



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

LINDI REGION INVESTMENT GUIDE





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The preparation of this guide was supported by
the United Nations Development Programme (UNDP) and
the Economic and Social Research Foundation (ESRF)



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ISBN: 978 - 9987 - 664 - 12 - 2

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ABBREVIATIONS

ACGG	African Chicken Genetic Gains
AGOA	African Growth Opportunity Act
ASDP	Agricultural Sector Development Strategy and Programme
BRELA	Business Registration and Licensing Agency
CCET	Community Common External Tariff
CNSL	Cashew Nut Shell Liquid
COET	College of Engineering and Technology
CSO	Civil Society Organisation
DC	District Council
DIDF	District Irrigation Development Fund
DP	Development Partner
EAC	East African Community
EPZ	Export Processing Zone
ESRF	Economic and Social Research Foundation
EU	European Union
FAO	Food and Agriculture Organisation
FBO	Faith-Based Organisation
FCC	Fair Competition Commission
FDCs	Folk Development Centres
FETA	Fisheries Education and Training Agency
FYDP	National Five-Year Development Plan
GDP	Gross Domestic Product
GoT	Government of Tanzania
GPSA	Government Procurement Services Agency
ICSD	International Centre for Settlement of Investment Disputes
ICT	Information and Communication Technologies
IIDS	Integrated Industrial Development Strategy
ISO	Industrialisation Support Organisation
ITC	International Trade Centre
LGAs	Local Government Authorities
LNG	Liquefied Natural Gas
M&E	Monitoring and Evaluation

MA	Ministry of Agriculture
MCDI	Mpingo Conservation & Development Initiative
MIGA	Multilateral Investment Guarantee Agency
MIT	Ministry of Industry and Trade
MLF	Ministry of Livestock and Fisheries
MWI	Ministry of Water and Irrigation
NARCO	National Ranching Company
NBS	National Bureau of Statistics
NEEC	National Economic Empowerment Council
NGO	Non-Government Organisation
NIDF	National Irrigation Development Fund
NNGIP	National Natural Gas Infrastructure Pipeline
PFO	Participatory Forest Management
PMO	Prime Minister Office
PO-RALG	President's Office – Regional Administration and Local Government
PPCP	Public - Private Community Partnership
PPP	Public-Private Partnership
PPTL	Post-Primary Technical Education Centres
RALG	Regional Administration and Local Government
RAS	Regional Administrative Secretary
RS	Regional Secretariat
REC	Regional Economic Communities
SACCOS	Savings and Credit Co-operative Society
SADC	Southern Africa Development Community
SDL	Skills and Development Levy
SEZ	Special Economic Zone
SIDA	Swedish International Development Agency
SIDO	Small Industry Development Organisation
SIDP	Sustainable Industrial Development Policy
SOE	State Owned Enterprises
SME	Small and Medium-sized Enterprise
TAFMA	Tanzania Animal Feeds Manufacturers Association
TANESCO	Tanzania Electric Supply Company
TANROADS	Tanzania National Roads Agency

TANTRADE	Tanzania Trade Development Authority
TARURA	Tanzania Rural and Urban Roads Agency
TAWA	Tanzania Wildlife Management Authority
TBS	Tanzania Bureau of Standards
TC	Town Council
TCF	Trillion Cubic Feet
TCT	Tourism Confederation of Tanzania
TCCIA	Tanzania Chamber of Commerce, Industries and Agriculture
TDU	Textiles Development Unit
TAFIRI	Tanzania Fisheries Research Institute
THDR	Tanzania Human development
TIA	Tanzania Investment Act
TIC	Tanzania Investment Centre
TIN	Tax Identification Number
TMDA	Tanzania Medicines and Medical Devices Authority
TMEA	Trade Mark East Africa
TNBC	Tanzania National Business Council
TPDC	Tanzania Petroleum Development Corporation
TPSF	Tanzania Private Sector Foundation
TRA	Tanzania Revenue Authority
TRIMs	Trade-related Investment Measures
TVETDP	Technical and Vocational Education and Training Development Programme
TZS	Tanzanian Shillings
UNCTAD	United Nations Conference on Trade and Development
UNDP	United Nations Development Programme
UNIDO	United Nations Industrial Development Organisation
VAT	Value-Added Tax
VETA	Vocational Education and Training Authority
VLFR	Village Land Forest Reserves
WB	World Bank
WTO	World Trade Organisation
WWF	World Wildlife Fund



"My Government is determined to continue improving the business environment and, in so doing, provide a wide range of appropriate incentives and support to unleash creativity of private sector and other stakeholders in harnessing Tanzania's comparative advantages and thereby boosting productivity, enhancing innovation and fostering economic integration and deepening participation in the region and global value chains."

His Excellency, Dr. John Pombe Joseph Magufuli.
The President of the United Republic of Tanzania, Preface to the Tanzania Five Year Development Plan, June, 2016.



"Industrialisation is relevant not only because of economic reasons but more because it enhances shared prosperity necessary to ensure civil harmony. It does this by increasing employment of our youth, reducing poverty and redressing inequality."

Her Excellency, Samia Suluhu Hassan.
The Vice President of the United Republic of Tanzania remarks during the 2nd East African Business and Entrepreneurship Conference and Exhibition held on 14th November 2017, at the Dar es Salaam Serena Hotel.



"The 21st Century is going to identify itself with intensifying competitive business environment in which business to triumph are those with relevant industrial products and services, modern technologies and human resource that is imbued with respective skills, work ethics and innovativeness. Industrialization is the basic requirement and core secret of business to survive in the 21st Century. It is in this wisdom that the Fifth Phase Government of the United Republic of Tanzania has embraced industrialization as its ultimate goal. The success of this goal calls for the regional administrations to focus on the provision of conducive business environment necessary to facilitate business operations and flow of investments."

Hon. Kassim Majaliwa Majaliwa.
The Prime Minister of the United Republic of Tanzania In his opening remarks at the Business and Investment Forum, Tabora Region, on 21st November, 2018.

FOREWORD



Welcome to invest in Lindi Region, more specifically in Lindi Municipal Council, Mtama District Council, Kilwa District Council, Liwale District Council, Nachingwea District Council and Ruangwa District Council. This investment guide presents investment opportunities available in all local government authorities (LGAs) of the region. The guide is in line with the overall investment policy of Tanzania and is aligned with national development frameworks such as the Tanzania

Development Vision 2025 and the second national Five-Year Development Plan 2016-2021 (FYDP II). The guide is meant to assist in the execution of the development pathway of the region as outlined by the Regional Commissioner's office, and as indicated in the Lindi Regional and Local Government Authorities (LGAs) Development Plans.

The guide also provides essential regional information to prospective local and foreign firms and individuals, which is meant to attract them to make investment decisions in favour of any of the six local government authorities in order to stimulate business and enterprise growth. Furthermore, the investment guide is intended to enhance Lindi's competitiveness in comparative strengths as well as in emerging economic areas. Other objectives of the guide are to foster productive capacities in key primary sectors and industries, and to sustainably augment GDP as well as inclusive and resilient economic growth needed to accelerate societal development and well being of the people of Lindi Region in particular and of Tanzania at large.

Lindi regional administration and the six local government authorities have resolved to prioritise all investment initiatives and provide political support, attractive incentives and support services for interested parties who set up investments in the region. Additionally, the authorities will coordinate efforts to provide a satisfactory policy, as well as regulations that are conducive to business environment. Officials are readily available to provide further details on the selected strategic and viable opportunities to interested investors.

On behalf of Lindi regional authorities, I would like to express my sincere gratitude to the United Nations Development Programme (UNDP) for the financial support and to the Economic and Social Research Foundation (ESRF) for developing this Guide. I would like to specifically acknowledge Prof. Haidari Amani, Mrs. Margareth Nzuki, Mr. Mussa M. Martine and Mr. James Kasindi for their commitment and technical support that collectively resulted in the completion of this guide.

The ESRF team that assisted in preparing this guide received full cooperation from the regional team under the Regional Administrative Secretary (RAS) Ms. Rehema S. Madenge and from the district teams under district executive directors, municipal director and district commissioners. I am grateful for their commitment to the task. It is not easy to mention everyone, but let me extend my deep appreciation to all individuals who contributed in one way or another towards making this investment guide possible.

I take this opportunity to welcome you to invest in Lindi Region, and I assure you of our continued support to making your investments productive and grow for our mutual benefit.



Hon. Godfrey W. Zambi
Regional Commissioner
Lindi Region, Tanzania

EXECUTIVE SUMMARY

Lindi Region is one of the 31 administrative regions of the United Republic of Tanzania. It is located in the southern part of Tanzania Mainland. The region covers an area of 67,000 square kilometres from which 25,000 square kilometres constitute Nyerere National Park and Selous Game Reserve. According to National Bureau of Statistics (NBS) projections for year 2019, the region's population stands at 1,004,439. Lindi Region has five district councils and one municipal council: Liwale District Council, Kilwa District Council, Mtama District Council, Nachingwea District Council, Ruangwa District Council and Lindi Municipal Council.

The region has two main agro-ecological zones: coastal livelihood zone, which is comprised of tree crops and fishing, and low and midlands zone dominated by production of maize, cassava, cashew and sesame crops. The main source of income in the region is agriculture; other sources include general trade, office work, construction, manufacturing, mining and livestock.

Lindi Region is peaceful; it is rich in natural resources, including natural gas, and has land suitable for agriculture, irrigation, forestry and industrial development. The region has a growing local market of over one million people and well-established economic infrastructure such as roads, port, gas pipeline, electricity etc. The region is also strategically located - bordering Mtwara Region, which connects to Mozambique and to SADC countries. The region has a range of tourist attractions including clean beaches, Kilwa Kisiwani Ruins, Nyerere National Park, Selous Game Reserve etc.

Regional and local government authorities are committed to supporting start-up of new businesses in the region. Interested individuals and companies are welcome to invest in salt processing, grading, packaging and branding; production of animal feeds; wine making from cashews; manufacturing of packaging materials; production of pesticides; fish processing; making cashew nut shell liquid; coconut processing; alternative energy; cashew nut processing; production of edible oil; cassava processing; saw mills; horticulture produce processing; beekeeping and

honey processing; water bottling; commercial irrigation farming (paddy and horticulture crops); plants and fruits nursery; cage fishing and aquaculture; real estate development; mining and minerals processing; manufacturing of building materials; tourism- related activities, including beach tourism; and provision of vocational training.

DISCLAIMER

This guidebook was published to provide potential investors with access to essential information regarding investments and investing in Lindi Region. It does not in any way give exhaustive information or detailed practical instructions, but it points out sources of other information in both private and public sectors. Depending on the nature of investment, potential investors are expected to conduct feasibility studies and/or environmental impact assessment for detailed information.

Most of or all information contained in this guidebook was derived from consultations with regional and district government officials, the private sector, and other agencies. Materials in this guidebook should therefore be used only for the intended purposes and not for defence in a legal dispute or any matter of that nature.

The guide is presented in good faith and in cognisance of the 2018 Amendment to the Statistics Act (2015). Where a datum point used in this guide unknowingly contradicts an official statistic, it should be deemed an error and the official statistic should be assumed to be correct.

REASONS FOR INVESTING IN LINDI REGION

1.1 Lindi Region in the Broader Tanzanian Context

Lindi Region is part of Tanzania, and it benefits from, and depends on the country's conducive investment and trade policies, political stability and well-prepared development frameworks based on the National Development Vision 2025. Tanzania, with its large and growing domestic population, strategic location, abundance of natural resources and internal political stability, presents a uniquely attractive investment opportunity. The country has a population of about 55 million people and a population growth rate of 2.7 percent.

Tanzania has abundant natural resources, including agricultural land, water bodies such as lakes rivers, and springs, mineral resources, tourist attractions including biodiversity and unique landscapes, such as Mount Kilimanjaro, Ngorongoro Crater, Serengeti National Park, Nyerere National Park and Selous Game Reserve, which attract visitors from all over the world. In addition, its location on the east coast of Africa gives it a comparative advantage in providing trade and transport services to neighbouring, land-locked countries. Several measures have been taken to create a business-conducive environment to encourage local and foreign investments.

The country has created a stable and attractive macro- and micro-economic climate with single-digit inflation; there are on-going reforms in fiscal and monetary policies, and improvements in the business climate through legal and regulatory reforms aimed at streamlining procedures and freeing business from unnecessary bureaucracy.

Tanzania has sustained an average rate of 6-7 percent economic growth since the late 1990s due to a relatively stable political environment, reasonable macro-economic policies, structural reforms, a resiliency from external shocks, and debt relief. According to NBS, Tanzania's macro-

economic performance is expected to remain strong, economic growth is projected at about 7 percent, and inflation is expected to remain close to the Government of Tanzania's 5 percent target.

The Government recognises the role of the private sector (both local and foreign) and other strategic partners as the engine of growth and poverty reduction, and the drivers of economic transformation. This important role of the private sector has been further emphasised in the second (i.e. current) Five-Year Development Plan (FYDP II: 2016/17-2020/21) by recognising that the realisation of the plan's goals and targets hinges on, among other things, effective participation of the private sector in developing industries and enterprises that spur economic growth and create jobs.

1.2 Investment Climate and Trade Policy in Tanzania

The Government of Tanzania has reviewed its policies and regulations in order to attract local and foreign private investments. This is evidenced by the recent development and implementation of the Blueprint for Regulatory Reforms to Improve the Business Environment, which included merging some functions of regulatory institutions, abolishing nuisance taxes and fees, enhancing dialogue between Government and private sector etc.

The country has adopted the World Trade Organisation's (WTO's) Trade-related Investment Measures (TRIMs) to encourage investments in line with national priorities, and to attract and regulate foreign investment. Trade development instruments that Tanzania has adopted include export processing zones (EPZs), Investment Code and Rules, export development/promotion and export facilitation. EPZs were established by the 2002 Export Processing Zones Act, and are open to both domestic and foreign investors, particularly in agri-business, textiles and electronics sectors.

The Special Economic Zones Act of 2006 authorised the establishment of special economic zones (SEZs) to encourage Greenfield investments in light industry, agro-processing industry and agriculture. The Export Processing Zones Authority (EPZA) governs both EPZs and SEZs. The Government has encouraged local and foreign investors to take advantage of the investment opportunities under EPZA for their benefits and for the benefit of the country. There are three categories of licences issued by EPZA:

-
- i) Developer's Licence (for investment in infrastructure development, including construction of industrial buildings and warehouses, development of internal roads, landscaping and fencing, and provision of utilities)
 - ii) Operator's Licence (for investors who are undertaking manufacturing operations, including manufacturing, processing breaking bulk, re-packaging, re-labelling and trading)
 - iii) 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 communication technologies - ICTs).

EPZA also oversees incentive packages such as exemptions from corporate tax and withholding tax on rent; dividends and interest; 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. In addition, can also provide working permits for foreign staff. More information can be found on the website www.epza.go.tz and email address is info@epza.go.tz.

All the above factors, plus the country's well formulated development-cum-strategic frameworks, have contributed to a continuous growth of real GDP at about seven percent (7%) for over a decade and is a member of what the World Bank has dubbed the "7 percent Club", a group of countries forecast to achieving 7 percent or more real GDP growth for the next decade. Investments in Tanzania are guaranteed against nationalisation and expropriation through various agreements of protection and promotion of investments, such as the Multi-lateral Investment Guarantee Agency (MIGA), of which Tanzania is a member. Tanzania also offers access to major markets of the world, such as America (through Africa Growth Opportunity Act - AGOA); Europe (through Everything But Arms - EBA); Asia (e.g. India); Middle East; and China; all done through special bilateral trade and investment agreements and arrangements.

Tanzania is also a member of two major regional economic communities (RECs): the Southern African Development Community (SADC) and the East African Community (EAC). Both communities are growing stronger, and so investors in Tanzania will have the advantage to access both domestic and regional markets as well as export markets in the European Union, the United States, the growing Asian economies of China and India, and in the Middle East, to mention only the leading ones. The domestic market is significant,

given Tanzania's population of more than 55 million people, growing at a rate of 2.7 percent per annum as well as a growing middle class.

Briefly, the following are among the reasons why one should invest in Tanzania:

- There is a high degree of investment security because of unparalleled political stability that is strife-free without ethnic division, democratic rule that respects diversity of opinion and a strong tradition of constitution and rule of law
- The country has maintained business-friendly macro-economic stability with low inflation, stable exchange rates supported by unrestricted and unconditional transfers of profits, loan repayments, emoluments, royalties, fees and charges
- There is a commitment to ensuring simplified bureaucracy, streamlined through the acclaimed services of the Tanzania Investment Centre, which is a one-stop facilitation agency of Government that registers projects and serves registered investment projects
- The Government of Tanzania is committed to, and has successfully undertaken economic liberalisation measures commended by both the World Bank and IMF with business-supportive legislation continually being improved through genuine dialogue between the Government and the private sector
- There is a well-balanced package of incentives to investors, with additional negotiated benefits to strategic investors
- The economy is rapidly emerging as the most effective entry point and gateway for trade into eastern, southern and central Africa
- There are lucrative investment opportunities in infrastructure, and value-adding facilities that are among the fastest growing segments of the economy
- The Government is committed to ensuring investment guarantees and settlement of disputes. Investments in Tanzania are guaranteed against political risks, nationalisation and expropriation
- Foreign business operating in Tanzania may obtain credit from domestic financial institutions up to the limits established by the Bank of Tanzania. Major international banks like Barclays, Citibank, Exim, Stanbic, and Standard Chartered have invested in Tanzania. Among the banks with branches in Lindi Region are CRDB Bank, NBC Limited, National Microfinance Bank Limited, TPB Bank, and several other banks.

1.3 Reasons to Invest in Lindi Region

Lindi Region is strategically located, bordering the Indian Ocean, which makes it potential for cross-border trade. The region has all the pre-requisites for establishing industries and successful businesses based on its geographical location and established infrastructural facilities that are important for enabling industrial development as summarised below:

a) Strategic geographical location

Lindi Region is bordered with 4 other regions on all sides with the Indian Ocean to the East. This provides potential for not only cross-border investment and trade but also access to the expanding market opportunities in other regions. The region has a scenic coastline and beautiful sandy beach area measuring 112 kilometres suitable for tourist attractions and investments, i.e. in hotels and beach sports.



b) Population and markets

Lindi Region hosts a significant growing population of 1,004,439 people (according to NBS projections of 2019). When it comes to market access, the region also benefits from the population of Tanzania, EAC, and SADC. Lindi's strategic location bordering Morogoro, Pwani, Ruvuma and Mtwara regions, serves as a gateway to the regions' rapidly expanding market for goods and services that could spread throughout the country and to other countries as well.

c) Economic strength

Lindi Region has a mixed economy, whose main sources of income are agriculture; general trade; office work; fishing; construction and manufacturing, and livestock. There have been a growing number of investments such as liquefied natural gas, cashew farming, etc.

d) Infrastructure

The region's economic infrastructure has been tremendously improved and strategic investments are being made to further improve the infrastructure. Recent infrastructure improvements include: completion of the tarmac road from Dar es Salaam through Lindi to Mtwara - Masasi and Mtambaswala (border town with Mozambique); upgrading of the nearby Mtwara Port; completion of the natural gas pipeline linking Mtwara and Dar es Salaam; and on-going improvements on supply of electricity. Planned infrastructure improvements include expansion of Lindi Airport, Lindi Port and the building of a new referral hospital.



e) Natural resources

Lindi Region is rich in natural resources, including natural gas, and has land suitable for agriculture, irrigation, forestry and industrial development. The region offers a number of attractive sites, ranging from beautiful unspoilt beaches, unique eco-system forests, and birding locations. Furthermore, the Selous Game Reserve offers large game opportunities.

f) Land for investments

Lindi Region has various parcels of land of various sizes that have been earmarked by each council for specific targeted investment. The region has large tracts of land suitable for agriculture, irrigation, forestry and industrial development.

g) Peace and security

Like the rest of other regions in the country, Lindi Region enjoys peace and political stability that offer a safe environment with low crime rates.

h) Commitments by Lindi Regional Secretariat and local government authorities

Lindi Regional Secretariat and local government authorities are positioned to facilitate the process of investment in the region, particularly in collaboration between investors and key partners. This includes the establishment of facilitation desks at the Regional Secretariat and local government authorities for providing correct information to potential investors.

The region, in collaboration with local government authorities are committed to supporting start-up of new businesses in the region, while the National Economic Empowerment Council (NEEC) is committed to supporting the region in developing its local content capability.

There is a plethora of Government programmes to support local enterprise development, which will lead to formation of a special economic zone and a business park next to the future LNG site.

1.4 Suggested Priority Investment Opportunities in Lindi Region

Interested parties are welcome to invest in the following suggested priority areas:

1.4.1 Summary of Regional Level Priority Investment Opportunities

- i. Salt processing, grading, packaging and branding
- ii. Animal feeds production
- iii. Wine making from cashews
- iv. Production of packaging materials
- v. Production of pesticides
- vi. Fish processing
- vii. Processing cashew nut shell into liquid
- viii. Coconut processing
- ix. Alternative energy

1.4.2 Summary of Council Level Priority Investment Opportunities

- i. Cashew nut processing
- ii. Production of edible oil
- iii. Construction and operation of cassava processing plant
- iv. Construction and operation of saw mills
- v. Processing horticulture crops
- vi. Beekeeping and honey processing
- vii. Water bottling
- viii. Commercial irrigation farming for paddy and horticulture crops
- ix. Establishing plants and fruits nurseries
- x. Cage fishing and aquaculture
- xi. Real estate development
- xii. Mining and minerals processing
- xiii. Manufacturing of building materials
- xiv. Tourism-related activities (including beach tourism)
- xv. Vocational training.

1.5 The Guide's Target Groups

Making decisions by prospective investors on where and in which sector to invest requires adequate information, and so is the ability by public officials to provide correct information on investment opportunities to interested parties.

The main targets for this guide are therefore national and international prospective investors interested in starting new businesses or acquiring existing ones in various sectors; investors residing in Lindi Region with businesses and seek to either expand their current operations or venture into new businesses; and Government ministries responsible for assisting business owners. Specifically, the following are the beneficiaries of the guide:

- Investors, business owners and stakeholders, agriculture crop estates and medium-to-large farms and value adding and marketing entities intending to invest in designated industry and business areas in Lindi
- Ministry of Industry and Trade
- Prime Minister's Office (Investment)
- Primary stakeholders across value chains, including individual entrepreneurs, importers and exporters of input and output factors, agriculture crops and livestock keepers and fisher folks

-
- Government ministries, agencies, local government authorities, EPZA, and state-owned enterprises (e.g. those responsible for agriculture, industries, trade, finance, and international cooperation)
 - Academia/researchers in the Southern Zone and in Tanzania at large
 - Umbrella organisations such as the National Business Council (NBC), Tanzania Chamber of Commerce, Industry and Agriculture (TCCIA), pension and provident funds investing in agriculture and industries, and other support institutions
 - Institutions overseeing the management of quality and safety issues, such as Tanzania Bureau of Standards (TBS)
 - Tanzania Tourist Board (TTB), politicians and ambassadors
 - Organisations providing productive capacities, information and data, monitoring and evaluation and other business support services, such as Textiles Development Unit (TDU), Business Registration and Licensing Agency (BRELA), Tanzania Revenue Authority (TRA), Fair Competition Commission (FCC), National Economic Empowerment Council (NEEC), Tanzania Trade Development Authority (TANTRADE), industry support organisations (ISOs), agricultural and industrial extension services providers, etc.
 - Selected civil society organisations (CSOs), non-government organisations (NGOs), and development partners (DPs), such as the Food and Agriculture Organisation (FAO), United Nations Development Programme (UNDP), World Bank (WB), United Nations Conference on Trade and Development (UNCTAD), International Trade Centre (ITC), European Union (EU), United Nations Industrial Development Organisation (UNIDO), and Trade Mark East Africa (TMEA), etc.

PART TWO

SOCIO-ECONOMIC PROFILE OF LINDI REGION

This part highlights geographical location, surface area, population and demographic pattern, administrative units, topography and land-use patterns, agro-ecological zones, climate, socio-economic context and productive sectors of Lindi Region.

2.1 Geographic Location

Lindi Region is one of 31 administrative regions of the United Republic of Tanzania. Lindi is located between latitudes 7° 55' S and 10° S and longitudes 36° 51' E and 40°, and shares borders with Pwani Region to the North, Morogoro to the North West, Ruvuma Region to the West and Mtwara Region to the South, while the Indian Ocean lies on the East. Lindi Region comprises 67,000 square kilometres, which is equivalent to 7.1 percent of the area of Tanzanian Mainland. Over 25,000 square kilometres of the region's area make up the Nyerere National Park and Selous Game Reserve.



2.2 Land Area, Administrative Units and Population

Lindi Region has six (6) councils, namely Liwale District Council, Kilwa District Council, Lindi District Council, Nachingwea District Council, Ruangwa District Council and Lindi Municipal Council. These councils are further divided into 28 divisions, 152 wards, 524 villages, 117 *mitaa* and 2,410 hamlets.

Table 2.1: Councils, Land Area and Population

District Council	Area (sq. km)	Population 2012	Total number of Population (2019 projection)
Kilwa District Council	13,347	190,744	214,646
Liwale District Council	36,170	91,380	106,024
Lindi District Council	6,908	194,143	224,568
Lindi Municipal Council	945	78,841	92,461
Nachingwea District Council	7,070	178,464	212,902
Ruangwa District Council	2,560	131,080	153,838
Total	67,000	864,652	1,004,439

Source: Lindi Regional Commissioner's Office, 2019 and NBS (2019): Sub-national Population Projection from Year 2013 to 2021 Based on 2012 Population and Housing Census

The 2012 Population and Housing Census identified Lindi Region with 864,652 people living in 225,972 households (i.e. an average of 3.8 persons per household). The population reached 1,004,439 in 2019, based on the region's annual population growth rate of 0.9 percent, compared to the national average of 2.7 percent and Dar es Salaam's rate of 5.6 percent.

The population density is unevenly distributed, but the average is lowest in the country, at just a quarter of the national average of 51 persons per square kilometre (51/km²). The dominant ethnic groups are Wamwera, Wangindo, Wamakonde and Wamatumbi. The male/female sex ratio in the region is 92:100, and the dependency ratio is 84:100.

2.3 Climate and Topography

Lindi Region lies in the tropical zone, with a hot and humid rainy season from November to May, and heavy rains during February and March. Mean annual rainfall is between 770 and 1200mm. Temperatures are slightly higher along the coast, with a monthly mean of 27.7°C at Kilwa in March to 22.2°C at Nachingwea.

2.4 Agro-Ecological Zones and Livelihood Zones

Lindi is one of three regions with the largest share of the total forest area in Tanzania; in 2013/14 Lindi's share of the country's forests was 12.9 percent. There are two main livelihood zones: coastal livelihood zone, and low and midlands zone.

2.4.1 Coastal Livelihood (Eastern South Cashew) Zone

Coastal livelihood zone is comprised of tree crops and fishing. The zone is along the Indian Ocean coastal belt (lowlands 0 to 400 metres above the sea level), which includes Kilwa and Lindi districts. This zone is also known as the eastern south cashew zone because some cashew nuts produced in Tanzania originate in this zone. Rainfall is medium, bi-modal, ranging from 700 to 1100 mm per year. The length of growing period is 200 to 250 days per year, and the main livelihood sources are cashew nuts, coconuts, spices, paddy, maize, cassava, pulses, fruits and vegetables. Fishing is carried out in the Indian Ocean, which contributes to community livelihoods. Farmers are mostly traditional (70%), while twenty percent (20%) are emergent farmers and ten percent (10%) are large scale commercial cashew growers.

2.4.2 Low and Midlands Zone

The second livelihood zone covers the lowlands (300 m) to midlands (900 m) in Nachingwea and Liwale district councils. The mean annual rainfall ranges between 700 and 1200 mm per season, with a crop-growing period of between 200 and 250 days per season. Major crops grown in the zone, and which contribute to community livelihoods include cashew, sesame, cassava, maize, pulses (pigeon peas, cowpeas), groundnuts and paddy in the wetlands of Kitere and Kinyope. Farmers are 70 percent traditional, 20 percent emergent and 10 percent commercial farmers. Population density in this zone is very low, ranging between 1 and 5 people per square kilometre (1-5/km²) in rural and peri urban areas. There have been massive pressure to introduce livestock into the zone following eviction from Usangu plains and other parts of western Tanzania under Miombo woodlands. This zone has relatively better gender balance in terms of socio economic activities. Men manage trees crops, in particular cashew, while women manage other sources of livelihood, particularly exploitation of non wood food forest products

2.5 Social-economic Context of Lindi Region

Gross Domestic Product (GDP) (at current market price) for Lindi Region in 2018 was about TZS 2.53 trillion, while per capita GDP was TZS 2,604,254. The main sources of income in the region are agriculture; general trade; office work; fishing; construction and manufacturing and livestock

Table 2.2: Gross Domestic Product (GDP) and Per Capita Income for Lindi Region (2013-2018)

Year	Regional GDP (TZS Million)	Per Capita Income TZS	GDP percent Regional Contribution
2012	1,176,293	1,361,215	1.89
2013	1,350,019	1,547,801	1.85
2014	1,536,423	1,744,424	1.86
2015	1,755,248	1,971,941	1.86
2016	2,124,305	2,365,694	1.96
2017	2,351,591	2,441,737	1.98
2018	2,529,877	2,604,254	1.96

Source: NBS (2019), Regional GDP 2018

As per Tanzania Human Development Report (THDR)¹ 2017, Lindi Region scored a Human Development Index (HDI) of 0.620 in year 2015, making it rank 10 out of 26 regions of Tanzania Mainland. According to the report, the region's life expectancy marked 63.8 years.

2.6 Land Development

Urban areas

Land needs in urban areas are dominated by the demand for plots for residential, commercial, institutional and industrial building purposes. Lindi real estate sub-sector has grown sensibly in recent years. Demand for either office

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 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.

or residential accommodation is very high due to the growing population caused by migration factors and accessibility in terms of transportation. The high demand for residential spaces and business premises is found in urban areas of Lindi Municipality and centres like Mitwero, Mnazi Mmoja, Mtama and Nyangao, but also growing towns of Ruangwa, Nachingwea, Kilwa and Liwale.

Real estate development in Lindi is still of significant potential for investment, as recent developments have been undertaken by few individuals, real estate firms and National Housing Corporation (NHC), which is the Government company established for the purpose of constructing houses for low, middle and high income earners.

Rural areas

Land is used for agriculture and other productive activities. Out of 524 villages, 399 farms (76.1%) are demarcated, and few are surveyed. Forest and mining areas are managed by different Government sector ministries and coordinated by the authority responsible for rural land management.

2.7 Agriculture

As stated earlier Lindi Region occupies an area of 6,700,000 hectares (7.1% of Tanzania Mainland) out of which 2,913,428 hectares (42.83%) are utilised for cultivating crops, constructing houses, cattle grazing, and reserve/open land for future development. The region data indicate that for the past five years cultivated land per year has been ranging between 1,800,000 and 2,000,000 hectares. Production of selected crops is presented in the table below.

Table 2.3: Actual cultivated land and actual harvest for major food and cash crops for the past five years in Lindi Region

Year	Major Food Crops				Major Cash Crops	
	Cassava	Maize	Paddy	Sorghum	Cashew nuts	Sesame
2013/14						
Hectares cultivated	80,419	129,852	30,982	82,914	83,229	80,483
Total tonnes (in "000") harvested	177,849	144,299	48,594	51,509	28,474	45,469

2014/15	Cassava	Maize	Paddy	Sorghum	Cashew nuts	Sesame
Hectares cultivated	48,263	94,243	21,624	43,012	84,457	81,555
Total tonnes (in "000") harvested	86,210	117,779	27,143	34,970	34,981	37,772
2015/16	Cassava	Maize	Paddy	Sorghum	Cashew nuts	Sesame
Hectares cultivated	47,014	118,414	17,509	49,831	56,548	62,020
Total tonnes (in "000") harvested	114,587	156,291	29,728	44,176	42,644	39,554
2016/17	Cassava	Maize	Paddy	Sorghum	Cashew nuts	Sesame
Hectares cultivated	83,088	106,973	29,744	54,491	68,437	37,967
Total tonnes (in "000") harvested	149,897	115,523	35,324	47,087	66,407	22,914
2017/18	Cassava	Maize	Paddy	Sorghum	Cashew nuts	Sesame
Hectares cultivated	49,582	98,287	26,306	41,027	90,230	68,437
Total tonnes (in "000") harvested	116,879	116,101	35,016	42,961	76,035	24,916

Source: Lindi Regional Secretariat Compilation, 2019

Supporting institutions

Agriculture in Lindi Region is supported by a number of institutions, including Government entities (Prisons Department, National Service, Naliendele Agriculture Research Centre and Small Industries Development Organisation - SIDO) and international organisations such as Food and Agriculture Organisation (FAO), non-government organisations (NGOs), faith-based organisations (FBOs), community-based organisations (CBOs), cooperative societies and private enterprises. SIDO has long been supporting the agriculture sector and offering technological development and technical

services, training and extension services, marketing and information services in addition to financial and credit services. It has specifically been supporting production of cashew nut processing machinery, oil seed pressing machines and processors for cassava and maize. Overall, Lindi Region is well placed for expansion of the agriculture sector, as it has ample land and labour for agriculture, and a generally favourable climate.

Programmes

There are a number of programmes designed to support the sector. These include (i) supporting the full participation of young people; (ii) improvements in extension services; and (iii) increasing demonstration plots and farms.

1. The regional government's development strategy for the agriculture sector includes supporting the full participation of young people in agriculture activities, through the establishment of savings and credit cooperative societies (SACCOs), through which the youth can save and borrow money in order to raise capital for developing agriculture. These small groups offer education on entrepreneurship to their members, and encourage older people to give the younger generation farmlands to grow crops and plots to build houses.
2. Improvements in extension services ensure more efficient services delivery to a large group of farmers. The accountability and number of extension officers at all levels have increased, the working environment has improved, and the community is being sensitised to contribute to building houses. The programme also provides specialists for health and education sectors, and increases the number of working tools and transport facilities, while at the same time improving the level of use of methods and best practices of modern agriculture on all agricultural production, thus increasing food production for self-sufficiency.
3. Increasing demonstration plots and farms, increasing the number of farmers training centres and making sure they are appropriately used; cooperating with research institutions in order to ensure the latest modern technology reaches farmers; motivating private local entrepreneurs and those outside the region to invest in the provision of shops for agricultural supplies, thus providing an opportunity for farmers to learn from areas producing well.



Harvested Cassava

The above initiatives have support from regional holistic plan as deliberated by the Regional Consultative Committee, which has put much emphasis on improvement of infrastructure such as rural and urban roads, reliable electricity and water supply, and employment of adequate extension officers to support local farmers.

2.8 Fishing

Lindi Region's 285-kilometre coastline offers significant scope for fishing activities. The coastline also provides a number of estuaries in areas suitable for farming aquatic organisms such as fish, crabs, shrimp, oysters, pearl and seaweed. The main livelihood activity of people living along the coastline is sea fishing. The region has more than 2,430 fishing vessels, mainly dhows and dugout canoes. The region has approximately 11,523 fishermen working in 28 fishing groups (6 in Kilwa District, 8 in Lindi Rural District and 14 in the Municipality of Lindi).



Sea fishing accounts for 95 percent of all fish catches in the region, but it is still all undertaken on a small scale. However, the region has 750 fish farmers in 50 groups, with 273 fish ponds, out of which 125 are salt water with the remainder 148 being fresh water and natural ponds.

2.9 Livestock

Livestock keeping is one of the major activities in Tanzania. Lindi Region has started hosting livestock keepers from other regions who are coming to enjoy the good pastures for their livestock. The availability of a good number of herds of cattle, which counts to 106,788 along with 76,188 goats and 9,034 sheep, has a great chance for interested parties to come and invest in the sector by constructing ranches through partnership. On top of that, with available stocks there is a great opportunity to invest in milk and meat processing industries so as to add value of the products to be sold at a better and profitable price. Available data in the region reveals the fact that cattle density is still low in Lindi. Apart from cattle, goats and sheep, other livestock in the region include 5,019 pigs; 1,386,883 chickens; 25,149 ducks and 2,600 guinea fowls, all of which can be processed to add value. This is due to the fact that, in practice, livestock products comprise almost 70 percent of consumers' food budgets.

Generally, the market for meat, eggs and dairy is available, and so the challenge is more on the availability and quality of the products. To deliver this, the United Nations and the Ministry of Agriculture have developed a 'Realising Tanzania Vision 2025 through Livestock' campaign. Increasing access to good pasture and provision of land for poultry farming is a key to the success of the sector, and that is something Lindi Region is not short of, especially if water sources could be secured.

Specifically, in Lindi Region the sector will benefit from the improved transport links to and from Dar es Salaam via Lindi to Mtambaswala/Mozambique border, Mbeya and Songea, as this will facilitate transportation of chicks and young cattle, and the export of processed meat.



Livestock keeping

2.10 Forestry

Forests in Lindi Region have an area of 3,786,572, which, is 57.17 percent of the total area of the region. These forests include the famous Nyerere National Park and Selous Game Reserve with 2,533,500 hectares (i.e. 38% of the regional area), 370,504 hectares of national forest reserves (i.e. 6% of the region area), 47,038 hectares of mangrove forests along the coast together with planted (sustainable)



forests (i.e. 1% of the region's area) and 11,742.26 hectares of natural forest reserve (i.e. 0.17% of the region's area). On the other hand, there are 823,788 hectares of village land forest reserves (i.e. 12% of the total region's area) being conserved, developed and managed by 76 villages under the Participatory Forest Management Programme. These reserves are managed and developed by villagers themselves in collaboration with experts from the districts.

With these potentials the region has a great chance for investing in timber industry, bee keeping and if possible due to the variety of businesses within the forestry value chain, there are many opportunities such as plywood manufacturing, wood chippings for biofuels, chipboard manufacturing, large-scale honey production in the region.

2.11 Manufacturing

Manufacturing in Lindi Region has a great chance due to availability of raw materials in the region including agricultural products, marine products, forest products (i.e. timber), cashew nuts, oil seeds, grains, horticulture products, and mines and mining products etc. With the exploration of liquefied natural gas (LNG) in Mtwara and the increase of electricity supply in the region, there is a great potential for manufacturing industry in Lindi Region. This is further supported by recent infrastructure improvements, including completion of the tarmac road from Dar es Salaam through Lindi to Mtwara, Masasi and Mtambaswala (border town with Mozambique); the upgrading of the nearby Mtwara Port; and completion of the natural gas pipeline linking Mtwara and Dar es Salaam.

Manufacturing requires stable and growing local and international markets by developing local markets as a priority. New local and foreign investment in the region will stimulate significant demand for manufactured products by focusing on opportunities linked to longer-term raw material availability within the region so as to ensure that Lindi remains competitive in these markets.

The national policy on investment provides room for incentive to investors, and in Lindi Region the mission will be to establish small, medium and large-scale industries so as to widen the range of employment and consequently by adhering to the standards to face the market challenges and competitions.

2.12 Mining

Exploration for various minerals, including graphite in Ruangwa District in Lindi Region, is being pursued actively across the country. Geologically, Lindi Region lies within the Mozambique Belt, in which a wide range of minerals are found including:

- Construction materials: sand, aggregates, stones and limestone
- Gemstones: green garnets, tourmalines, sapphires etc.
- Metallic minerals: gold, copper and nickel
- Industrial minerals: graphite, manganese, gypsum and salt.



Graphite is fast becoming the resource for the future, with uses in energy storage, electric vehicles, solar energy and electronics from smart phones to laptops, while recent research into grapheme is opening up more uses for graphite. Following the graphite discovery, there are more opportunities for large-scale mining.

Salt mining has also been a traditional industry in the region, and there are many salt ponds, especially along the coast of the Indian Ocean. Salt mining in the region is currently locally operated, hence there is more potential for investments in salt mining and processing.



Salt mining in Kilwa

Gypsum mining

Given the region's endowment with significant quantities of high quality gypsum (at Kiranjeranje in Kilwa District) and the growing cement production, there are opportunities for expansion. Furthermore, export opportunities are also possible and the provision of more effective machinery and equipment can improve efficiency and create more job opportunities.

Gas extraction

To date, sixty (60) exploration wells have been drilled out of which 16 have been discovered to contain over fifty-five trillion cubic feet (55TCF) of gas reserves, with most of this gas discovered in deep water blocks (approximately 8 TCF are from onshore/ near shore fields of Songosongo, Mnazi Bay, Mkuranga, Kiliwani North and Ntorya).



Extraction Plant in Lindi

In spite of the role of natural gas in Tanzania's economy, the sub-sector is still in infancy. Gas was first discovered offshore in Lindi Region at Songosongo Island in 1974, and the first production of the energy for domestic use started

in 2004 (70mmscfd), followed by Mnazi Bay in Mtwara Region, which started in 2007 (10 mmscfd). Today gas is used for power generation in Dar-es Salaam and Mtwara, as well as for other industrial purposes and some domestic use in few places in Dar es Salaam Region.

Tanzania Petroleum Development Corporation (TPDC) played a leading role by ensuring construction of the national natural gas infrastructure pipeline (NNGIP), a \$1.2 billion 532 kilometres 36" diameter gas pipeline from Mtwara to Kinyerezi in Dar es Salaam. The conduit was commissioned towards the end of 2015. Together with the expansion of Songosongo to 140 mmscfd by Pan African, and construction of new gas processing facilities at Madimba in Mtwara with the capacity of 200 mmscfd by Maurel et Prom, this pipeline is planned to deliver gas from Mtwara and Lindi regions.

Most of the discovered reserves have been found in deep water offshore Lindi and Mtwara, by international oil and gas companies. The first deep water discovery was in 2011, and their programme of exploration drilling continued through to 2014, and now the two consortia have sufficient discovered reserves to commence development of a liquefied natural gas (LNG) project. The deep water gas reserves prove the fact that it requires high technology and expensive to develop an economic project for international markets.

Deep water gas developments are essential for the longer-term growth of the region and indeed for the whole of Tanzania. First steps towards this will be the confirmation on the availability of land for an LNG site, agreement of terms for the overall development, and proactive support to skills development, and development of local businesses. Short-term opportunities in the sector are linked to the expansion of existing gas developments (utilising the national natural gas infrastructure pipeline), and to any further exploration activities planned by international gas companies.

2.13 Tourism

With its warm climate and natural beauty, Lindi Region has many tourist attractions including historical sites on Kilwa Island, Songo Mnara and Kilwa Kivinje; the Selous Game Reserve and the River Nyange Reserve, which receive tourists for photographic tourism and hunting.



Beach Coast in Lindi Region

Also on the list of attractions are abundance of sandy beaches along the 285-kilometre Indian Ocean coastline, including Sudi, Shuka, Lindi Urban, Mitema, Mitwero, Kera, Mchinga, Kijiweni, Lushungi, Sanjayakati, Mikoma, Songomnara, Songosongo, Simaya, Njovion; the Nang'oma, Nandembo, Mkurukara, Tung'ande, Kiwawa and Namaingo caves; the site of the discovery of one of the world's oldest dinosaurs in Tendaguru near Ruangwa District; the remains of Mikukuyumbu in Liwale District; the Matumbi, Makonde and Litou hills; Rondo Plateau with its forests that have unique butterflies, a German Boma with pictures of African tribal leaders in Liwale, while Kilwa itself still boasts houses built of mangrove poles between the 14th and 19th centuries.



Historical towns in Kilwa Kivinje and ruins of Kilwa Kisiwani

Nyerere National Park and Selous Game Reserve attract many tourists, though Tanzania's 'Southern Circuit' attracts far fewer visitors than the better established "Northern Circuit". Access to the Selous from the southern side (i.e. Lindi Region side) is very limited, and is currently generally used only by the hunting lodges located in the southern half of the reserve, and the number of visitors is very sparse.



Elephants and Baboons found in Nyerere National Park and Selous Game Reserve

As far as wildlife is concerned, other than game hunting in the Selous, up to seven species of breeding turtles are found in the region, along with a number of endemic birds and butterflies. Fossil fish species (e.g. coelacanth) have been found in rocks near Kilwa.



Marine sports in Kilwa



Endemic Butterflies

Marine sports are another tourist attraction. Coastal waters are conducive for diving, as the waters are not polluted and visibility is good for up to 30 metres. There is also a great potential for sport fishing.



Nang'oma Cave in Kilwa



Hippo in Nyange River

PRIORITY INVESTMENT OPPORTUNITIES IN LINDI REGION

The investment opportunities identified by Lindi Region are grouped into regional level and council level as follows:

3.1 Summary of Priority Investment Opportunities by Sector

Potential areas for investment in Lindi Region include industry, crops, livestock, fishery, construction, tourism, education, and health sectors.

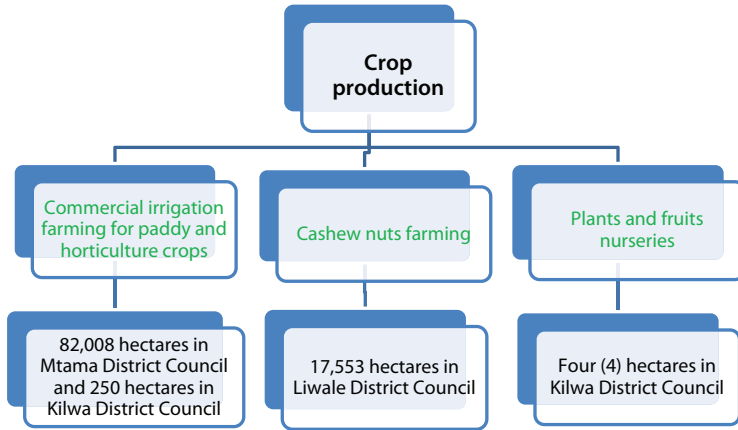
3.1.1 Crop production

More investments are welcome in expanding available irrigation opportunities by ensuring that all areas suitable for irrigation are used in producing crops, improving existing irrigation infrastructure, introducing new or enhancing irrigation schemes and offering training on the best use of water for irrigation. Investors may enter into partnership or may operate individually. Investments in value addition of produce from Irrigation are also encouraged by establishing small agro-food processing industries in order to get the best and profitable price for their produce.

Lindi Region is encouraging the private sector to invest and participate in the production of food and cash crops as well as in processing and value addition of agricultural products. Some of initiatives to improve/promote agriculture include:-

- ✓ Initiation of a programme to encourage wider growing of cassava by all local farmers, as this is the staple crop for Lindi Region
- ✓ Encouraging private enterprises, non-government organisations (NGOs) etc. to invest in agriculture on a value chain basis along with contract farming in both cash and food crops
- ✓ Initiation of a special programme that invites and encourages large-scale farming, particularly irrigation farming, together with regular supply of farm implements.

Figure 3.1: Priority Investment Opportunities in Crops Production



There are also opportunities relating to forestry mainly **beekeeping** prioritised in Ruangwa, Lindi, Liwale and Kilwa district councils.

3.1.2 Livestock

Livestock sector presents several investment opportunities in Lindi Region. Improvements and availability of local breeds would increase productivity and reduce the necessity to travel to source modern breeds from outside the country. Enhanced accessibility to improved animal feeds, vets, insemination services, and extension services would aid to combat disease, improve productivity, and open up opportunities for improved environmental management (e.g. utilisation of cattle waste for other uses).

Meat processing is very immature, and once meat volumes increase there is significant opportunity for this segment to grow in parallel serving local and even international markets, and of course those markets are not seasonal. Dairy farming offers similar potential as there is significant and consistent local demand for milk and milk-processed products, and offers opportunities for women.

Poultry and eggs provide a more realistic opportunity for short-term development as investment levels are significantly lower, and technical risks from diseases can be managed more effectively. Programmes can target farmers as well as SMEs, with particular opportunities for women and youth

participation, but modernisation is important to convey the message that chicken rearing is not a subsistence activity.

3.1.3 Fishery

Sea fishing

There are potentials for capital-intensive sea fishing along with the development of fishing bay in Lindi Region, preferably Kilwa and Lindi districts. Efforts done so far include training of fishermen through fishing groups so as to help them to add value of their products.



Fish farming

At present, fish farming focuses on a few specific breeds of fish. Among them are milkfish for seawater, while Tilapia and catfish are farmed on fresh water. More research and trials could improve variety and quantities of fish. Given the vast number of salt ponds in and around Lindi and Kilwa districts, expansion of current estuarial fish farms could be established at relatively low cost. This could form the basis for development of a fish processing industry and associated cold storage in the region. This development can be linked with the expanding markets outside the region in both Mtwara and Dar es Salaam, and potentially overseas.

There is also room for expanding fish farming with shrimp, though this would need establishment of new technology and closer monitoring of environmental conditions. Freshwater fish farming is practised by local communities and this opportunity offers much scope for scale-up and promotion of small entrepreneurs through partnership for markets outside the region.



Salt fishpond

Seaweed farming

Increased production volumes of seaweed would help generate more income, particularly from selling seaweed. There may be opportunities to ship dried seaweed to Zanzibar to catch a bigger market in the islands and beyond as well as opportunities for local processing by providing farmers with knowledge to add value through manufacturing of products such as soaps, perfumes and various medicines.

Figure 3.2: Priority Investment Opportunities in Fishery



3.1.4 Industrial Sector

Lindi Region possesses the pre-requisites for industrial development. Investors have the option to establish small, medium or large-scale industries. Potential investment areas in the region include the establishment of

processing factories for cashew nut, cassava, coconut, fish, animal feeds and cereal milling. Land for establishment of industries has been allocated in all local government authorities including 8,100 hectares in Nachingwea; 8 hectares at Mbanja Ward in Lindi Municipal Council; 25.24 hectares in Mtama District Council; 30 hectares at Nangurukuru industrial zone in Kilwa District Council; 9.6 hectares in Liwale District Council; and 40 hectares at Lipande Village in Ruangwa District Council. The table below summarises the priority investment opportunities in industrial sector.

Table 3.1: Priority Investment Opportunities in the Industrial Sector

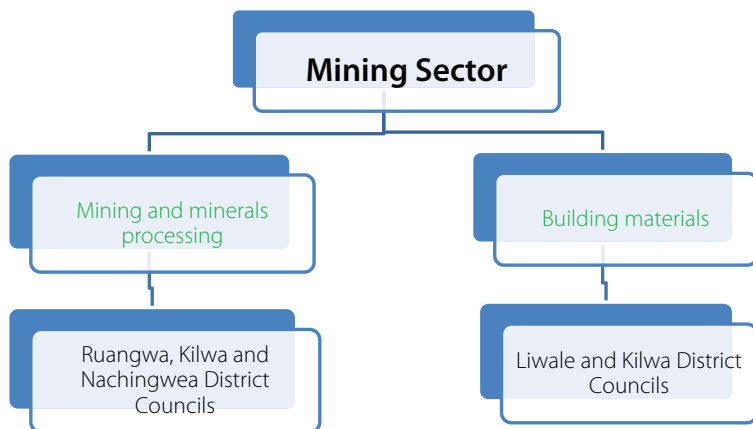
SN	Sector	Investment Opportunities	Land Allocated and Location
1.	Agro-processing industries	Wine making from cashews	An investor will use part of land (8,100 hectares) allocated in Nachingwea District Council
		Cashew nut shell liquid making	An investor will use part of land (8,100 hectares) allocated in Nachingwea District Council
		Cashew nut processing	Eight (8) hectares at Mbanja Ward in Lindi Municipal Council; 49.12 hectares in Mtama District Council; 30 hectares at Nangurukuru in Kilwa District Council; 9.6 hectares at Mungurumo area in Liwale District Council; 0.36 hectare in Nachingwea District Council; and 40 hectares in Ruangwa District Council
		Edible oil making (targeting sesame, coconut, sunflower & ground nuts)	Four (4) hectares in Lindi Municipal Council; 25.24 hectares in Mtama District Council; 30 hectares at Nangurukuru industrial zone in Kilwa District Council; 9.6 hectares in Liwale District Council; 4.04 hectares in Nachingwea District Council; and 40 hectares at Lipande Village in Ruangwa District Council
		Cassava processing plant	Four (4) hectares in Mtama District Council
		Animal feeds production	Lindi Municipal Council has set aside 5,000 hectares for industrial development
		Fish processing	Investor will establish the proposed industry in Kilwa District Council or Lindi Municipal Council
		Pesticides	Interested parties will choose any local government authority to invest in
		Coconut processing (coco peat, edible oil and other products)	Investor will establish a processing plant in Mtama District Council or Lindi Municipal Council

SN	Sector	Investment Opportunities	Land Allocated and Location
		Horticulture processing	Ruangwa District Council; Mtama District Council or Lindi Municipal Council
		Honey processing	Ruangwa District Council and Mtama District Council
		Investment in alternative energy	An Investor will choose any local government authority for establishing a solid waste processing plant
2	Other industries	Salt processing, grading, packaging and branding	Lindi Municipal Council has allocated land (5,000 ha) for industrial development
		Packaging materials manufacturing	Land (5 ha) has been set aside in Lindi Municipal Council
		Water bottling	Ruangwa District Council
		Saw mills	Land has been set aside for this purpose in the following areas: Liwale District Council (9.6 ha); Mtama District Council (15.03); Nangurukuru industrial zone in Kilwa District Council; and 40 hectares at Lipande Village in Ruangwa District Council

3.1.5 Mining Sector

Priority investment opportunities include mining and value addition to minerals such as gold, graphite, green garnet, red garnet, and iron.

Figure 3.3: Priority Investment Opportunities in Mining Sector



3.1.6 Construction

Priority investment opportunities in construction sector include real estate development.

Figure 3.4: Priority Investment Opportunities in Construction Sector

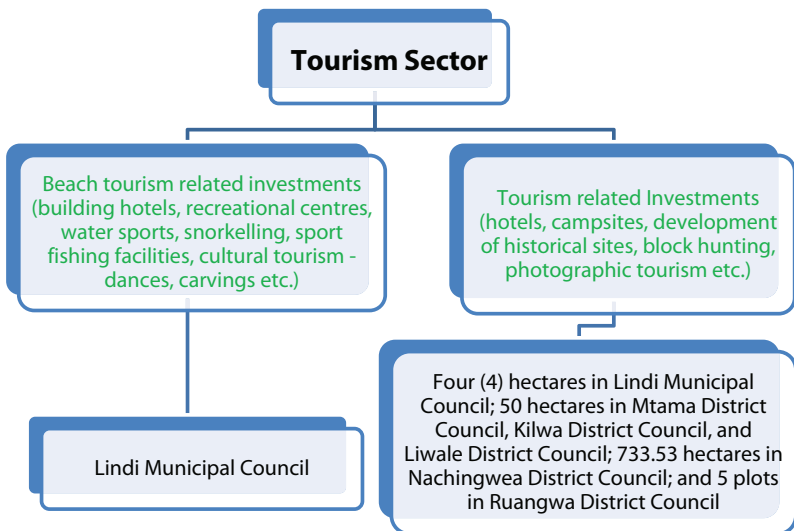


3.1.7 Tourism Sector

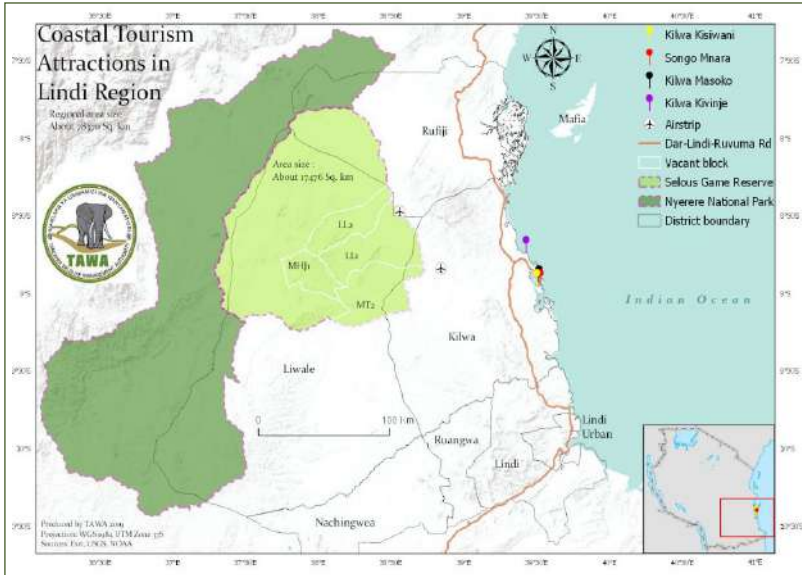
Lindi Region has various investment opportunities in tourism sector, including:

- Developing heritage sites – Kilwa Kisiwani, Songo Mnara and Kilwa Kivinje provide significant heritage opportunities. Other existing heritage opportunities include Lindi Town and the Mosque. Kilwa hosts the origins of the Maji Maji War at Nandete Village and the commencement of the First World War (WW1) encounters in East Africa
- Sports fishing and diving – the bays around Kilwa and in other parts of the region provide opportunity for developing such investments
- Natural resources – the region offers a number of attractive beaches and forest sites, ranging from beautiful unspoilt beaches, unique eco-system forests, and birding locations. Furthermore, the Selous Game Reserve offers large game opportunities
- General culture – Lindi Region offers a wide potential for cultural activities. The region hosts a unique mix of peoples, and culture is a key part of their lifestyle. It is important that this is not lost, and that skills such as boat building, handicrafts, honey production, musical talents are not lost. Village life is an important part of that culture, and future development should be progressed in harmony with this village life
- Establishment of hotels and camping sites.

Figure 3.5: Priority Investment Opportunities in Tourism



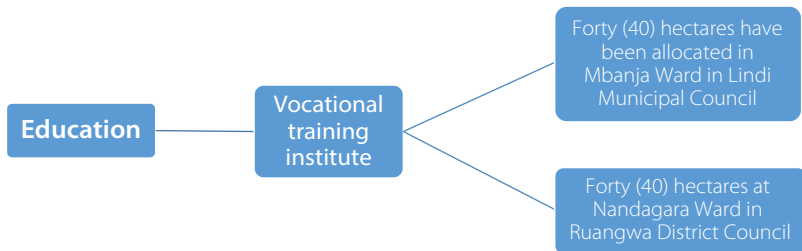
In connection with the above opportunities, Tanzania Wildlife Management Authority (TAWA) plans to open up the South Coast of Tanzania in particular Lind Region into a prime tourism destination by developing a “Single Tourism Safari Package”; create adventure safari in Selous Game reserve by dedication LL1 for photographic adventure tourism; construct tourists lounge with the capacity of 100 tourists at one time and rehabilitation of two jets at Kilwa Kisiwani; collaborate with Abercrombie and Kent to initiate cruise ship safaris in Kilwa; engage private sector to construct accommodation facilities and invest in water sport tourism.



3.1.8 Education

Individuals, non-government organisations and religious institutions are invited to invest in skills training institutions.

Figure 3.6: Priority Investment Opportunities in Education Sector



3.2 Regional Level Priority Investment Opportunities

Based on available raw materials and on required infrastructure for some of the investment opportunities, Lindi Region has identified nine (9) key investment opportunities to be recognised and implemented at the regional

level. These include salt industry, production of animal feeds, wine making from cashews, manufacturing of pesticides, fish processing, production of packaging materials, production of cashew nut shell liquid, production of alternative energy and coconut processing.

The regional level investment opportunities have two main attributes: first, it is their scale and scope, which transcends beyond those of individual local government authorities; and the second attribute is opportunities are large enough to serve all local government authorities. Specific details for each opportunity are given below:

A. Industrial Sector

1. Wine Making from Cashews

Overview of the Opportunity	
<p>Key features</p> 	<ul style="list-style-type: none"> Investors are invited to establish one large-scale winery in Nachingwea District Council that will serve the whole region The winery will use cashew fruits as raw materials Over eight thousand (8,100) hectares have been allocated for industrial development and this industry will be accommodated within this land.
<p>Key investment rationale</p>	<ul style="list-style-type: none"> Creates employment and other social benefits to many Tanzanians Provides market for cashew producers The market for cashew wine is locally available and the wine can fetch markets in neighbouring regions.
<p>Available support</p>	<ul style="list-style-type: none"> The Second Five-Year Development Plan (FYDP II), which identifies value addition to agricultural products as one of Tanzania's top priorities Government of Tanzania (Ministry of Agriculture, TRA, PMO, TBS, Ministry of Industry, EPZA, SIDO etc.) is addressing business enabling environment issues (various) innovative technologies in value addition trade facilitation.

2. Production of Cashew Nut Shell Liquid

Overview of the Opportunity	
<p>Key features</p> 	<ul style="list-style-type: none"> Investors are welcome to establish industries for extraction of oil lubricants from cashew shells This will involve making cashew nut shell liquid essential for friction linings, paints, laminating resins, rubber compounding resins, cashew cement, polyurethane-based polymers, surfactants, epoxy resins, foundry chemicals, and intermediates for chemical industry There are over 76,000 tonnes of cashew nuts produced per annum in the region, thus a guarantee for raw materials The factory can be established in Nachingwea District Council in the area designated for industries Raw materials are found in all councils in Lindi Region.
<p>Key investment rationale</p>	<ul style="list-style-type: none"> The industry will generate employment to people in the region The unprocessed shells will have value to its large availability after nuts extraction There is high demand for lubricants in the country and outside the country.
<p>Available support</p>	<ul style="list-style-type: none"> There is national, regional and local government support for this type of industry Good infrastructure, which includes roads and communication networks, electricity supply and markets There is demand for lubricant oil at various stages and levels in the industrial and non-industrial levels.

3. Salt Processing, Grading, Packaging and Branding

Overview of the Opportunity	
<p>Key features</p> 	<ul style="list-style-type: none"> Investors are welcome to establish modern salt processing plant in Lindi Municipal Council that will process, grade, pack and brand salt About 9,099 tonnes of salt are mined annually in Lindi Municipal Council By the end of the year (2018) there were 77 salt farms in Lindi Municipal Council


	<ul style="list-style-type: none"> Other councils prominent in salt farming include Mtama District Council, with a production capacity of 7,300 tonnes, and Kilwa District Council with a production capacity of 11,000 tonnes a year Land ownership will be through partnership with land owners; land lease is through land acquisition.
<p>Key investment rationale</p> 	<ul style="list-style-type: none"> Salt industry, like all other industries, will generate employment to people in the region Salt harvesting from the ocean is being done by many firms and individuals but not processed There is higher demand for salt from all parts of the country, including Dar es Salaam Region and countries of Kenya, Rwanda, Burundi and Congo.
<p>Available support</p>	<ul style="list-style-type: none"> There is national, regional and local government support for this type of industry Good infrastructure, which includes roads and communication networks, electricity supply and markets There is demand for processed salt in the district, region and outside the region.

4. Animal Feeds Industry

<p style="text-align: center;">Overview of the Opportunity</p>	
<p>Key features</p> 	<ul style="list-style-type: none"> Production of animal feeds, mainly chicken feeds, in Lindi Municipal Council that will serve the whole region Raw materials such as millet, sardines, cashew nuts etc. for processing chicken feeds are plenty in the region. Other raw materials available include sunflower cake, sesame cake, maize brand and lime stones Lindi Municipal Council has set aside 5,000 hectares for industrial development, therefore an investor will use part of that land for establishing an animal feeds processing plant One plant to cater for the whole region's demand for animal feeds

Key investment rationale	<ul style="list-style-type: none"> ▪ The industry is still under developed; there is high demand for animal feeds mainly for cattle and chicken ▪ It will promote incomes for all people involved in the value chain ▪ Given the current pressure on natural resources, focus is needed on increasing the use of crop residues, by-products from agro-industrial processes and other locally-available non-conventional feed resources to produce animal feeds mainly for fish, poultry and dairy cattle ▪ Lindi Region has a rich supply of the essential raw materials used in the manufacture of animal feed; these include feed grains like millet, and maize, cassava chips, groundnuts, oilseed mill products, meat and fish meals and special ingredients like leguminous leaves (e.g. <i>Lucina</i>) ▪ African Chicken Genetic Gains (ACGG), which aims at providing the beneficiaries with new high breeding chicken as a way of increasing their income¹.
Available support	<ul style="list-style-type: none"> ▪ National Livestock Policy (2006) and Tanzania Livestock Master Plan support animal feeds processing ▪ Existence of Tanzania Animal Feeds Manufacturers Association (TAFMA), which provides a common forum for all manufacturers of animal feeds in Tanzania.

5. Fish Processing Industry

Overview of the Opportunity	
Key features 	<ul style="list-style-type: none"> ▪ Fishing is one of major economic activities in Lindi Region ▪ About 2,500 tonnes of fish are produced annually ▪ Kilwa District Council and Lindi Municipal Council have high potential in fishing activities due to being situated on the coast of Indian Ocean
Key investment rationale	<ul style="list-style-type: none"> ▪ The councils have the largest number of fishing licences, fishermen as well as the number of registered fishing vessels ▪ The incentive of fish farmers to produce is when consumers are linked to the needs of fish farmers, processors, traders, and transporters. This is likely to happen when the policy enables the public-private partnership to operate in the fish-farming sub-sector.

Available support

- One of the prioritised investments in the second Five-Year Development Plan (FYDP II).

6. Manufacturing of Packaging Materials

Overview of the Opportunity

Key features



- Investors are invited to establish packaging materials factories to serve Lindi and neighbouring regions
- There is high need for packaging materials in the region and neighbouring regions of Mtwara and Ruvuma, as well as in bordering countries in the south of Tanzania
- The region has set aside 5 hectares for this investment.


Key investment rationale



- High demand of packaging materials by current industries and future industries
- Proper packaging materials will reduce post-harvest losses and elongate shelf life of some delicate produce, especially horticulture crops
- Appropriate packaging materials provide basic functions, namely simplified and easy-to-handle transportation; protection against external wear and tear provides the necessary legal information on usage and content etc.
- It is the Government policy to prevent use of plastic packing materials; therefore, there is need to establish factories for producing appropriate packaging materials
- The region invites more investments in construction industries, markets, and shopping malls, all of which will require packaging materials
- The industry will meet demand for packaging materials emanating from expected investments in primary and secondary processing, as well as from the establishment of modern markets and shopping malls. In this way the Government policy to ban the use of plastic packaging materials will easily be abided to
- The Government, through the Tanzania Bureau of Standards, has been calling for the private sector to invest in the production of environment friendly packaging materials

	<ul style="list-style-type: none"> Existing packaging materials do not meet quality standards required by various products Consumers' use and preservation of the environment Packaging provides an opportunity to put a brand name on a product; this will help to separate the branded product from the 'faceless' and 'unbranded' competition, and thus help to attract more customers through the contact information on the labels.
Available support	<ul style="list-style-type: none"> Land is available for construction of a factory for manufacturing packaging materials Good infrastructure, which includes roads and communication networks, electricity supply and markets This investment is in line with Government industrialisation policy, which, among other things, promotes value addition at both primary and secondary levels; as well as political support at national, regional and local government levels Land is available for constructing a factory for manufacturing packaging materials Seventy-five percent (75%) import duty relief on deemed capital goods, including equipment, utility vehicles and some building materials through TIC.


7. Production of Pesticides

Overview of the Opportunity	
Key features 	<ul style="list-style-type: none"> Interested individuals and companies are invited to invest in production of pesticides in Lindi Region There is high demand for pesticides, such as sulphur and others that are widely used in cashew farming, which is the major economic activity of the region Most pesticides are currently purchased from outside the country at a considerably higher price.
Key investment rationale	<ul style="list-style-type: none"> Creates employment and other social benefits to youth and other groups in Lindi Region Presence of adequate pesticides will promote more production of crops, including cashew nuts There is high demand for pesticides in the region.
Available support	<ul style="list-style-type: none"> One of the prioritised investments in the second Five-Year Development Plan (FYDP II).

8. Coconut Processing

Overview of the Opportunity	
<p>Key features</p> 	<ul style="list-style-type: none"> Investors are invited to establish coconut processing plants in any local government authority to produce coco peat, edible oil and other products The region is characterised by a lot of coconut palms grown widely in a vast land, producing more than 50,000 tonnes of coconuts per year. For instance, Mtama District Council alone produced 43,201 tonnes in 2018 while Lindi Municipal Council produced 561 tonnes of coconuts in 2017.
<p>Key investment rationale</p>	<ul style="list-style-type: none"> It assures market and income for producers Tanzania is still importing coconut oil despite the amount of coconut that it locally produces There is high demand for coconut oil; however, a major constraint is absence of processing plants A lot of coconut is produced in the region.
<p>Available support</p>	<ul style="list-style-type: none"> The second Five-Year Development Plan (FYDP – II) promotes agriculture development and unveils the industrial agenda Weather and climatic conditions are conducive to coconut farming and can therefore support the industry Presence of Government extension officers in each ward helps to provide agronomic services to smallholder farmers Existing knowledge about coconut farming facilitates establishment of out-grower scheme involving neighbouring local community Phase two of Agriculture Sector Development Programme (ASDP-II).

9. Production of Alternative Energy

Overview of the Opportunity	
<p>Key features</p> 	<ul style="list-style-type: none"> Interested parties are invited to invest in processing of solid wastes from forest by-products, cashews, coconut, and other solid wastes The region is rich in forest products from which a lot of sawdust is generated, thus calling for investors to produce alternative energy, including charcoal and the like An Investor will choose any local government authority for establishing a solid waste processing plant.

Key investment rationale	<ul style="list-style-type: none"> It assures market and income for garbage collectors Increasing population will certainly lead to a lot of production of solid waste in the region Processing of solid waste will help to improve solid waste disposal within the region.
Available support	<ul style="list-style-type: none"> The second Five-Year Development Plan II (FYDP II) promotes industries The National Environmental Policy fosters proper disposal of garbage and processing of garbage (including recycling of solid materials) The project is likely to receive a lot of support, given the existing political will.

3.3 Council Level Priority Investment Opportunities

At council level, interested individuals and companies are welcome to invest in tourism related opportunities such as construction and operation of hotels and campsites, sport fishing, block hunting, cultural tourism, photographic tourism, beach tourism etc.; cashew nut processing; vocational training; edible oil processing; cassava processing; plants and fruits nursery; saw mills and furniture; building materials manufacturing (rocks cutting and concrete making); mining and minerals processing; horticulture crops processing; beekeeping and honey processing; water bottling; commercial irrigation farming for paddy; cage fishing and aquaculture. Detailed information about council level investment opportunities is given below:

A. Industrial Sector

1. Cashew nut Processing Industries

Overview of the Opportunity	
<p>Key features</p> 	<p>Investment in cashew nut processing preferably five (5) large-scale industries spread in either of the following councils:</p> <p>Lindi Municipal Council</p> <ul style="list-style-type: none"> Investors are welcome to establish cashew nut and kernels processing plant The council has allocated 8 hectares of land at Mbanja Ward for this investment



- About 2,270 tonnes of cashew nuts are produced per annum
- Land for investment in Lindi Municipal Council will be through land lease
- During the 2017/2018 season 9,600 hectares were planted with cashew nut trees, and the first harvest is expected by year 2020, thus increasing the quantity of cashews for the industry
- Raw cashew nut production is expected to reach 15,600 tonnes from year 2020.

Mtama District Council

- Interested parties are welcome to invest in cashew nut processing industry
- About 49.12 hectares have been allocated for this industry
- Cashew nuts production has increased from 2017 to 2018 at an average of 14412 tonnes per year, so it is a good opportunity to invest because raw materials are available.



Kilwa District Council

- Interested individuals and companies are welcome to invest in cashew nut processing
- The council has allocated 30 hectares of land for establishing an industrial zone at Nangurukuru; land ownership is through land acquisition
- An average of 6,000 tonnes of cashew nuts are produced per annum in Kilwa District Council
- Farmers are highly motivated with cashew nut cultivation; in years 2018 and 2019 a total of 200,000 new seedlings were planted
- There is room of production expansion due to plantation of new seedlings
- There is no cashew nut processing plant in the district.

Liwale District Council

- Interested parties are invited to construct a cashew nut processing plant
- Some 9.6 hectares have been allocated for this purpose at Mungurumo area
- Production of cashew nuts per annum is estimated to be 14,524.38 tonnes
- A total of 17,553 hectares are available for cultivation of cashew.



Nachingwea District Council

- Investing in cashew nut processing plant is one of the council's potentials
- Land (0.36 ha) has been allocated for this purpose
- The average production per annum is 21,641 tonnes.

Ruangwa District Council

- The council is ready for partnerships for investing in construction of a cashew nut processing plant
- About 40 hectares have been allocated for industrial purpose
- About 11,760 tonnes of cashew nuts are produced per annum
- The planned industrial area has adequate infrastructure, such as roads, storage facilities (warehouses) and utilities (water and power supply).

Key investment rationale



- Cashew nuts are also important to the national economy, providing 18 percent of Tanzania's merchandise export earnings. Cashews are well suited to Lindi Region and to production by poor farmers. Its ability to grow on poor soils and to be intercropped with food crops makes it an ideal product for small farmers
- Cashew nuts production is the main cash crop in all councils of Lindi Region; therefore, the investor will get adequate raw materials
- The industry will generate employment and become a source of markets for farmers
- Lindi Region has all the factors necessary for the development of a processing industry in terms of quality product, scale, location, seasonality, tradition and history of processing
- Substantial potentials exist in improving the profitability of processing through diversification of the product range, including commercial utilisation of the readily available waste, and also utilisation of other by-products such as cashew nut shells liquid, and cashew apples for juice, jam, syrup, candy, wine and brandy; and biogas generation for cashews that are unfit for food production.

Available support

- Government has clearly shown interest in developing the cashew sector in value addition and in production, and in enhancing earning at all levels of the sector. Policy moves have been consistent with these objectives
- Cashew nut Industry Strategy (2013/14 to 2023/24)
- Agriculture Sector Development Programme phase two (ASDP II: 2017/2018 – 2027/2028), which has identified cashew nut industry as one of Tanzania’s main agriculture sub-sector
- Five Year Development Plan phase two (FYDP II: 2011/2012- 2020/2021)
- National Public Private Partnership (PPP) Policy, 2009.

2. Edible Oil Processing

Overview of the Opportunity

Key features



Investors are invited to establish edible oil industry using sesame, sunflower, coconuts and ground nuts as raw materials:

Lindi Municipal Council

- Investment in a processing plant to make edible oil and other products from sesame
- Four (4) hectares of land have been allocated for this investment; ownership is through land lease
- About 765 tonnes of sesame are produced annually in the council
- About 120 tonnes of groundnuts are produced annually in the council
- About 561 tonnes of coconuts are produced annually in the council.

Mtama District Council

- Investment in sesame and coconut processing plant to make edible oil and other products
- Land (25.24 ha) has been allocated for this industry
- In 2017 the council produced 6,817 tonnes of sesame, and in 2018 it produced 3197.695 tonnes, thus making an annual average production of 5007.3475 tonnes. The council also produced 43,201 tonnes of coconut in 2017 and 48116 tonnes in 2018, thus making the average production per year to 45658.5 tonnes.



Kilwa District Council

- The average production of sesame in Kilwa is between 15,000 and 17,000 tonnes per annum
- The council does not have a sesame processing plant
- Interested parties are invited to establish sesame processing plant that will produce edible oil and other products
- The council has allocated 30 hectares of land at Nangurukuru industrial zone
- Land ownership is through land acquisition
- The allocated area is accessible by road, port and airport.

Liwale District Council

- Interested parties can invest in sesame and sunflower processing plants
- Land (9.6 ha) has been allocated for this industry
- About 5,811.31 tonnes of sesame are produced per annum
- About 45 tonnes of sunflower are produced per annum.



Nachingwea District Council

- Investors are invited to establish edible oil industry that will use ground nuts, sesame and sunflower as raw materials
- Land (4.04 ha) has been allocated for this industry
- About 3,390 tonnes of sesame are produced per annum;
- About 1,998 tonnes of sunflower are produced per annum
- Groundnut 1,601 tonnes per annum.

Ruangwa District Council

- Investing in edible oil industry using sesame and sunflower as raw materials
- About 5,924.685 tonnes of sesame are produced per annum
- Land (40 ha) has been allocated for industrial use in Lipande Village
- The planned industrial area has all the necessary infrastructure, such as roads, storage facilities (warehouses) and utilities (water and power supply).

Key investment rationale	<ul style="list-style-type: none"> All district councils in Lindi Region are producing sesame and sunflower, and have the potential to increase production Assures the investor supply of raw materials The investment will assure market and income for the producers Reduces dependency on imported edible oil.
Available support	<ul style="list-style-type: none"> The second Five-Year Development Plan (FYDP II) promotes production of oil seeds Sunflower Sector Development Strategy 2016-2020 Seventy-five percent (75%) import duty relief on deemed capital goods, including equipment, utility vehicles and some building materials through TIC Direct VAT exemption of imported plant and machinery.

3. Cassava Processing

Overview of the Opportunity	
Key features 	Mtama District Council <ul style="list-style-type: none"> Investors are invited to establish a cassava processing plant Land (4 ha) has been allocated for this investment Land ownership will be through land lease Production of cassava in the council is about 8,356 tonnes per annum.
Key investment rationale	<ul style="list-style-type: none"> Cassava is the most produced food crop supporting the livelihoods of most farmers. Cassava flour is most commonly consumed as 'stiff porridge' (<i>ugali in Kiswahili</i>) through a blend with maize flour for a desirable texture. Cassava flour could play a significant role in food security, given the periodic shortage of maize and the reliance on wheat imports.
Available support	<ul style="list-style-type: none"> National Agriculture Policy 2013; Industrialisation Policy; and the Second Five-Year Development Plan, have all prioritised cassava agri-business in the country.

4. Saw Mills

Overview of the Opportunity

Key features



Liwale District Council

- Establishment of saw mills is an investment opportunity due to availability of timber as a raw material
- Land (9.6 ha) has been allocated for this industry
- All villages near the Angai Forest Reserve

Mtama District Council

- Establishment of saw mills is an advantage due to availability of timber
- Land (15.03 ha) has been allocated for this industry
- The councils have forestry areas with suitable trees for timber wooden operations, in Nalunu Forests, Mkombamosi, Namkongo, Makangara, Mihima and Liganga.

Kilwa District Council

- Establishment of saw mills is one of potentials due to availability of timber as raw material
- The council has allocated 30 hectares of land for industry construction of an industrial zone at Nangurukuru; land ownership is through land acquisition
- The area is covered by 725,553 hectares of four forests, namely Pindilo, Ngarama South, Ngarama North and Kitope.

Ruangwa District Council

- Establishment of saw mills
- The council has a natural forest reserve that covers a total area of 170,666.7 hectares, and a planted forest that covers 100 hectares of exotic species called *tectonagrandis* (teak tree). The planted forests are Nahaanga, Mchichili, Mtondo, Lichwacha Ngau, and Nandenje
- Land (40 ha) has been allocated for industrial purpose in Lipande Village
- The planned industrial area has all the necessary infrastructure, such as roads, storage facilities (warehouses) and utilities (water and power supply).

Key investment rationale	<ul style="list-style-type: none"> There are plenty of timber products in the said district that is marketed without adding any value onto it It is one way of generating employment for youth Sawdust can be used for charcoal making.
Available support	<ul style="list-style-type: none"> Policy and political support at national, regional and local government levels Increase of excise duty on imported furniture (2017/18 Budget Speech).

5. Horticulture Crops Processing

Overview of the Opportunity

Key features



Ruangwa District Council

- Investment in construction of a plant for processing horticulture crops targeting mainly tomatoes
- The council has 4 valleys, namely Mnacho, Mnindu, Mpumbe and Nachikalala consisting of about 645 small-scale farmers dealing with horticulture production. These valleys, covering about 264.6 hectares of land, have a production capacity of about 13,129 tonnes of tomatoes per annum.
- Land (40 ha) has been allocated at Lipande Village for industrial use. The planned industrial area has all the necessary infrastructure, such as roads, storage facilities (warehouses) and utilities (water and power supply).

Mtama District Council

- Investment in horticulture processing plant targeting mainly mangoes
- Land (25 ha) has been allocated for this industry
- Mango production is high in Mtama, Nyengedi, Mtua, Majengo, Rutamba, Nyangao, Kiwalala, Longa, Namupa, Milola and Kiwawa wards, so it is an opportunity for investing in juice processing plant.

Lindi Municipal Council

- Interested parties are invited to Invest in a fruit-processing plant, targeting mainly mangoes
- Mangoes are grown all over Lindi Municipal Council.

Key investment rationale



- Tomato production has expanded in the district and in neighbouring districts Councils of Liwale, Nachingwea and Lindi; the industry in Lindi will absorb raw materials from these areas
- The region is prominent in the production of mangoes.

Available support

- The second Five-year Development Plan (FYDP II) supports value addition of horticulture products, such as tomatoes.

6. Beekeeping and Honey Processing

Overview of the Opportunity

Key features



Ruangwa District Council

- Interested individuals and companies are welcome to invest in beekeeping and honey processing ventures
- The council has natural forest reserves covering about 170,666.7 hectares suitable for beekeeping; it also has a community that is willing, competent and qualified to practise beekeeping
- Land (40 ha) has been allocated in Lipande Village for industrial use. The planned industrial area has all the necessary infrastructure, such as roads, storage facilities (warehouses) and utilities (water and power supply).




Mtama District Council


- Investment in modern beehives both for investor's own honey production and for selling beehives to individuals in the community
- Increased production of honey will eventually create an opportunity for honey processing industry
- Land (30 ha) has been allocated for this industry; the council has suitable forestry areas for beekeeping in Nyangamara and Makangara villages.

Liwale District Council

- Investment in modern beehives for investor's own honey production as well as for selling beehives to individuals in the community
- Ten percent (10%) forest area in village lands has been allocated for this industry.

	<p>Kilwa District Council</p> <ul style="list-style-type: none"> Investment in modern beehives for investor's own honey production as well as for selling beehives to individuals in the community. The council has allocated 30 hectares for construction of an industrial zone at Nangurukuru, which will also include beekeeping and honey processing. Land ownership is through acquisition.
<p>Key investment rationale</p>	<ul style="list-style-type: none"> Forests in Ruangwa and other councils have proved to be very conducive for honey production Current producers use traditional beehives, whose production is very low Such investment is in line with FDYP II, which has identified value addition of forestry products as a strategic investment Mtama District Council has proved to be very conducive for honey production, particularly at Rutamba, Milola and Makangala wards Current producers use traditional beehives, whose production is still low but adequate for small-scale honey processing; additional honey supplies can easily be obtained from neighbouring districts.
<p>Available support</p>	<ul style="list-style-type: none"> The council will promote establishment of vocational training institute focusing on value addition of honey, among others Lindi Region is also attracting investment for producing packaging materials that will meet the specific requirements of packing honey and related products.

7. Water Bottling

<p>Overview of the Opportunity</p>	
<p>Key features</p> 	<p>Ruangwa District Council</p> <ul style="list-style-type: none"> Investment in spring water bottling is expected in the council Forty (40) hectares of land have been allocated in Lipande Village for industrial use. The planned industrial area is fully equipped with infrastructure, such as roads, storage facilities (warehouses) and utilities (water and power supply).

Key investment rationale	<ul style="list-style-type: none"> ▪ The whole region has no water bottling plant, thus it has to rely on water produced in other regions ▪ Bottling water ensures bacteriological quality of water.
Available support	<ul style="list-style-type: none"> ▪ Support by National Water Policy 2002 ▪ Districts authorities are committed to providing an environment conducive to investment, including allocation of land needed for construction of a water bottling plant.

B. Crop Production

8. Commercial Irrigation Farming for Paddy and Horticulture Crops

Overview of the Opportunity	
<p>Key features</p> 	<p>Mtama District Council</p> <ul style="list-style-type: none"> ▪ Investors are welcome to build irrigation infrastructure for growing paddy and horticulture crops; supply water at cost to farmers in the areas to grow paddy and horticulture crops; and possibly enter into contract farming with farmers and add value to the crops ▪ The council has an area of approximately 82,008 hectares suitable for investment in irrigation infrastructure in Milola Basin, Lukuledi Basin and Utimbe Basin ▪ Lukuledi and Nyengedi rivers are the main sources of water; these rivers flow throughout the year. <p>Kilwa District Council</p> <ul style="list-style-type: none"> ▪ Investors are welcome to build irrigation infrastructure for paddy and horticulture crops; main source of water for irrigation is River Makangaga, which flows throughout the year ▪ The estimated size of land available for irrigation is 250 hectares owned by the council; the area also is surrounded by out growers.
Key investment rationale	<ul style="list-style-type: none"> ▪ Irrigation can improve incomes and food security if farmers can access markets for inputs and produce, food pricing systems reflect real costs of production, and farmers diversify beyond staple cereals



- Crop management practices emphasise yield increase, but more attention is required to adapt irrigation to both climatic variability and climate change through optimising water use efficiency. Drip irrigation technology is available and using very little water to irrigate several hectares
- Unreliable rainfall pattern, which limits agriculture production of various commodities
- To increase the number of farming seasons in order to increase supply of agricultural produces for direct consumption and for processing
- Water harvest technologies are available, thus making it easier to collect and distribute water for irrigation purposes.

Available support

- National Agriculture Policy 2013
- Through Irrigation Policy of 2009, the Government recognises that irrigation development in Tanzania is critically important in ensuring that the nation attains reliable and sustainable crop production and productivity as a move towards food security and poverty reduction
- Land is available for irrigation schemes
- There are rivers that flow throughout the year
- The National Irrigation Policy of 2009 seeks to expand land under agriculture and improve agricultural productivity and profitability for attaining food security and poverty alleviation through irrigation
- Government has set up a District Irrigation Development Fund (DIDF) and a National Irrigation Development Fund (NIDF) to cater for irrigation financing
- Markets for rice and horticulture crops are available within the region and in neighbouring regions.


9. Plants and Fruit Trees Nursery

Overview of the Opportunity

Key features

Kilwa District Council

- Establishment of a nursery for plants and fruit trees including oranges and bamboo trees
- Land (4 ha) already been allocated for this industry.

<p>Key investment rationale</p> 	<ul style="list-style-type: none"> ▪ This will conserve the environment.
<p>Available support</p>	<ul style="list-style-type: none"> ▪ Tanzania Horticulture Development Strategy 2012- 2021.

C. Fishery Sector

10. Cage Fishing and Aquaculture

Overview of the Opportunity	
<p>Key features</p> 	<p>Lindi Municipal Council</p> <ul style="list-style-type: none"> ▪ Interested individuals and companies are invited to invest in cage fishing in the Indian Ocean and/or supply technologies for fish farming to households ▪ Investors may establish fish hatcheries to supply households that want to start fish farming. <p>Kilwa District Council</p> <ul style="list-style-type: none"> ▪ Interested parties are invited to invest in cage fishing in the Indian Ocean and/or supply technologies for fish farming to households ▪ Investors may establish fish hatcheries to supply households that want to start fish farming ▪ Investors are also invited to introduce modern technology for drying fish (sardines) during rainy seasons to serve fisheries dealing with sardine fishing and drying using the sun ▪ Estimated production of sardine per annum is 840 tonnes.
<p>Key investment rationale</p> 	<ul style="list-style-type: none"> ▪ Aquaculture plays a vital role as an alternative source of income for fishery communities as it contributes to reducing the pressure on marine natural resources, and has recently been considered as an important sector for supporting the development of rural economies ▪ It will also increase the supply of fish for fish processing industries, along with increasing employment ▪ Tanzania would earn more foreign exchange from exports of processed fish.

Available support	<ul style="list-style-type: none"> ▪ 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 Fisheries Education and Training Agency (FETA) ▪ Tanzania Fisheries Research Institute (TAFIRI).
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D. Construction Sector

11. Real Estate Development

Overview of the Opportunity	
<p>Key features</p> 	<p>Lindi Municipal Council</p> <ul style="list-style-type: none"> ▪ Interested parties are invited to invest in real estate development ▪ Lindi Municipal is growing due to expanding economic activities, including exploration and extraction of natural gas ▪ Lindi has already set aside land for industrial development and other activities, including real estate development.
<p>Key investment rationale</p>	<ul style="list-style-type: none"> ▪ It assures market and income for real estate developers.
<p>Available support</p>	<ul style="list-style-type: none"> ▪ The second Five-Year Development Plan (FYDP – II) promotes industries ▪ National Environment Policy fosters proper disposal of garbage and processing of garbage (including recycling of waste materials) ▪ The project area is likely to receive a lot of support given existing political will.

E. Mining

12. Mining and Minerals Processing

Overview of the Opportunity

Key features



Ruangwa District Council

- The district has various kinds of minerals including gold, graphite, green gannet, red gannet, and iron. Small-scale miners have full access to infrastructure like roads, water and mining market in the district
- Investment in mining and processing gold, graphite, green gannet, red gannet, and iron.



Kilwa District Council

- The district has deposits of gypsum stones in Mandawa, Mbwemkuru, Hoteli Tatu, Makangaga and Kiranjeranje villages, which are potential sites for investments in gypsum mining and processing
- Investors are welcomed to establish processing plants at the areas mentioned above.

Nachingwea District Council


- Investment in nickel, gold and gypsum mining.

Key investment rationale



- The government has banned the export of concentrates and ores of all metallic minerals. The ban is intended to ensure that “value addition activities,” such as smelting and refining, are undertaken within Tanzania, thus encouraging domestic mineral “beneficiation”– i.e. the processing of mined output into a product of higher value
- There are significant quantities of high quality gypsum (at Kiranjeranje Village) and growing cement production, and there are opportunities for expansion. Further, export opportunities are also possible, and the provision of more effective machinery and equipment can improve efficiency and create more job opportunities for skilled workers
- All gypsum is located in accessible areas, hence low cost of transporting them to processing facilities
- Most of these identified minerals are yet to undergo value addition



	<ul style="list-style-type: none"> ▪ Almost all minerals in Nachingwea are located in accessible areas, hence low cost of transporting them from processing facilities ▪ The number of mines and miners is increasing ▪ Such investment will generate employment in addition to providing markets for small-scale miners in the districts.
<p>Available support</p>	<ul style="list-style-type: none"> ▪ Tanzania's Second Five-Year Development Plan, which calls for value addition and beneficiation in metal and minerals industries ▪ Good infrastructure, which includes roads and communication networks, electricity supply and markets ▪ Structured support to on-going gypsum mining operations.

13. Building Materials

<p style="text-align: center;">Overview of the Opportunity</p>	
<p>Key features</p> 	<p>Liwale District Council</p> <ul style="list-style-type: none"> ▪ Investment in making building materials, mainly rocks cutting and concrete/gravels; such rocks are found at Kitogoro, Kiangara and Kimambi. <p>Kilwa District Council</p> <ul style="list-style-type: none"> ▪ Investment in making building materials, mainly concrete/gravels; rocks are found at Hoteli Tatu, Kiranjeranje, Mandawa, Nguchuchu-Kipatimu and Makangaga areas.
<p>Key investment rationale</p> 	<ul style="list-style-type: none"> ▪ The construction industry will benefit from building materials available within the council, thus lowering the cost of getting raw materials from outside ▪ Raw materials required for cement and lime stone industry are available ▪ This investment, like all other industries, will generate employment not only to residents of the district but also to those of the region as a whole ▪ Production of building material will reduce consumer prices and promote construction of modern houses and road infrastructure.

Available support

- Land for construction is available and raw materials are available
- Good infrastructure, which includes roads and communication networks, electricity supply and markets
- There is demand for building materials in the district as well as in the region.

F. Tourism Sector

14. Tourism Related Opportunities

Overview of the Opportunity

Key features



Investing in tourism related opportunities such as hotels (of 4-star quality), campsites, cultural, sport fishing, block hunting, photographic tourism etc.:

Lindi Municipal Council

- The council welcomes investors to build tourist hotels and other uses of at least 4-star quality
- There are beautiful beaches in the council
- Four hectares (4 ha) have been allocated for tourism investments in Mbanja, Rasbura and Msinjahili wards.

Mtama District Council

- Interested parties are welcome to invest in infrastructure facilities like camp sites and fence at areas that have dinosaur remains
- Investors also are welcome to invest in sport fishing
- Fifty hectares (50 ha) have been allocated for tourism investment
- Apart from seeing the remains of oldest dinosaurs, tourists will also see beautiful landscapes with trees, animals and birds in Tendeguru area.

Kilwa District Council

- Investors are invited to build tourist hotels and campsites along the beaches and nearby Selous Game Reserve
- Investors are welcome to invest in sport fishing and bicycle tourism



- Land is owned by individuals and village governments, who prefer a public-private community partnership (PPCP) arrangement for this investment.

Liwale District Council

- Investment in block hunting and photographic tourism at Magingo Wildlife Management Area (426,700 ha).

Nachingwea District Council

- Interested parties are welcome to invest in campsites and cultural tourism
- About 733.53 hectares have been allocated for this investment
- The campsite area will comprise nine (9) villages, namely Mtua, Chimbendenga, Mbondo, Nahimba, Kilimarondo, Matekwe and Majonanga in Nachingwea District; and Mkumbaru and Chinyanyila villages in Nanyumbu District. The centre for this campsite is Matekwe Village in Nachingwea District.

Ruangwa District Council

- The Council welcomes investors to build tourist hotels and hotels for other uses of at least 4-star quality
- There is on-going construction of a tarmac road linking Ruangwa District with other regions in the Mtwara Development Corridor (i.e. Mtwara, Ruvuma, and Mbeya) as well as with neighbouring countries of Zambia and Malawi. Ruangwa will act as hub in this road network
- About 5 plots of land for hotel construction have been allocated in Town Detailed Plan
- Investments will be done at Dodoma and Kilimahewa – Kitandi villages.

Key investment rationale



- Lindi Region views tourism as a significant industry in terms of job creation, poverty alleviation, and foreign exchange earnings. Tourism today is also receiving greater attention more than ever before from international development agencies



- The strength of Lindi Region tourist product lies in abundance, diversity, reliability and visibility of a variety of tourist attractions, including wildlife, beautiful beaches, archaeological and historical sites and cultural tourism. Others are unspoilt environment and beautiful scenery; low tourist density; safe destination and friendly people.

Available support

- The industry is supported by an Integrated Tourism Master Plan, which outlines strategies and programmes for the sector
- Existence of Tourism Confederation of Tanzania (TCT) - a private sector body that represents interests of private sector tourism
- The 1999 National Tourism Policy emphasises the need to improve, among other things, communication and accommodation facilities as a means of attracting tourists
- Land will be made available for construction of hotels, camping sites and airstrips. Public-private partnership (PPP) arrangements are envisaged for some of these investments, while for others it will be through joint venture between private entrepreneurs and potential investors to be facilitated by district councils.

15. Beach tourism related investments


Overview of the Opportunity

Key features



Lindi Municipal Council


- Interested individuals and entities are welcome to invest in beach development by building hotels and other related man-made tourist attractions, including water sports, cultural tourism (dances, carvings etc.), sport fishing, and marine parks and diving areas
- The council has very nice beaches and coastlines suitable for this kind of investment
- The council has a coastline of 112 kilometres running from Mto Mkavu to Mkwaya

<p>Key investment rationale</p> 	<ul style="list-style-type: none"> ▪ One of the most important areas in terms of economic opportunity and natural and cultural resources is the region's extensive coast line ▪ Investments along the shoreline provides tourists quick and easy access to the beach, water-related activities and scenic views of the sea (the primary reasons tourists flock to the coasts around the world).
<p>Available support</p>	<ul style="list-style-type: none"> ▪ United Republic of Tanzania Guidelines for Coastal Tourism Development in Tanzania, 2014 ▪ A National Integrated Coastal Management Strategy has been formulated; it provides detailed steps that need to be taken to ensure that coastal natural and cultural resources are utilised in a sustainable manner. One of the priorities of this Strategy is to facilitate appropriate investment in emerging economic opportunities of the coast. Potential areas of investment include prawn and seaweed farming, fishing, and of course, coastal tourism.

G. Education Sector

16. Vocational Training

<p>Overview of the Opportunity</p>	
<p>Key features</p> 	<p>Lindi Municipal Council</p> <ul style="list-style-type: none"> ▪ Individuals and entities are invited to establish a vocational training institute ▪ Forty hectares (40 ha) have been allocated in Mbanja Ward for this investment ▪ Ownership is expected to be through land lease. <p>Ruangwa District Council</p> <ul style="list-style-type: none"> ▪ Investors are invited to establish a vocational training institute ▪ Forty hectares (40 ha) have been allocated in Nandagara Ward for this investment ▪ Ownership through land lease ▪ The planned area has the necessary infrastructure, such as roads and utilities (water and power supply).

<p>Key investment rationale</p>	 <ul style="list-style-type: none"> ▪ FYDP II categorically recognises the important role of skills development as a major catalyst for transforming economies at national and sub-national levels. It is because of this recognition Lindi Region and its sub national level governments calls for investment in building a skills-development training institute. To support the establishment of such an institution, the Government has established a fund whose sources include skills development levy paid by all employers. This is supported by Education and Training Policy 2014 ▪ The demand for skills development has been identified in almost all councils as critical for promoting value addition to agriculture commodities and other non-agriculture small-scale manufacturing industries ▪ The region has less than 10 private schools
<p>Available support</p>	<ul style="list-style-type: none"> ▪ Technical and Vocational Education and Training Development Programme (TVETDP) ▪ Supportive institutions: College of Engineering and Technology (CoET) founded in 2001 through the transformation of the Institute of Production Innovation (IPI) and its integration with the former Faculty of Engineering (FoE) ▪ SIDO supports business development services (technical training courses, and business management and entrepreneurship training, among others), technology development services (product and technology development, including the development and support of design skills, and the application of new technologies), among others.

FACILITATION, PROCESSES, REQUIREMENTS AND INCENTIVES

Most of the policies and laws, unless specified, are applicable nationally for specific sectors. Local government authorities, through the blessings of the city, municipal, town or district full councils, are mandated to enact by-laws and notices that must also be endorsed and gazetted by the Minister responsible for Regional Administration and Local Government (RALG) after consultation and reviews of other major sector laws. Below is a summary of issues related to facilitation, processes, requirements, and incentives for investment in Tanzania in general and Lindi Region specifically.

4.1 Supportive Policies and Legal Environment

The key investment policies, laws, strategies, plans and programmes that are promoting investment in the region are presented below.

4.1.1 Policies, Legal, Institutional and Regulatory Considerations

a) Key policies

Policies to guide investment promotion and interventions in Lindi Region's relevant areas are: National Investment Promotion Policy (1996); National Agriculture 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 Micro-finance Policy (2000); National Forest Policy (1998); Bee Keeping Policy (1998); Small and Medium Enterprises Development Policy (2003); National Land Policy (1995); National Environment Policy (2017); The Mineral Policy of Tanzania (2009); Tanzania Mining Industry Investor's Guide (2015); and Lindi Region Development Plan, council development plans as well as the political will of the region to attract investors.

b) Key laws

Major laws and regulations that guide investment promotion and activities in Lindi Region are: Tanzania Investment Act (1997); Tax Legislations; 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 sector Acts and relevant Lindi Region local government authorities by-laws.

4.1.2 Strategies, Plans, and Programmes

Key strategies, plans and programmes are: Annual Regional Plans and Annual Reports; PO-RALG Reports; Council Development Plans; Five-Year Development Plan (FYDP II); Agriculture Sector Development Strategy and Programme (ASDP II) 2017-2022; Livestock Sector Development Programme (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.

The above policies, regulatory authorities, strategies and plans support the investment climate in Lindi Region 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 regional and local levels.

The leadership of Lindi Region is determined to be doing that and to ensuring speedy implementation of prioritised investment opportunities, and put in place a climate that is conducive to investing in the region.

4.1.3 Investment Options: Private, PPP, PPCP, and Joint Ventures

Investment options available in Tanzania include individual private sector investments, public-private partnerships (PPP), public-private community partnerships (PPCP) and joint ventures.

a) **Public-Private Partnerships**

The Government recognises the role of private sector in bringing about socio-economic development through investments. Public-private partnership (PPP) frameworks provide an important instrument for attracting investments. Indeed, public-private partnerships (PPPs) have been identified as viable means to effectively address constraints of financing, management and maintenance of public goods and services.

The public sector, through public-private partnerships, is encouraged to maximise synergies between the public and private sectors in mobilising and deploying resources. The PPP approach has been widely used in other countries to finance infrastructure and other long-term investment projects. The approach is a way to amalgamating public and private capital and expertise for public projects in which the private sector has interest in sharing ownership. The PPP Act (2010) and PPP Regulations (2011) give areas of collaboration, which comprise of investment capital, managerial skills and technology. Additionally, PPPs can enable the government to fulfil its responsibilities in delivery of socio-economic goods and services by ensuring efficiency, effectiveness, accountability, quality and outreach of service.

The concept of PPP entails an arrangement between public and private sector entities whereby the private entity renovates, constructs, operates, maintains, and/or manages a facility in whole or in part, in accordance with output specifications. The private entity assumes the associated risks for a significant period of time and, in return, receives benefits and financial remuneration according to agreed terms. PPPs constitute a cooperative venture built on the synergy of expertise of each partner that best meets clearly defined public needs through the most appropriate allocation of resources, risks and rewards.

Most PPPs implemented in Tanzania are concession arrangements for running existing enterprises with limited provisions for rehabilitation and new investments. It is worth noting that in the case of services, PPPs have been implemented successfully by faith-based organisations (FBOs) in education, health and water sectors for many years. Private sector participation in areas previously treated as the monopoly of the public sector has made major contributions to increasing the pace of growth and development in many countries.

b) Public-Private Community Partnerships

This is a variant of PPP in that it includes communities/villages where the nature of a project requires that community resources (such as land) become part of a project in which both the public (particularly local government authorities) and the private sectors are interested to invest.

c) Joint ventures

The Tanzanian Government encourages joint ventures between domestic firms or individuals and foreign investors. Many foreign firms have recently partnered with the National Development Corporation (energy), Tanzania Petroleum Development Corporation (bio-fuels), and the National Housing Corporation (real estate ventures).

4.2 Facilitation Processes and Requirements

Lindi Region and Central Government have set and are striving to improve the investment climate to entice and facilitate investment in the region, and ensure speedy decision-making. The region has the obligation to interpret and adapt these processes, requirements and incentives for investment to fit the region's investment profile and priorities. These processes and requirements are subject to changes towards improvements from time to time.

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 in 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 minimum investment capital threshold for an enterprise to qualify for registration under the Centre is not less than US\$ 500,000 if foreign or joint venture owned, and US\$ 100,000 for domestic investors. Under the one-stop facilitation agency, all investors are assisted to obtain permits, licences, approvals, authorisation etc., required by other laws to set up and operate investment ventures in Tanzania. TIC contacts are:

Headquarters: Executive Director, Tanzania Investment Centre, Plot no; 9A&B, Shaaban Robert Street, P O Box 938, Dar es Salaam, Tanzania, Tel: 255 22 2113365/116328-32 Fax: 255 22 2118253, Email: information@tic.go.tz

4.2.2 Main Institutions Dealing with Investment in Tanzania and in Lindi Region

The main institutions dealing with investment issues in Lindi Region and in Tanzania at large are: Tanzania Investment Centre. (TIC), Business Registration and Licensing Agency (BRELA), Tanzania Revenue Authority (TRA), Tanzania Electric Supply Company (TANESCO), Tanzania Bureau of Standards (TBS), Ministry of Industry and Trade (MIT), Prime Minister's Office (Investment), Tanzania Medicines and Medical Devices Authority (TMDA), water supply companies/authorities in Lindi, local government authorities in respective districts (on land issues), Ministry of Water (MoW), Ministry of Agriculture (MoA) and Ministry of Livestock and Fisheries (MoLF).

4.2.3 Registration

Registration of an investment can be undertaken at district, regional or national BRELA and TIC offices, 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 (viii) Company and Operators' Certification of Registration for Tax Payer Identification Number (TIN).

4.2.4 Central Government Taxes

Taxes involved in investment projects in Lindi Region are various, and include the following:

a) Corporate Tax

Corporate tax is charged at the rate of 30 percent for both residents and non-residents. In case of a 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 residents and non-residents. Corporates with perpetual unrelieved losses for three consecutive years (excluding corporates conducting agriculture business, providing health care or education services), corporate tax is 0.3 percent of annual turnover for resident corporates.

Other incentives under corporate tax include a reduced rate from the normal 30 percent to 20 percent for a new entity dealing in manufacturing of pharmaceutical and leather products, and 10 percent for corporations investing in a plant for assembling motor vehicles, tractors and fishing auto boats.

b) Personal Income Taxes

Residents are subjected to personal income tax where total income exceeds TZS 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 a 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. Employers exempted from paying this levy include diplomatic missions, registered education institutions, charitable organisations, farm employment, foreign institutions dealing with technical assistance and the United Nation Organisation and its agencies.

c) Withholding Taxes

Withholding taxes on dividends from corporations listed at the Dar es Salaam Stock Exchange are 5 percent for both resident and non-resident persons. The rate on dividend from other corporations is 10 percent. The rate withheld on interest is 10 percent, and 15 percent on royalties for resident and non-resident persons. Rates withheld on management and technical services fees [mining, oil and gas] are 5 percent for residents and 15 percent for non-residents.

d) Value Added Tax (VAT)

Value added tax (VAT) is a consumption tax charged at a single rate of 18 percent. Registration is compulsory for any business that has a turnover of more than TZS 100 million per annum. However, there is an exception to registration of those dealing with professional services, as they are required to register for value-added tax regardless of their turnover. Applicants for VAT registration should complete form Number VAT ITX245.02. E. A registered taxpayer is required to file a VAT return monthly.

Under VAT, incentives include zero rate for all exports, VAT deferment on plant and machinery, VAT exemption of imported plant and machinery by local manufactures and processors of vegetable oils, textiles, pharmaceuticals, and skin and leather products manufactured in Tanzania Mainland. VAT returns are supposed to be filed on the 20th day of the month after a tax period. However, where the 20th day falls on a Saturday, Sunday or public holiday, the VAT returns shall be lodged on the first working day following the Saturday, Sunday or public 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, which also provides for VAT exemption. Exempt supplies and imports are provided in the schedule to the VAT Act, Cap 148 r/w Finance Act 2017.

4.3 General Investment Incentives

Investors registered by Tanzania Investment Centre pursuant to Tanzania Investment Act, 1997 (TIA, 1997) are accorded various investment fiscal and non-fiscal incentives as stipulated in various applicable tax and other laws.

Fiscal incentives under TIC include 100 percent import duty exemption on capital goods and 75 percent on deemed capital goods (regarding deemed capital goods, an investor shall pay 25 percent of import duty due). Deemed capital goods that are eligible for exemption are specified depending on the project sector. Additional fiscal incentives may be granted to investments that meet strategic investor status provided for under Section 20 of the Tanzania Investment Act (TIA), 1997.

Non-fiscal incentives include five automatic immigrant quotas granted to a project during its implementation period, whereby additional quota may be granted based on the project size, technology or any other agreements with the Government. EPZA also provides incentive packages according to Export Processing Zones Act No. 11 of 2002.

Investments in Tanzania are guaranteed against nationalisation and expropriation. Tanzania is a member of both the International Centre for Settlement of investment Disputes (ICSID) and Multilateral Investment Guarantee Agency (MIGA).

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

4.4 Access to Resources

4.4.1 Land for Investment in Tanzania

The Ministry of Lands, Housing and Human Settlements 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 provides for a procedure to allocate/grant land to non-citizens for investment purpose under the Tanzania investment Act, 1997. Land for investment purpose shall be identified, gazetted and allocated to the Tanzania Investment Centre, which will issue a Derivative Right of Occupancy to the investor. More information on acquisition of land for investment is available on www.ardhi.go.tz

4.4.2 Land for Investment in Lindi Region

Various parcels of land of different sizes have been earmarked by each council in Lindi Region and set aside for specific targeted investment. Such land parcels have been listed in detail under Part Three of this Investment Guide.

4.4.3 Banking and Financial Services

The banking sector in Tanzania has been booming, growing in assets and in profits. Because of this, new merchant banks, commercial banks, *bureaux de change*, insurance companies, a stock exchange and related financial units have entered the market. There are four categories of banks, each oriented towards different markets and *clientèle* operating in Tanzania: local private banks, regional banks, international banks and multi-national banks. Overall, the outlook for the banking industry in Tanzania is very positive and there are appealing opportunities for new comers to the sector as investors and borrowers. Banks are found in all districts of Tanzania.

Tanzania's higher-than-average economic growth rate is fuelling the emergence of an educated middle class that aspires to achieve a more affluent lifestyle in which traditional depository, credit, insurance, and investment products play an important role. The growth of this middle class is expanding national demand for financial services from established providers, and could represent a new opportunity for financial services companies looking for growth.

There is currently a positive trend in lending to small and medium enterprises (SMEs) that is producing greater confidence in their growth potential among financial institutions and, more generally, in the economy as well, which is generating a positive spiral. In addition, the Government is also introducing new laws that are expected to enhance lending activities.

4.4.4 Labour

Lindi Region has surplus labour due to low employment. While some of the labour is unskilled, there are efforts to build a skilled labour force especially through vocational training colleges (VETA), folk development centres (FDCs), and post-primary technical education centres (PPTL). The region has one (1) vocational training centre, two (2) folk development centres (FDCs) and

fourteen (14) post-primary technical education centres (PPTLs), and investors are welcome to build skills development institutions in every council.

4.4.5 Clearing and forwarding Service

Clearing and Forwarding is one of the services that investors will require for importation of machines etc. Government Procurement Services Agency (GPSA) will facilitate clearing and forwarding service to investors. The major activities will include Clearing and forwarding of imports; facilitation of exports and advisory services to importers and exporters on the best way of handling imported and exported goods.

4.5 Inclusion and Participation of the Private Sector

The region plans to stimulate its industrial and economic development base through attracting additional private and public-private partnership 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. Regional government and district authorities are ready and committed to further providing a series of support services and incentives to drive industrial development and growth in 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, regional and national public budgets in addition to other resources or development partners' support. It is the private sector that is mainly supposed to play a major role in investing in the region in the production, transportation, storage, processing, and development of value chains and marketing of the products.

However, for the private sector to play its role effectively, Lindi Region authorities will create an enabling environment through provision of pre-requisite infrastructure, incentives, formulation/review and enforcement of investment friendly policies, regulations, and procedures. Regional authorities will promote public-private partnerships (PPPs) and Public-Private-Community Partnerships (PPCPs), and facilitate joint ventures between potential investors and local private investors. Such partnerships

and joint ventures are critical for the achievement of objectives of capital and technology intensive investments including the build, operate and transfer approach. In addition, the private sector will be assisted in improving 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 LINDI REGION

This part provides important contacts in the region that will help potential investors in making follow up for the opportunities in which they want to invest.

5.1 Key Websites

Office	Website
Lindi Regional Secretariat	http://www.lindi.go.tz
Lindi Municipal Council	http://www.lindimc.go.tz
Mtama District Council	http://www.lindidc.go.tz
Kilwa District Council	http://www.kilwadc.go.tz
Liwale District Council	http://www.liwaledc.go.tz
Nachingwea District Council	http://www.nachingweadc.go.tz
Ruangwa District Council	http://www.ruangwadc.go.tz

5.2 Key Contacts

5.2.1 Regional Commissioner's Office

Office	Post Office Box	Telephone/Mobile Phone	E-mail
Regional Commissioner (RC)	1054, Lindi	+255 23 2202098	ras.lindi@tamisemi.go.tz
Regional Administrative Secretary (RAS)	1054, Lindi	+255 23 2202098	ras.lindi@tamisemi.go.tz

5.2.2 Local Government Authorities

LGA	Director		E-mail
	Post Office Box	Telephone/Mobile Phone	
Lindi Municipal Council	1070, Lindi	+255 23 2202164 +255 76 7042958	info@lindimc.go.tz
Mtama District Council	328, Lindi	+255 23 0222061	ded@lindidc.go.tz

Kilwa District Council	160, Kilwa Masoko	+255 23 201 3241 +255 23 201 3265 +255 713 130 862	ded@kilwadc.go.tz
Liwale District Council	33, Liwale	+255 737 187605	ded@liwaledc.go.tz
Nachingwea District Council	291, Nachingwea	+255 732 9333112	nachingweaded@yahoo.com
Ruangwa District Council	51, Ruangwa	+255 732932312	ded@ruangwadc.go.tz

Personal Contacts at LGAs/District level (subject to changes upon transfer or any other reason)

LGA	Name	Position	Mobile Phone
Lindi Municipal Council and Mtama District Council	Jomaary Satura	Municipal Director	+255 767042958
	Warioba Gunzar	District Executive Director	+255 686061600
	Shaibu Ndemanga	District Commissioner	+255 75100359
Ruangwa District Council	Hashim Mgandilwa	District Commissioner	+255 715122099
	Andrea Chezue	District Executive Director	+255 715090164
Kilwa District Council	Christopher Ngubiagai	District Commissioner	+255 764617683
	Renatus Mcharu	District Executive Director	+255 621756248
Nachingwea District Council	Hashim Abdallah Komba	District Commissioner	+255753706226
	Hassani Abasi Rugwa	District Executive Director	+255679881164
Liwale District Council	Sarah Chiwamba	District Commissioner	+255 759029930
	Luiza Mlelwa	District Executive Director	+255 652535425







The United Republic of Tanzania
President's Office Regional Administration and Local Government
Lindi Regional Commissioner's Office
P.O. Box 1054, Lindi.
www.lindi.go.tz