▪ Meat processing: Tanneries, grains milling industries, mainly maize, cement industry; ▪ Factory for packaging materials for both primary and secondary processing industries plus cold chain trucks; ▪ Solid wastes management, including recycling industry; ▪ Mining; ▪ Saw mills and furniture; ▪ Hatchery industry; ▪ Modern and specialized hospitals; ▪ International conference centre in Moshi; and ▪ Animal feeds processing industry. <ol style="list-style-type: none"> 2. Commercial Business and Trade Services Centre: Business centre, Financial and Insurance Centre. Trade Centre with an agro-commodity exchange and Supply Chain Services Centre. 3. Social services cluster: Passenger transportation stations, well-being centres, learning centres and Shopping malls, schools, health facilities. 4. Assembling cluster: Assembly, repackaging, machinery, equipment and other industrial goods for value addition. E.g., farm machinery and implements, abattoirs equipment, etc. 5. Hospitality industry: - hotels, restaurants, recreation centres & tourism. 6. Market Centres: An agricultural Commodity Exchange Agent in Himo and KIA area. Modern markets in Hai, Moshi Municipal, Moshi and Siha districts and one modern Livestock Market/ Auction Centre in Siha. 7. Forest and timber products: - chipboards, plywood, fiberboard, furniture, poles in Rombo, Siha. Beekeeping industry development in Hai. 8. High technology clusters: - in the longer term and packaging and supply chain management facilities.
<p>Key Investment Rationale</p>	<ul style="list-style-type: none"> ▪ Well thought, designed and participatory planned sustainable development of Kilimanjaro region as opposed to haphazard development; ▪ Need of public and private investments in urban planning and urban infrastructure development so as to have well planned towns in line with laws and regulations;

- Kilimanjaro is strategically positioned for development of viable industrial parks. It has direct access to the EAC and COMESA trading block through land and air ways;
- Good links to neighbouring regions/countries via roads, ports (Tanga and Dar es Salaam) and international airports (JNIA & KIA) both of which provide airlifting of goods from and to international markets; and
- Strong support by national and regional authorities.

10. Nyumba ya Mungu Fishery, Aqua culture and fish hatcheries

Overview of the Opportunity

Key Features

Mwanga and Same District:

- Nyumba ya Mungu Dam, in Mwanga, has been the main source of fish but of recent the volume and size of fish has declined. *There is need to invest in fish hatcheries in order to plant new fish into the dam.* Hence, in order to increase stock of fish for processing and for home consumption there is need to promote fish farming around the lake and at households. These will only be possible if an investor establishes fish hatcheries to supply the dam as well as households which want to start aquaculture; and
- There is also a need for cold chain trucks targeting fishes in Mwanga.



Key Investment Rationale

- Clearly, the Nyumba ya Mungu Dam and residents of Mwanga and Same districts, who have been exposed to fish business have considerable potential for increasing the contribution of aquaculture; the presence of Pangani river also supports the potential in promoting aquaculture;

	<ul style="list-style-type: none"> ▪ Fish farming at household level could easily increase household level income as well as improved nutrition; ▪ Already some institutions like Economic and Social Research Foundation are providing training in aquaculture; ▪ Support by National Fish Policy 2015; Government has strongly supported investment in aquaculture training, with degree programmes at Sokoine University of Agriculture and the University of Dar es Salaam, and skills training at Mbegani Fisheries Development Centre and FETA; and ▪ Tanzania will be one of the beneficiaries (along with Uganda and Kenya) of a major EU funded project Support to Promoting Aquaculture in the East Africa Community, planned for launch in 2017, with funding up to EUR10 million.
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11. Building a Printing Press: Moshi MC

Overview of the Opportunity	
Key Features	This investment opportunity is important and sensitive enough to belong to the whole region, as much the printing press will be built in Moshi Municipality. PPP is envisaged.
Key Investment Rationale	The region is growing with economic activities expanding along with other socio-cultural and human development and so is the demand for printing press, including communication and profiling of important events.

3.3.4 Mining

The Region is endowed with minerals like gypsum, limestone, bauxite, copper, aquamarine, red garnet, pozzolana and ceramics. Some of these minerals are being extracted: 292,800 tones of pozzolana per year; 29,146 tonnes of bauxite per year and; 39,725 tones of gypsum per year. Most of these are all in very accessible locations. The region invites investors and joint ventures of local and international actors in the industry to develop and expand production in this sector.

Mining

Overview of the Opportunity

Key Features

Mwanga District:

- Copper at Vuchama Ndambwe in Shigatini Ward; gypsum at Njiapanda Village - Kirya Ward; Limestone in Kisangiro Village; aggregates at Kifaru / Kwanyange - Kivisini Ward. Other minerals like aquamarin green, red garnet at Jipe and manganese at Kwakoa Village.

Rombo District:

- Pozzolana at Mamsera, Chala and Holili all under an area of 11818.1 ha (currently producing 292,800 tonnes of pozzolana per year).

Same District:

- Bauxite at Mwembe and Chome - currently producing 29,146 tonnes of bauxite per year;
- Gypsum at Makanya Ward - currently producing 39,725 tonnes of gypsum per year; and
- Ceramic.

3.3.5 Tourism

The region has abundant tourist attractions and potentials attracting more than 45,000 foreign tourists and 2,000 local tourists per year. The following are some of the attractions:-

- **Mount Kilimanjaro;** the highest mountain peak (5895m) in Africa called "The Roof of Africa" is famous for being the mountain with all world climatic conditions and the only free standing snow-capped mountain in the tropics;



- ***Mount Shengena;*** The Shengena peak (2,462 m) in the North-West of the Chome Natural Forest Reserve is the second highest peak in Kilimanjaro region, after the Mt. Kilimanjaro. From the Shengena peak visitors can enjoy spectacular views of Mkomazi National Park, the North Pare Mountains, Taita Hills and even Mount Kilimanjaro and Mount Meru in Arusha;
- ***Kilimanjaro National Park;*** Covers 756 Sq. Km, famous for having wild animals like elephants, rhinos, etc;



- ***Wonderful hot springs;*** such as Chemka in Hai District



Chemka Hot Spring – Hai District

- The Rau forest in Kilimanjaro conserve the rare species of trees such as *Oxystigma msoo* tree species and a big Mvule (*Milicia excelsa*) in Tanzania. The specie is only found in Rau forest in the whole world;



Rau Forest – Moshi District (Big Mvule)

- Lake Challa (Crater Lake) – is one of attractive and potential site for developing tourist resorts ; and



Lake Challa – Rombo District

- Cultural tourism, eco-tourism and sports in most of the region's districts.
- Mkomazi National Park is an important sanctuary for Savannah wildlife where the majority of species found are the rare Black Rhinos, bovine and few carnivores.



Black Rhino in Mkomazi National Park

The following are the investment opportunities in Tourism Sector:-

1. *Building Kilimanjaro International Tourism Centre*

Overview of the Opportunity	
Key Features	<p>Siha District will enter PPP arrangements with potential investor in view of the capital intensity of this project as well as professional requirements to run an international tourism multipurpose center. The centre will include interrelated investments targeting tourist and other visitors. The projects include:</p> <ul style="list-style-type: none"> ▪ Tourist observation tower for Mount Kilimanjaro (this can be built in Siha and Same District); ▪ Tourist hotels; ▪ Kilimanjaro International Exhibition Centre; ▪ VIP Village ▪ Financial and insurance services;

- Shopping malls;
- Modern internal sports facilities;
- Communication services;
- Construction of science education centre; and
- Wildlife animal zoo.

Super Highway:

Construction of Super Highway from Kilimanjaro International Airport to Kilimanjaro Tower and International Tourist Centre at Siha District. The project intends to construct 40 km super high way of four lanes, two ways with Metro line in between from. Kilimanjaro Interntiaonal Airport to Kilimanjaro Tower and Tourist Centre in Siha District.



Specialized Hospital:

Construction of specialized hospital for VIPs, international tourists and sportsmen. 157.48 ha have been set aside for the project. The facility will offer services at international standards to tourists and sportsmen all over the world.



Sports Training Centre:

Construction of International Sports Training Centre. The Project intends to construct an International Sports Training Centre. 314.96 ha have been set aside for the project.



Key Investment Rationale

- o Enhancement of accessibility from Kilimanjaro International Airport to Kilimanjaro Tower and Tourist Centre in Siha District and interconnections with Namanga and Longido in Arusha region;
- o Will trigger economic activities along the highway;
- o Job creation during construction and maintenance of high way;
- o Increased revenue from Tourism industry;
- o Increased regional GDP and per capita income;
- o Offer international standards of health services to Kilimanjaro International Tourist Center (KITC) visitors;
- o Contribution to income generation and/or Poverty eradication; and
- o It will promote tourism in the region.

2. Tourist Hotels and Sports Facilities, Campsites, Cables, Air Strips, and Other Similar Investments

Overview of the Opportunity

Key Features

Rombo District:

- Construction of tourist hotels in the area (39.38 ha have been identified at Mengwe area);

- Building a tourist hotel at Lake Chala (about 23 ha of land owned by individuals who are ready to build hotels under joint venture arrangement);
- Build Campsites at Chief Horombo's Burial Site; the chief who was 2.45 m (8ft 2inches) tall, died in 1802 at Mamsera Village;
- Construction of cables to promote tourism around Mount Kilimanjaro; and
- Construction of air strip needed to transport tourists and perishable horticultural crops and dairy products.

Moshi District:

- Construction of tourist hotel near waterfalls, campsites and buildings at Marangu, Kibosho, Uru and Mwika areas.

Siha District:

- Hotel with golf and tennis ground: 118.11 ha of land is available for investment through PPP;
- Construction of a modern hotel with international standards through joint venture. A total of 7.87 ha is allocated for investment by district, 3.94 ha allocated by Mr. Henry H. Mosha at Mawenzi farm and 3.94 ha have been set aside by Mr. Alfred Mworobo;
- Construction of airstrip: Land is available and the investment is expected to be through PPP;
- Investing in opening Ngarony route to Mount Kilimanjaro which will be significantly shorter than the current route of Londros gate;
- Investing in improving various historical areas, such as caves used to hide during ethnic conflicts at the village of Mese 5 km from the headquarters of the district. The Donyomurwak hill used in spiritual matters by Maasai which is 10 km from district headquarters. PPP is envisaged; and
- Improve Soda Lake which is very attractive to flamingo gulls at Magadini and Wiri villages with a distance of 2 km from the district headquarters. PPP is envisaged.

Same District:

- Building tourist hotels mainly at Mkomazi game reserve.

Mwanga District:

- Building of campsites in cultural tourist attractions at Kindoroko, Kamwala, Minja and Kileo mountainous areas

	<p>Same District:</p> <ul style="list-style-type: none"> ▪ Building tourist hotels mainly at Mkomazi game reserve. <p>Mwanga District:</p> <ul style="list-style-type: none"> ▪ Building of campsites in cultural tourist attractions at Kindoroko, Kamwala, Minja and Kileo mountainous areas and forestry zones. These mountainous areas are famous for mountain climbing; and ▪ Campsites in historical caves at Goma in Usangi; Hot springs at Kirya; game reserve at Ndugóro. <p>Hai District:</p> <ul style="list-style-type: none"> ▪ Campsite and hotels. There are good numbers of attractive natural water falls, miracle rocks, caves and Chemka hot spring.
<p>Key Investment Rationale</p>	<ul style="list-style-type: none"> ▪ Kilimanjaro districts have tourist attractions though some of them have inadequate tourist hotels, forcing tourists to reside far from attraction sites. Hence miss the opportunities to earn incomes from tourism; ▪ In some districts, like Siha there is an opportunity to enter joint ventures to build tourist hotels, which will go along with golf and other sports projects; and ▪ Land is available for hotels, camping sites and Air Strips. In some of these investments PPP arrangements are envisaged, others through joint venture between citizens and potential investors and facilitated by district.

4. *Information Communication Technology Centers, Moshi Municipal Council and Hai district*

<p>Overview of the Opportunity</p>	
<p>Key Features</p>	<p>Information and Communication Technology (ICT) Sector is one of the most vibrant within the region and fastest growing sector in the economy.</p>
<p>Key Investment Rationale</p>	<ul style="list-style-type: none"> ▪ The supportive investment climate therein has exposed numerous opportunities in ICT innovation services leading to maximum utilization of the existing youthful human resource base; ▪ The region is well covered by internet landlines and cellular phones. The fiber optic network has been connected to all

district headquarters hence ready to accommodate more future investment;

- The region is positioning itself to be the hub for ICT; and
- Opportunities includes digitalization of service, web applications, software developments ware housing, network integrations and enabling services within agriculture, health, tourism , banks and insurance.

3.3.6 Economic Infrastructure

The Region has reliable supply of electric power from the national grid, TPC (renewable energy), and Nyumba ya Mungu Hydro electrical Power Plant. In addition, there is a potential of developing Kikuletwa hydro electric power and to construct a wind energy plant in Same district, where there is great wind speed capable of generating electricity. Moreover, there is opportunity for power production using rice husks, sawdust, and coffee husks. The region also enjoys good air service provided through Kilimanjaro International Airport (KIA), Moshi Airport, West Kilimanjaro and Mkomazi Airstrips.



Wind Mills

Investors are invited to invest in the following infrastructures:-

1. *Development of Wind Energy Generating Station at Same District*

Overview of the Opportunity	
Key Features	<p>Same District:</p> <ul style="list-style-type: none"> Generation of wind energy at Makanya Ward. The area has high speed wind potential energy for electricity generation.
Key Investment Rationale	<ul style="list-style-type: none"> Generation of power will benefit individuals as well as the region through increased economic activities which require electricity for production/operation for industries, hospitals and domestic; The demand for power in Tanzania is growing by more than 50 MW every year, so TANESCO tapped the power production to make power supply reliable; Job creation during construction and operation; Promotion of economic activities; and Support private production of energy by Ministry of Energy.

2. *Construction and Operation of a Biogas Plant*

Overview of the Opportunity	
Key Features	<p>Moshi Municipal and Hai, Siha, Moshi, Rombo, Mwangi & Same Districts:</p> <ul style="list-style-type: none"> The project is intended to produce biogas from organic waste generated from households, markets and commercial premises; and At Moshi Municipality there is 3.5 ha - Kaloleni landfill Site.
Key Investment Rationale	<ul style="list-style-type: none"> Demand for an alternative sources of energy for domestic and commercial uses; Effort to reduce climate change effects through afforestation; Enhance conducive environmental conditions; Create jobs opportunity; Existence of environmental laws and by-laws; and National, regional and district to use renewable, clean and clear sources of energy.

4. Solid Wastes Management

Overview of the Opportunity	
Key features	<p>Moshi Municipal and Hai, Siha, Moshi, Rombo, Mwanga & Same Districts:</p> <p>Dumps for depositing, collecting and compressing solid waste products along with recycling them, construction of waste stabilization ponds and generation of electricity from waste are highly needed in all districts.</p> <ul style="list-style-type: none">▪ Moshi Municipal allocated 3.5 ha;▪ Moshi District currently collects solid waste at market and other business centres, mainly at Mwika, Marangu, Mtoni and Himo markets; and▪ Siha District has set aside 1.18 ha for construction of solid waste dump at district headquarters.
Key Investment Rationale	<ul style="list-style-type: none">▪ Growth of economic activities is expanding and so production of solid wastes increased. And, for the district with dumps they are unable to absorb them; and▪ Availability of Policy and by-laws that support collection, compressing and recycling of solid wastes.

6. Solar Energy

Overview of the Opportunity	
Key features	<p>Moshi, Hai, Mwanga and Same Districts:</p> <p>These districts in their lowlands have;</p> <ul style="list-style-type: none">▪ Long period of sunshine per day; and▪ Non arable land for the installation of the solar panels.
Key Investment Rationale	<ul style="list-style-type: none">▪ There is high demand of energy for the grid and off-grid▪ Availability of Policy and by-laws that support renewable energy production.

3.3.7 Commercial

Investors are invited to invest in the following:-

1. Modern Markets and Shopping Malls

Overview of the Opportunity

Key Features

Hai District:

- Construction of Modern Market, there are 5 plots earmarked for construction (PPP is envisaged); and
- Construction of shopping malls (PPP is envisaged).

Moshi Municipal:

- Rehabilitation of existing central markets through PPP; and construction of modern market at Mbuyuni (0.63 ha allocated); and
- Building shopping mall at Mawenzi ward and Shanty town area.

Moshi District:

- Construction of modern market (International Standard) at Lokolova through PPP;
- Building a shopping mall at Njia Panda;
- Market estate in East Kahe to support markets of various agricultural products; and
- Establish an international market for horticultural crops at Himo junction in Moshi District. About 3.78 ha have been set aside for this market; the market will be built under PPP framework. The Project intends to construct a market for horticultural products; the market will include installment of cold room facilities for the storage of vegetable and fruit, loading and offloading bay, market shed/building, weighing place for products and produce. Countries benefiting from proposed project will include Tanzania, Kenya, South Somalia, and Sudan. The main horticultural crops are:
 - Vegetables (high value): Fresh beans, baby corns, baby carrots, sugar snaps-mange-touts;
 - High volume vegetables: Carrots, tomatoes, cucumbers, onions, cabbage; and
 - Fruits: Avocado, bananas, citrus, and passion.

Siha District:

- Building modern markets for vegetables, including carrots, tomatoes, and Irish potatoes. About 7.87 ha have been identified at Mawenzi area;

	<ul style="list-style-type: none"> Establish a guaranteed market for cereal crops. About 19.69 ha have been set aside by Siha Kiyeyo Cooperative Society. Pongo field is at Sanya village 1 km from district headquarters and is easily reached by road infrastructure with availability of water and electricity. The area is owned by cooperative society therefore joint venture is envisaged; and Investment in the construction of auction to help farmers get a guaranteed market for livestock. A total of 0.79 ha is available at Makiwaru Village 5 km from the district headquarters (PPP is envisaged).
Key Investment Rationale	<ul style="list-style-type: none"> Shopping malls will generate employment to the people; Himo Grains Marketing Centre as a market link between the region and Tanzania Commodity Exchange, hence allowing Kilimanjaro to access global markets; Value added agro-products from investments on horticultural both for domestic, regional and international markets; Increased domestic and foreign revenue; and Land is available for Shopping malls construction.

2. *Bus Stations*

Overview of the Opportunity	
Key Features	<p>Moshi Mwanga:</p> <ul style="list-style-type: none"> Construction of modern bus stands at Kisangiro Mwanga District. <p>Moshi District:</p> <ul style="list-style-type: none"> Expansion of Himo Bus Stand: Allocated 1.12 ha. The district plans to enter into a Build, Operate and Transfer arrangement with any interested investor.
Key Investment Rationale	<ul style="list-style-type: none"> Increasing of economic activities as evidenced by GDP growth and per capita income; The industrialization strategy and investments in various sectors, the region will experience huge inflows of in-migrants and businesses; Land allocated for construction of the bus stations; and Political support from national, regional and local level.

4. Stadiums and Recreation Centres

Overview of the Opportunity	
Key Features	<p>Moshi Municipal:</p> <ul style="list-style-type: none"> Construction of Jamhuri Stadium and sports centre (allocated 15.7 ha.); and Construction of modern recreational facilities, cultural centre and museum at Uhuru Park. <p>Hai, Siha, Moshi, Rombo, Mwanga & Same Districts:</p> <ul style="list-style-type: none"> Investment in recreational and entertainment facilities specifically in cultural, sports, eco-tourism, and development of tourism facilities.
Key Investment Rationale	<ul style="list-style-type: none"> District's headquarters needs modern stadiums and recreation centres for residents and regional/national/international competitions; Also, there are several attraction sites for tourists, such as Nkweshoo (Machame), waterfalls (Machame-Nshara & Nkuu Ndoo Villages), hot springs in Chemka & Nyumba ya Mungu etc.; and Policy and political support at national, regional and local level with respect to the importance of sports, as well as cultural and recreation centres.

3.3.8 Education

The following are the investment opportunities in Education Sector:-

1. Vocational Training on Skills Development

Overview of the Opportunity	
Key features	<p>Siha District Council:</p> <ul style="list-style-type: none"> Build a training institute for impacting skills in various fields that will fill skill gaps among farmers (primary processing like value addition to main crops produced in the district; furniture manufacturing in order to add value to timber and wood products which are plenty in the district). A joint venture with Alfred Mworobo is expected either private investor or PPP. A total of 3.94 ha for the construction of a technical college in an existing vineyard at Sanya Juu village 2 km from the district headquarters has been allocated; and Establishing a vocational training institute to train on how to build low-cost houses. About 19.69 ha have been set aside.

	<p>Rombo District Council:</p> <ul style="list-style-type: none"> ▪ Vocational Training on horticultural products focusing on value addition. <p>Hai District Council:</p> <ul style="list-style-type: none"> ▪ Investing in skills development targeting value addition on horticultural crops. <p>Mwanga District Council:</p> <ul style="list-style-type: none"> ▪ Vocational training specifically on fishing. <p>Same District Council:</p> <ul style="list-style-type: none"> ▪ Investing in skills development targeting value addition on horticultural crops. <p>Moshi District Council:</p> <ul style="list-style-type: none"> ▪ Investing in skills development targeting value addition on horticultural crops. <p>Moshi Municipal:</p> <ul style="list-style-type: none"> ▪ Investing in skills development targeting vocational skills.
<p>Key Investment Rationale</p>	<ul style="list-style-type: none"> ▪ Demand for skills development is high, particularly in the areas of primary value addition of horticultural and honey products; ▪ All Districts in Kilimanjaro Region produce huge amounts of horticultural products but with hardly any skills for value addition; ▪ There is high demand for well graded and well packed fresh vegetables and fresh fruits; and ▪ There is a high demand by secondary processors for quality and graded horticultural products.

3.4 The Guide's Target groups

The direct targeted beneficiaries of this guide include:

- Investors, business owners and stakeholders, agricultural crop estates and medium-to-large farms and value adding and marketing entities intending to invest in Kilimanjaro designated industry and business areas;
- Primary stakeholders across value chains, including individual entrepreneurs, importers and exporters of input and output factors,

and agriculture crops, livestock keepers and fisher folks, industry organizations/marketing boards or organizations and exporters;

- Government ministries, agencies, LGAs, EPZA, and parastatals (e.g. those responsible for agriculture, industries, trade, finance, and international cooperation);
- Academia/researchers in Tanzania;
- Umbrella organizations such as the Tanzania National Business Council, TCCIA, PSPF, pension funds investing in agriculture and industries, and other support institutions;
- Institutions overseeing the management of quality and safety management issues, such as TBS, TFDA;
- Organizations providing productive capacities, information and data, Monitoring and Evaluation (M&E), and other business support services, such as the Industrialization Support Organizations (ISO), Textiles Development Unit, BRELA, TRA, FCC, NEEC, TANTRADE, and agricultural and industrial extension service providers, etc; Other private sector entities, civil society, CBOs and NGOs; and
- Development partners, such as FAO, UNDP, World Bank, UNCTAD, ITC, EU, UNIDO, TMEA, etc.

PART FOUR

FACILITATION, PROCESSES, REQUIREMENTS, AND INCENTIVES

This part shows the support available to investments related to facilitation, processes, requirements, and incentives for investing in Kilimanjaro Region.

4.1 Facilitation

The Kilimanjaro Region and Central Government have set and are improving favorable conditions to entice and facilitate investment in the region and ensure speedy decision making. The key investment policies, laws, strategies, plans and programs that are promoting investment in the region are presented below. The region has the obligation to interpret and adapt these processes, requirements and incentives for investment so as to fit the region's investment profile and priorities.

4.1.1 Policies, Legal, Institutional and Regulatory Considerations

4.1.1.1 Key policies

Policies to guide investment promotion and interventions in Kilimanjaro Region's relevant areas are: National Investment Promotion Policy (1996); National Agricultural Policy (2013); National Livestock Policy (2006); Sustainable Industrial Development Policy (SIDP) (1996-2020); National Trade Policy for Competitive Economy and Export led Growth (2003); National Microfinance Policy(2000); National Forest Policy (1998); Bee Keeping Policy (1998); Small and Medium Enterprises Development Policy (2003); National Land Policy (1995); National Environmental Policy draft (2016); The Mineral Policy of Tanzania (2009); Tanzania Mining Industry Investor's Guide (2015); and Kilimanjaro Region Authority Development Plans as well as the political will of the Region to attract investors.

4.1.1.2 Key laws

The major laws and regulations that guide investment promotion and activities in Kilimanjaro Region are: Tanzania Investment Act (1997); Tanzania Revenue Authority Act (2006); Land Act (1999); Village Land Act (1999); Mining Act (1998); Tanzania Bureau of Standards Act (2009); Tanzania Food and Drugs Act (2003) and Regulations; Plant Protection Act (1997) and Regulations; The Mining Act (2010); The Mining Regulations (2012); and other sectoral Acts A and relevant Kilimanjaro Region Bylaws.

4.1.1.3 Main institutions dealing with investing in Kilimanjaro and Tanzania

The main institutions dealing with investment issues in Kilimanjaro Region and Tanzania at large are: Tanzania Investment Centre (Email: information@tic.co.tz), Business Registration and Licensing Agency (BRELA), Tanzania Revenue Authority (TRA), Tanzania Electric Supply Company (TANESCO), Tanzania Bureau of Standards (TBS), Ministry of Industry, Trade and Investment (MITI), Tanzania Food and Drugs Agency (TFDA), Water Supply Companies in respective regions, Municipal Authorities in respective districts (on land issues), Ministry of Water and Irrigation (MWI), Ministry of Agriculture (MA) and Ministry of Livestock and Fisheries (MLF).

4.1.2 Strategies, Plans, and Programs

The key strategies, plans and programs are: Annual Regional Plans and Annual Reports (e.g. *Taarifa ya Maendeleo ya Sekta ya Kilimo mwaka 2016/2017*; *Taarifa ya Maendeleo ya Sekta ya Mifugo Mwaka 2016/2017*, etc); PO-PRALG Reports; District Development Plans; Five Year Development Plan (FYDP II); Agricultural Sector Development Strategy and Program 2017-2022 (ASDP II); Livestock Sector Development Program (2011); Ministry of Industry Trade and Investment's Reports; and Integrated Industrial Development Strategy (IIDS 2025). Others are; the National Rice Development Strategy; Tanzania

Agriculture and Food Security Investment Plan; and Agricultural Growth Corridor in Tanzania.

With the above policies, regulatory frameworks, strategies and plans, the investment climate in Kilimanjaro Region is supported by sound frameworks that offer an appropriate environment that encourages investments in the region. The key issue is for the regional leadership to make sure that the processes and requirements outlined below are interpreted and adapted earnestly at the regional and local level. The leadership of Kilimanjaro Region is determined to do that and ensure speedy implementation of the prioritized investment opportunities and put in place a conducive investment climate in the region.

4.2 Processes and Requirements

The main processes that need to be undertaken by prospective investors in Kilimanjaro Region are listed below. While the processes and requirements are national, the Regional Secretariat will speed up the processes by minimizing bureaucracy in implementing them. The regional secretariat will establish one stop centre to process all requirements for potential investors.

4.2.1 Lead institution

Tanzania Investment Centre (TIC) is a one stop agency of the government of Tanzania established under the Tanzania Investment Act No. 26 of 1997 to promote, co-ordinate and facilitate investment into Tanzania. The centre is a focal point for all investors and performs all liaison work for the investor from enquires right up to project start up. The centre deals with all enterprises with capital investment of not less than US\$ 500,000 foreign owned and US\$ 100,000 if local owned. The centre assists all investors to obtain permits, authorization etc., required by other laws to set up and operate investment in Tanzania.

The TIC contacts are: Zonal Manager, Tanzania Investment Centre, Northern Zone; P.O. Box No. 7735 Moshi - Kilimanjaro - Tanzania, Tel: +255 27 2751066,

Fax: +255 27 2753316, Email: tic@cats-net.com; Website: northernzone@tic.co.tz.

4.2.2 Registration

The registration of an investment can be undertaken at the local BRELA and District, Regional or National Tanzania Investment Centre and requires the following documentation: (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; (vii) Business Enquiry Forms; (viii) IT 21 forms for companies and IT 20 forms for individuals; and (ix) Company and Operators' Certification of Registration for Tax Payer Identification Number (TIN).

4.2.3 Taxes

The taxes involved in investment projects in Kilimanjaro Region are various and include:

(i) *Corporate Tax*

Corporate tax is charged at the rate of 30 percent for both resident and non-residents. In case of newly listed corporate to the Dar Es Salaam Stock Exchange, with at least 30 percent of its equity ownership issued to the public for three consecutive years from the date of listing, corporate tax is 25 percent for both resident and non-resident. Further, Corporates with perpetual unrelieved losses for three consecutive years (excluding corporates conducting agricultural business, provision of health or education), corporate tax is 0.3 percent of annual turnover for resident corporates.

(ii) *Personal income taxes*

Residents are subjected to personal income tax where total income exceeds Tsh. 2,040,000/- per annual. Income of a non-resident employee of a resident

employer is subject to withholding tax of 15 percent. The total income of non-resident individual is chargeable at the rate of 20 percent (the monthly income includes basic salary, overtime, bonus commission and other allowances).

The skills and development levy (SDL) is payable by any employer who employs four or more persons; the rate is 4.5 percent of the gross wage. Exempted employers from SDL include diplomatic missions, registered educational institutions, charitable organizations, farm employment, and foreign institutions dealing with technical assistance and United Nation and its organizations.

(iii) Withholding Taxes

The withholding taxes on dividends from Dar Es Salaam stock exchange listed corporations is 5 percent for both resident and non-resident persons. Dividend from other corporations the rate is 10 percent. The rate withheld on interest is 10 percent and on Royalties is 15 percent for resident and non-resident persons. Further, the rate withheld on Management & technical services fees [mining, oil and gas] the rates are 5 percent for residents and 15 percent for non-residents).

(iv) Value Added Tax (VAT)

VAT is a consumption tax charged at a single rate of 18 percent. Registration is compulsory for any business, which has a turnover of more than TZS 100 million per annum. However, there is an exception to the Registration of those dealing with Professional Services as they are required to be registered for Value Added Tax regardless of their turnover. Applicants for VAT registration should complete form No. VAT ITX245.02.E. A registered taxpayer is required to file a VAT return monthly.

The VAT returns are supposed to be filed at the 20th day of the month after a tax period. However, where the 20th day falls on Saturday, Sunday or Public holiday the VAT return shall be lodged on the first working day following

Saturday, Sunday or Holiday. For imports VAT is payable at the time the import duty is due and payable in accordance with East African Community Customs Management Act, 2004.

Exports are zero rated under the VAT Act, 2014. The VAT Act, 2014 also provides for VAT exemption. Exempt supplies & imports are provided in the schedule to the VAT Act, Cap 148 r/w Finance Act 2017.

4.3 Incentives

The investors registered under Tanzania Investment Centre pursuant to Tanzania Investment Act (TIC, 1997) are accorded tax incentives as per Income Tax Act, 2004, Value Added tax Act 2014 and any other applicable tax law. EPZA also provides incentive packages according to Export Processing Zones Act No. 11 of 2012.

4.3.1 Import Duty and VAT exemption on Deemed Capital Goods

Import duty exemption is granted to the tune of 75 percent of the import duty payable on the approved deemed capital goods. (Investor shall pay 25 percent of import duty due) Deemed capital goods which are eligible for exemption are specified depending project sector.

Please Note: Information on Taxes and Investment incentives explained above are subject to periodic changes as the government keeps on improving conditions for businesses in the country. Please contact Tanzania Revenue Authority (www.tra.go.tz) and Tanzania Investment Centre (www.tic.go.tz) for current updates.

4.4 Land for Investment in Tanzania

The Ministry of Lands, Housing and Human Settlement is mandated with land management in Tanzania. Land in Tanzania is under three Categories namely Village lands, General lands and Reserve lands.

According to the Land Act, the whole land of the United Republic of Tanzania is owned by the public and the President as a Trustee. This means that Land in Tanzania is vested to the public, and citizens own land under leasehold tenure.

Section 20 of the Land Act No. 4 of 1999 specifically prohibit allocation/grant of land to non – citizens unless the land is for investment purpose under the Tanzania investment Act, 1997. Land for investment purpose shall be identified, gazetted and allocated to the Tanzania Investment Centre. More information on acquisition of land for investment is available on www.ardhi.go.tz

4.5 Participation of the Private Sector

The Region plans to stimulate its industrial and economic development base through attracting additional private and public-private partnerships investments in order to increase its value addition in key sectors like agriculture as well as manufacturing to strengthen competitiveness and to raise its GDP. The regional government and district authorities are ready and committed to provide a series of further support services and incentives to drive industrial development and growth in the short, medium and long-term plans.

According to the national policies it is the role of the public sector to provide basic enablers such as land, utilities, and infrastructure. These are normally supported and constructed using district, region and national public budget in addition to other resources or development partner’s support. It is the private sector, which is mainly supposed to play a major role in investing in the region in the production, transportation, storage, processing, development of value chains and marketing of the products.

However, for the private sector to play its role effectively, the Kilimanjaro Region authorities will create an enabling environment through provision of prerequisite infrastructure, incentives, formulation/review and enforcement of investment friendly policies, regulations, and procedures. The Regional authorities will promote Public-Private Partnership (PPP) and also facilitate

joint ventures between potential investors and local private investors which are critical for the achievement of objectives of implementation of capital and technology intensive investments including Build, Operate and Transfer approach. In addition, the private sector will be facilitated to improve delivery, and enabled to thrive and be competitive by facilitating access to affordable input and output factors nationally and internationally.

PART FIVE

KEY CONTACTS IN KILIMANJARO REGION

WEBSITES FOR LOCAL GOVERNMENT AUTHORITIES IN KILIMANJARO REGION:

Moshi Municipal Council:	www.moshimc.go.tz
Siha DC:	www.sihadc.go.tz
Mwanga DC:	www.mwangadc.go.tz
Rombo DC:	www.rombodc.go.tz
Same DC:	www.samedc.go.tz
Hai DC:	www.haidc.go.tz
Moshi DC:	www.moshidc.go.tz

KEY CONTACTS IN THE REGIONAL AND LOCAL GOVERNMENT AUTHORITIES IN KILIMANJARO REGION

Regional Commissioner's Office

Office	Post Office Box	Telephone	E-Mail
Regional Commissioner (RC)	3070, Moshi	+255 027 2758248	ras@kilimanjaro.go.tz/ras. kilimanjaro@tamisemi.go.tz
Regional Administrative Secretary (RAS)			

Moshi Municipal Council

Office	Post Office Box	Telephone	E-Mail
Mayor	318, Moshi	+255-27-274371/4	mkurugenzi@moshimc.go.tz
Municipal Director			

District Councils

District	District Executive Officer		
	Post Office Box	Telephone	E-mail
Siha	129, Sanya Juu, Siha, Kilimanjaro	+255 732 973 257 / +255 756 174 288 / 0676	ded@sihadc.go.tz
Mwanga	176 Mwanga, Kilimanjaro	+255 27 2757 652	ded@mwangadc.go.tz
Same	138, Kilimanjaro	+255 27 2758034 / +255 687 786576	ded@samedc.go.tz
Rombo	52, Mkuu, Rombo	+255 27 2757101	info.ded@rombodc.go.tz
Hai	27, Hai	+255 27 2758441	info@moshidc.go.tz
Moshi	3003, Moshi	+255 27 2751 865	ded@buchosadc.go.tz

**United Republic of Tanzania President's Office,
Regional Administration and Local Government**

Kilimanjaro Regional Commissioner's Office

P.O. Box 3070, Moshi - Kilimanjaro.

Tel: +255 (0) 27 2758248

Email: ras@kilimanjaro.go.tz or ras.kilimanjaro@tamisemi.go.tz

Web: <http://kilimanjaro.go.tz/>