



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

TANGA REGION INVESTMENT GUIDE



2023



**THE UNITED REPUBLIC OF TANZANIA
PRESIDENT'S OFFICE
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ABBREVIATIONS AND ACRONYMS

°C	Degrees Celsius
ABSA	Amalgamated Banks of South Africa
AEZ	Agro-Ecological Zones
AGOA	Africa Growth Opportunity Act
AI	Artificial Insemination
AIDS	Acquired Immunodeficiency Syndrome
ASDP	Agriculture Sector Development Programme
ATM	Automated Teller Machine
BMU	Beach Management Units
BoT	Bank of Tanzania
BOT	Build Operate Transfer
BRELA	Business Registration and Licensing Agency
CC	City Council
CCPP	Contagious Caprine Pleuropneumonia
CCM	Chama Cha Mapinduzi
CoET	College of Engineering and Technology
COMESA	Common Market for Eastern and Southern Africa
CRDB	Cooperative Rural Development Bank
CSOs	Civil Society Organisations
DC	District Council
DIDF	District Irrigation Development Fund
DPs	Development Partners
EAC	East African Community
EBA	Everything But Arms
EPZ	Export Processing Zone
EPZA	Export Processing Zone Authority
ESRF	Economic Social Research Fund
EU	European Union
FAO	Food and Agriculture Organisation
FBO	Faith-Based Organisation
FCC	Fair Competition Commission
FDI	Foreign Direct Investment
FETA	Fisheries Education and Training Agency

FOE	Faculty of Engineering
FYDP	Five-Year Development Plan
GDP	Gross Domestic Product
GoT	Government of Tanzania
GPS	Geographical Positioning System
Ha	Hectares
HIV	Human Immunodeficiency Virus
ICSD	International Centre for Settlement of Investment Disputes
ICTs	Information Communication Technologies
IIDS	Integrated Industrial Development Strategy
IMF	International Monetary Fund
IPI	Institute of Production Innovation
ISO	International Organisation for Standardisation
ITC	International Trade Centre
KG	Kilograms
KM	Kilometre
KMTC	Kilimanjaro Machine Tools Company
KOTETI	Kolowa Technical Training Institute
LGA	Local Government Authority
LTD	Limited
LTRS	Litres
M ²	Metre Squared
MIGA	Multilateral Investment Guarantee Agency
MIT	Ministry of Industry and Trade
MoLF	Ministry of Livestock and Fisheries
MM	Millimetre
MoA	Ministry of Agriculture
MoW	Ministry of Water
MT	Metric Tonnes
MVS	Mobile Veterinary Services
MW	Mega Watts
NARCO	National Ranching Company
NBC	National Bank of Commerce
NBS	National Bureau of Statistics
NDC	National Development Corporation
NEEC	National Economic Empowerment Council

NEMC	National Environment Management Council
NFS	National Forestry Services
NGO	Non-Government Organisation
NIDF	National Irrigation Development Fund
NMB	National Micro-finance Bank
PPCP	Public-Private Community Partnership
PPP	Public-Private Partnership
RAHCO	Railway Assets Holding Company
RALG	Regional Administration and Local Government
RAS	Regional Administrative Secretary
RC	Regional Commissioner
REA	Rural Energy Agency
SADC	Southern African Development Community
SAGCOT	Southern Agricultural Growth Corridor of Tanzania
SDGs	Sustainable Development Goals
SDL	Skills and Development Levy
SEZ	Special Economic Zones
SIDO	Small Industries Development Organization
SIDP	Sustainable Industrial Development Policy
SMEs	Small and Medium-sized Enterprises
SOE	State-Owned Enterprise
SQ M	Square Metre
Std	Standard
TADB	Tanzania Agricultural Development Bank
TAFIRI	Tanzania Fisheries Research Institute
TAFMA	Tanzania Animal Feeds Manufactures Association
TAHA	Tanzania Horticultural Association
TANESCO	Tanzania Electric Supply Company
TANROADS	Tanzania National Roads Agency
TANTRADE	Tanzania Trade Development Authority
TARURA	Tanzania Rural and Urban Roads Agency
TB	Tuberculosis
TBC	Tanzania Broadcasting Corporation
TBS	Tanzania Bureau of Standards
TBT	Tea Board of Tanzania
TC	Town Council

TCC	Tax Clearance Certificate
TCCIA	Tanzania Chamber of Commerce, Industry and Agriculture
TDCU	Tanga Dairy Cooperative Union
TDL	Tanga Dairies Ltd
TFF	Tanzania Football Federation
TFNC	Tanzania Food and Nutrition Centre
TIA	Tanzania Investment Act
TIB	Tanzania Investment Bank
TIC	Tanzania Investment Centre
TIN	Taxpayer Identification Number
TMEA	Trademark East Africa
TNBC	Tanzania National Business Council
TPB	Tanzania Postal Bank
TPSF	Tanzania Private Sector Foundation
TRA	Tanzania Revenue Authority
TRIMS	Trade-Related Investment Measures
TSB	Tanzania Sisal Board
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
URT	United Republic of Tanzania
USD	United State Dollars
UTI	Urinary Tract Infection
UWAKO	Umoja wa Wafugaji Korogwe
VAT	Value-Added Tax
VETA	Vocational Education and Training Authority
WTO	World Trade Organisation

DEMONSTRATION OF COMMITMENT FROM THE HIGHEST LEVEL OF GOVERNMENT



"As our country achieves the status of a middle-income economy, the impetus is placed on continuing to build a Competitive and Industrial Economy for Human Development to achieve the objectives of the vision with the following qualities: improving the living conditions of Tanzanians; the existence of peace, security and unity; good governance and the rule of law; the existence of an educated and learning society; and building a strong and competitive economy."

Her Excellency, Dr. Samia Suluhu Hassan.

The President of the United Republic of Tanzania.

Keynote to the Tanzania Five Year Development Plan, June, 2021.



"A Five-Year Development Plan is determined to make Tanzania a major business hub for land-locked countries that use the port of Dar es Salaam to ship their cargoes"

His Excellency, Dr. Philip Isidor Mpango,

Vice President of the United Republic of Tanzania.

Remarks provided at the Port of Singapore during the Bloomberg New Economy Forum held in Singapore from 15 to 20 November 2021



"The 21st Century is going to identify itself with intensifying competitive business environment in which businesses that will triumph are those with relevant industrial products and services, modern technologies and human resource that is imbued with respective skills, work ethics and innovativeness. Industrialisation is the basic requirement and core secret for 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 industrialisation

as its ultimate goal. The success of this goal calls for regional administrations to focus on the provision of conducive business environment necessary to facilitate business operations and flow of investments."

Hon. Kassim Majaliwa Majaliwa,

Prime Minister of the United Republic of Tanzania.

Opening remarks at the Business and Investment Forum, Tabora Region, on 21 November 2018

FOREWORD



Welcome to Tanga Region, dubbed as the main gateway of East African economies. It consists of 8 Districts, 11 Local Government Authorities (LGAs), 37 Divisions, 245 Wards, 263 Mitaa, 779 Villages, and 4594 Hamlets. This investment guide presents investment opportunities available in all LGAs of the region.

It is in line with the overall investment policy of Tanzania and is aligned with national development frameworks such as Tanzania's National Development Vision 2025 (NDV2025) and the National Five Year Development Plan 2021/2022 - 2025/2026 (FYDP III). The guide is also meant to assist in the execution of the development pathway of the region as outlined by the Regional Commissioner's office and indicated in the Regional Strategic Plan (SP) 2021/2022 - 2025/2026 and Local Government Authorities' (LGAs) Development Plans. It provides some essential regional information to prospective local and foreign firms, as well as to individuals, and is meant to convince them to make investment decisions in favor of any of the eleven LGAs in order to stimulate business and enterprise growth.

The investment guide is also intended to enhance Tanga Region's competitiveness in comparative strengths as well as reveal emerging economic potentials. Tanga Regional authority and the eleven local government authorities have resolved to prioritizing all investment initiatives and providing political support, attractive incentives and support services for investors who set up investments in the region. Additionally, the authorities will coordinate efforts to provide a satisfactory conducive policy, regulatory, and business environment. They are readily available to provide further details on the selected strategic and viable opportunities to interested investors.

The team of experts from Economic and Social Research Foundation (ESRF) that assisted in preparing this guide received full cooperation from the regional team led by the former Regional Commissioner (RC), Hon. Martine R. Shigela, former Regional Administrative Secretary (RAS) Eng. Zena Said, and district teams led by District Commissioners (DCs), District Administrative

Secretaries (DAS), Town and City Directors, and District Executive Directors (DEDs). In the process of updating this guide, the team of experts received full cooperation and inputs from former RC, Hon. Adam Kighoma Ali Malima, former RC, Hon. Omar T. Mgumba, current RAS, Ms. Pili Hassan Mnyema, and officers (Eng. Emigidius Kasunzu, Issa Hatibu, Timotheo Sosiya and George Mmbaga) from the Regional Secretariat. I am immensely grateful for their commitment to the task.

On behalf of the regional authority, I would like to express my sincere gratitude to the United Nations Development Programme (UNDP) for the financial support and the ESRF for developing this guide. I would like to specifically acknowledge technical contributions by Dr. H. Bohela Lunogelo, Dr. Festus Limbu, Mrs. Margareth Nzuki, Mr. Mussa Martine, and Mr. James Kasindi for their commitment and technical support that collectively resulted in the completion of this guide.

I take this opportunity to welcome you to invest in Tanga Region, the northern coastal region of Tanzania, and assure you of our continued support to make your investments productive and grow for our mutual benefits.



**Hon. Waziri W. Kindamba,
Regional Commissioner
Tanga Region, Tanzania**

EXECUTIVE SUMMARY



Tanga Region is part of Tanzania and therefore benefits from and largely depends on the country's investment policy and climate, including political stability and development frameworks that strategise the overall socioeconomic and cultural development of the country. Tanga Region is an important link in the Northern Development Corridor. The region has the prerequisites for setting up industries and thriving business based on its geographical location and established infrastructural facilities that are important for enabling industrial development. The region is estimated to have a population of 2,615,597 in 2022, and a population growth rate of 2.5 percent per annum. The residents' per capita GDP was TZS 2,844,641 in 2022 (NBS 2023). The major economic activity in the region is agriculture (crop production, livestock keeping and fishing), which employs about eighty percent (80%) of the total population. About nine percent (9%) of the region's population is engaged in forestry, beekeeping and mining sub-sectors; industries and trade employ six percent (6%) of the population, with the remaining five percent (5%) employed in service sector.

The region has a total area of about 2,764,534 hectares out of which 1,893,356 hectares are arable; but 686,556 hectares of the arable area are unutilised. In addition to hydropower electricity from Hale Hydropower Station and some stand-alone energy production units in sisal factories using sisal by-products, all local government authorities in the region are connected to the national electricity grid. Tanga Region is served by a total road network of 8,408.87 kilometres, out of which trunk tarmac roads covers 328 kilometres; regional tarmac roads covers 185.72 kilometres and regional gravel roads are 1,296 kilometres long. Of the total road network, 1,801 kilometres are under supervision of Tanzania National Roads Agency (TANROADS), while 6,607.87 kilometres rural and urban roads are supervised by Tanzania Rural and Urban Roads Agency (TARURA).

The roads network links Tanga Region with its neighbouring regions of Kilimanjaro, Manyara, Morogoro and Coast, as well as with the Republic of Kenya. Most of the roads are in good condition and are passable throughout the year. The region is connected to other parts of coastal regions and the

world by Tanga Port, which is currently mainly used for transporting cargo. In terms of air transport system, Tanga Airport receives domestic flights that are linked to international flights at Kilimanjaro International Airport, Zanzibar International Airport, and Julius Nyerere International Airport in Dar-es-salaam. The region has also a railway line covering 279 kilometres that connects it to other parts of the country.

Tanga Region has identified six main areas of investment opportunities, namely (i) establishment of industrial and agricultural investment parks; (ii) agroprocessing; (iii) commercial agriculture; (iv) natural resources beneficiation; (v) services i.e. hotels and tourism, banking, modern markets and malls, warehouses, real estate development, land surveying and mapping; and (vi) capacity building. Interested parties are welcome to invest in the suggested priority investment areas at either regional or council level. Opportunities with regional outlook include those related to land use surveys; mapping and titling; commercial dairy livestock keeping; leather processing industry (tanneries); cassava farming and processing; sisal farming and processing to different products; and cashew-nut processing.

Some investments are specific to local government authorities and differ in terms of prioritisation; these include cereal processing, grading and packaging; oilseed (sunflower, sesame and groundnuts) processing and packaging; dairy farming and processing; livestock feeds processing; fruit and vegetable processing and packaging; tea processing; production of packaging materials; building market structures; construction of warehouses for agricultural produce; modern boat building and marine transportation; modern fishing vessels on Indian Ocean and cold storage facilities for fish; vehicle parking facilities for buses and lorries; real estate development for residential use and shopping malls; mining of gemstones and building materials; hotels/motels and tourism facilities; sports and recreation facilities; specialised vocational training on skills development; private health care facilities; private primary and secondary schools; and mining of limestone and other building stones.



Ms. Pili Hassan Mnyema
Regional Administrative Secretary
Tanga Region, Tanzania

THE STORY OF “TANGA FIRST”

The earliest documentation about Tanga comes from the Portuguese. A trading post was established by the Portuguese as part of their East African coastal territory and controlled the region for over 200 years between 1500 and 1700.

The Sultanate of Oman battled the Portuguese and gained control of the settlement by mid-1700 along with Mombasa, Pemba Island and Kilwa Kisiwani. The town continued to act as a trading port for ivory and slaves under the Sultan's rule. Tanga continued to be a prosperous trading hub for slaves with the Arab world up until 1873 when the European powers abolished the slave trade.

In the 19th Century, growing interests by Europeans for the Scramble for Africa brought the Germans to Tanga. The Germans bought the coastal strip of mainland Tanzania from the Sultan of Zanzibar in 1891. This takeover designated Tanga into a township and was the first establishment in German East Africa. The town became the centre of German colonial administration before the establishment of Dar es Salaam in the early 20th century. Tanga was chosen in 1889 as the first military post of German East Africa, and it became the first district office in 1891.

The town saw rapid expansion and planned growth under the German occupation. The first tram line was built in the city for domestic transport and the first port was also built for exports of agricultural produce especially sisal and coffee. In 1896, the construction of the Usambara Railway, the first railway line, began and was extended to Moshi by 1912. The local economy was based mainly on the production of sisal, which had been brought to the colony several years earlier, and population in the area grew rapidly which resulted into the establishment of the first port in Tanzania, Tanga Port.

Old Tanga Secondary School was built by the German colonial authorities in the 1890s as the first formal government school in Tanzania. As well, Bombo Hospital, the referral regional hospital in Tanga, was built by the Germans in 1901, the first hospital in East Africa. On 25th August, 1919, Tanganyika Police Force was started by the British Colony which was gazetted in the British Government Announcement No. 21-2583 whose first headquarter was in

Lushoto, Tanga before being transferred to Dar es Salaam in 1930. The second palace was also built in Lushoto in 1952 by the Germany colony.

In 1922, the Tanganyika Territory African Civil Services Association, the first known modern African political organization, was formed with Tanga as headquarters. At independence, Tanga was the second largest town after Dar es Salaam.

Tanga is so strategically located. It is a little over 100km to Mombasa Port, about 350km to the largest mountain in Africa, Mount Kilimanjaro, about 360km from Dar es Salaam Port, half an hour flight to Zanzibar Islands; all of which give one, not only the imperative economic advantages but social ones as well once they decide to invest in Tanga.

DISCLAIMER

This guidebook has been published to assist potential investors access essential information for investing in Tanga Region. The information contained in this guidebook was derived from consultations with Regional and District government officials, the private sector and other agencies. Depending on the nature of investment, potential investors are expected to conduct feasibility studies and/or environmental impact assessment for detailed information.

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.



Coconut trees. Coconut is one of the crops grown in Tanga



The Amboni Caves, located in Tanga, are the largest limestone caves in East Africa. These caves hold both geological and historical significance and have been iconic tourist attractions.

REASONS FOR INVESTING IN TANGA REGION

1.1 Tanga Region in the Broader Tanzanian Context

As part of Tanzania, Tanga Region benefits from and largely depends on the country's investment policy and climate, including political stability and development frameworks that strategise the overall socio-economic and cultural development in the country.



Tanzania has abundant natural resources, including agricultural land, water bodies such as lakes, rivers and springs, mineral resources, as well as tourism attractions including biodiversity and unique landscapes, such as Mount Kilimanjaro, Ngorongoro Crater and Serengeti National Park,

which attract tourists 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. A number of measures have been taken to create conducive business environment to encourage local and foreign investments. The country has created a stable and attractive macro- and micro-economic climate with single-digit inflation. Furthermore, there are on-going reforms in fiscal and monetary policy, and improvements in the business environment through legal and regulatory reforms that aim at streamlining procedures and freeing business from unnecessary bureaucracy.

Tanzania has sustained an average rate of seven percent (7%) economic growth since the year 2000 due to a relatively stable political environment, reasonable macro-economic policies, structural reforms and resiliency from external shocks. In 2017, the International Monetary Fund (IMF) reported

that Tanzania's macro-economic outlook would remain strong, economic growth would be sustained at about seven percent (7%), and inflation was expected to remain close to the five percent (5%) target. Tanzania's development agenda is also guided by sustainable development goals (SDGs), with particular reference to the goals related to creating sound policy frameworks. These frameworks should be based on pro-poor and gender-sensitive development strategies to support accelerated investments in poverty eradication actions and in increasing investment through enhancing international cooperation in rural infrastructure, agricultural research and extension services, technology development, as well as plant and livestock gene banks to enhance agricultural productive capacity in the country.

The Government recognises the role of the private sector (both local and foreign) and other strategic partners as the engine of growth, poverty reduction and as drivers of economic transformation. The important role of the private sector has been further emphasised in the National Five Year Development Plan 2021/2022 -2025/ 2026 (FYDP III) by recognising that the realisation of the 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. In the FYDP III, the Government is committed to ensuring that the local investment climate is supportive to existing local enterprises and encourages the establishment of new enterprises.

1.2 Investment Climate and Trade Policy in Tanzania

For the last three decades the Government of Tanzania (GoT) has cultivated favourable conditions toward foreign direct investment (FDI) with some considerable successes. There are no laws or regulations that prohibit foreign investment.

In line with national priorities, the Government uses the World Trade Organisation's (WTO) Trade-related Investment Measures (TRIMs) to encourage investments 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 EPZ Act and are open to both domestic and foreign investors, particularly in agribusiness, textiles and electronics sectors.

Tanzania's Export Processing Zone Authority (EPZA) is the principal Government agency for promoting investments in Tanzania's Special Economic Zones (SEZs). The Authority operates as an autonomous agency under the Ministry of Industry and Trade of Tanzania. EPZA is mandated to promote, register and facilitate investments in SEZs in Mainland Tanzania. The Authority's functions include development of EPZ and SEZ infrastructure, provision of business services to EPZ and SEZ investors and issuing of EPZ and SEZ licences.

The Government has encouraged both local and foreign investors to take advantage of the investment opportunities under EPZA for the benefit of both parties, i.e. foreign investors and Tanzania. There are three categories of licence issued by EPZA:

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

EPZA also provides incentive packages, such as exemptions from corporate tax and withholding taxes 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. The Special Economic Zones Act of 2006 authorised the establishment of SEZs to encourage Greenfield investments in light industries, agro-processing industries and commercial agriculture. More information can be found on the website www.epza.go.tz; and email address is: info@epza.go.tz

All of the above factors plus the country's well-formulated development-cum-strategic frameworks have contributed to over a decade of continuous real gross domestic product (GDP) growth of about seven percent (7%) thus making the country join a group of countries the World Bank has dubbed the "7 percent Club", based on a forecast to achieving seven percent (7%) 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 Multilateral Investment Guarantee Agency (MIGA), of which Tanzania is a member. Tanzania also offers access to major markets of the world, such as America, Europe, Asia (especially India), Middle East, and China. Access to these markets is all done through special bilateral trade and investment agreements and arrangements such as Africa Growth Opportunity Act (AGOA) for America, and Everything but Arms (EBA) for Europe.

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 RECs are growing stronger, and so investors in Tanzania will have the advantage of accessing both domestic and regional markets along with the leading export markets in the European Union, the United States, the growing Asian economies of China and India, and in the Middle East. The domestic market is significant, given Tanzania's population of about 61.74 million, and growing at a rate of about 3.2 percent per annum, with a growing middle-income class of citizens. Generally, the following are among the reasons why one should invest in Tanzania:

- There is a high degree of investment security because of political stability that is strife-free, democratic rule that respects diversity of opinion and a tradition of strong constitution and rule of law, and without ethnic divisions
- 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 an on-going commitment to ensure simplified bureaucracy, streamlined through the acclaimed services of the Tanzania Investment Centre (TIC), which is a one-stop Government facilitation agency serving registered investors and businesses
- The country has committed to having successfully undertaken economic liberalisation measures commended by both the World Bank and IMF, with business-supportive legislation continually being improved through genuine dialogue between Government and the private sector
- There is a well-balanced package of incentives 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 country is committed to ensuring investment guarantees and settlement of disputes. Investments in Tanzania are guaranteed against political risks, nationalisation and expropriation
 - Any foreign business operating in Tanzania may obtain credit from domestic financial institutions up to the limits established by the Bank of Tanzania. Major banks like Standard Chartered, ABSA, Barclays, Citibank, Stanbic, and Exim have invested in Tanzania. Among the banks with branches in Tanga Region are CRDB Bank, NMB Ltd, NBC Ltd, TPB Bank and Amana Bank.

1.3 Available Attractive Investment Conditions in Tanga Region

Tanga Region is an important link in the northern development corridor. The region is regarded as one of the marginal regions – it has the minimum pre-requisites for setting up industries and thriving business based on its geographical location and established infrastructural facilities that are important for enabling industrial development, as summarised below:

a) Ample population with adequate purchasing power

- The National Bureau of Statistics (NBS) human population census indicates that Tanga Region has about 2,615,597 people in year 2022 with annual growth rate of 3.2 percent. It is also estimated that the region's GDP in 2022 was about 7.92 trillion, equivalent to about 4.65 percent of Tanzania Mainland GDP. The residents' per capita GDP in the region increased from TZS 2,591,074 in 2018 to TZS 2,844,641 in 2022.
- Major economic activities in the region are crop production, livestock keeping and fishing, all employing about eighty percent (80%) of the total population, followed by nine percent (9%) who are pre-occupied in forest products, beekeeping and mining economic undertakings. Others are engaged in trade and industries (6%) and employment in the public and private sectors and provision of various services (5%).

b) Availability of unused arable land

It is estimated that the region has about 685,556 hectares of unutilised arable land, from its stock of 1,893,356 hectares of arable land. Most of the unutilised arable land is located in Handeni, Kilindi, Mkinga, Pangani and Muheza districts, and so can be developed for different agricultural undertakings.

c) Infrastructure services in Tanga Region

i). Tanga Port

The region is connected to other parts of coastal regions and the world by Tanga Port. The port is currently mainly used for transportation of cargo rather than of passengers. The existence of Tanga Port is among the growth drivers of the region's economy. The port has a length of 450 metres and a water depth of 13 metres, with a normal rated capacity of about 3,000,000 tonnes per year. Preliminary arrangements are also on board for the construction of new ports at Mwambani area in Tanga City and Mtimbwani in Mkinga District.

ii). Railway transportation

The region has a railway line of 279 kilometres long connecting it to other parts of the country. At the moment the railway is used for transporting goods rather than passengers because the region has a good road network that is well distributed around the districts and neighbouring regions, thus making transport services readily available and affordable to the community.

There is a railway line from Tanga to Dar es Salaam which also connect the Central zone, Lake zone and West Zone as well as DRC, Rwanda, Burundi and Uganda. Also, the railway from Tanga to Arusha is now in operation. There is also a plan to construct a new railway to link Tanga with Arusha and Musoma, and also with Kampala in Uganda.

iii). Air transport system

Tanga Airport receives domestic flights that are linked to international flights at Kilimanjaro International Airport (30 minutes away), Zanzibar International Airport, and Julius Nyerere International Airport in Dar-es-salaam (20

minutes away). Tanga Airport is planned for renovations to allow larger aircrafts to land and take off. It is anticipated that the expanded airport will attract more air transport companies to connect flights from all over East Africa and the world, in addition to Air Tanzania and some smaller regular charter planes.



iv). Surface transportation system

Tanga Region is served by a road network of 8,408.87 kilometres comprising of trunk tarmac roads (328 km), regional roads (185.72 km), regional gravel roads (1,296 km), with a total of 1,801 kilometres under the supervision of Tanzania Road Agency (TANROAD) and 6,608.22 kilometres rural and urban roads supervised by Tanzania Rural and Urban Roads Agency (TARURA). The 6,608.22 kilometres comprise of feeder roads (1,991.77 km), community roads (1,129.76 km), and collector roads (3,486.69 km). Also, the roads network linking Tanga Region with its neighbouring regions of Kilimanjaro, Manyara, Morogoro and Pwani, as well as with the neighbouring country of Kenya is relatively well distributed. Most of the roads are in good conditions and are passable throughout the year.

New strategic infrastructures being constructed to support investments include the Tanga - Bagamoyo road with a total length of 148.9 Km with a bridge of 0.525 Km crossing Pangani River. This road will trigger tourism activities in Saadan National Park and the Old town of Pangani. Other projects include the construction of Handeni - Kibirashi-Singida road with a total length of 461 Km and Muheza - Amani road measuring 4 Km.

v). Research Institutions and Observatory Facilities

Tanga has internationally accredited research stations for soil testing at Mlingano and for tropical diseases (mainly malaria) at Amani. Soil testing is critical for making the right application of fertiliser in crop production, while diagnosis of animal and human diseases is important in raising productivity. Institutions like Tanzania Livestock Research Institute (TALIRI), Tanzania Veterinary Laboratory Agency (TVLA), Tanzania Agricultural Research Institute (TARI), National Institute for Malaria Research (NIMR) are available in Tanga.

vi). Radio and telephone communication

Radio and television stations with national and international coverage are accessible in all the districts in Tanga Region, especially after Tanzania Broadcasting Corporation (TBC) invested in booster stations to reach out to remotely located parts of Kilindi and Mkinga districts. Currently, the construction of a tower in Kibirashi village, Kilindi District is in the finishing stage. Some community radio and television stations (e.g. Tanga Television) also operate in the region.

Mobile telephone companies have also invested heavily to connect towns and villages, although there are opportunities to expand outreach services to some remote and hilly villages in Kilindi and Muheza districts.

vii). Water supply

The currently supply of water in Tanga City is more than ninety-six percent (96.9%), while at district headquarters it is fifty-two percent (52%) and in rural areas is just above fifty-five percent (55.1%). Despite the wider supply of water to households in the region, there are on-going efforts to increase availability of clean and safe water within a 400-metre distance from the current 60.8 percent to 90.7 percent of the whole population (2,615,597) in the region.

viii). Electricity supply

All LGAs in Tanga Region are connected to the National Electricity Grid and there is also an important source of hydropower electricity from Hale Hydropower station and some stand-alone energy production units in Sisal factories using sisal by-products. The total number of customers connected to electricity is 173,471 out of which 173, 316 are small consumers and 155 are larger consumers.

According to TANESCO, the available Electric Power in Tanga Region is 147 MW while consumption is 106MW, therefore, the Region has an excess of 41 MW. The Region's rural electrification program for 521 villages was completed. The remaining 261 villages are covered by contractors and will be completed in December 2022.

d) Commitments by Central Government and Tanga Regional Administration

Government will continue to improve provision and development of basic enablers of investments such as land, social services and utilities, and economic infrastructure. This will be done by using sector and district budgets, complemented with financial and technical support from development partners (DPs). Another positive development is the preparation of Tanzania's industrialisation Blue Print prepared by the Ministry of Industry and Trade (MIT), which has benefited from inputs by members of Tanzania Private Sector Foundation (TPSF); the blue print was launched in 2018. Among the requirements to be implemented is the establishment of a one-stop investment centre in each LGA.

The Tanga Regional Commissioner's Office will facilitate investments at regional and district levels to work closely with the TIC zone office. It is worth noting that it is possible to obtain some investment documents within one to three working days.

1.4 Suggested Priority Investment Areas in Tanga Region

1.4.1 Main Areas of Investment Opportunities

There are six main areas of investment opportunities in the region as shown in Part Three of this Guide:

- a) **Establishment of industrial and agricultural investment parks:** This will involve primarily the Government collaborating with the private sector in identifying land and establishment of ordinary investments parks for industries or more advanced registered as Special Economic Zones (SEZs) and Export Processing Zones (EPZs). This is regarded as a better option for investors compared to negotiating and compensating individual land owners, which usually lack some basic infrastructural facilities

- b) **Agro-processing:** Adding value mainly on primary commodities produced within the region such as cereals, sisal, tea, coffee, cashew, soyabeans, spices, meat, hides and skins, and forest products

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- c) **Commercial agriculture:** In order for farmers and agro-processors to thrive, it will be important to invest in enhancing productivity to increase quantities and quality of produce (raw materials) needed by agro-processing industries and upstream value chain actors
 - d) **Natural resources beneficiation:** Adding value to minerals and timber is an opportunity that is backed by recent Government's directive to add value to minerals and forest products before exportation
 - e) **Service sector:** Services in hotels and tourism, banking, modern markets and malls, warehouses, real estate development, and land surveying and mapping
 - f) **Capacity building:** This includes investments in the education sector, health sector, and vocational training centres.

1.4.2 Regional Level Priority Investment Opportunities

- a). Investments in Industrial, Business and Agricultural Parks
- b). Horticultural Products: Secondary and Final Processing of Fruit and Vegetables
- c). Tubers/Root Crops Processing Industries: Cassava and Sweet Potatoes
- d). Processing Milk into Various Dairy Products
- e). Leather Processing Industry (Tanneries)

1.4.3 Council Level Priority Investment Opportunities

- a) Cereals Milling Industries: Maize and Paddy
- b) Animal Feeds Processing
- c) Horticultural Products: Primary Value Addition
- d) Primary Sisal Processing Factories
- e) Manufacturing of Sisal Packaging Materials for Primary and Secondary Processing Industries
- f) Oilseeds Processing and Packaging
- g) Cashew Processing and Packaging
- h) Tea Processing Factory
- i) Cotton Processing Factory
- j) Coffee Processing Factory (small-scale facility)
- k) Honey Processing, Wax Products and Honey Packaging

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- l) Spice Processing, Blending and Packaging
 - m) Modern Abattoirs for Slaughter of Livestock and Sheds for Basic Skins/ Hides Preparation
 - n) Beef Processing and Packaging
 - o) Primary Preparation of Hides and Skins for the Leather Industries
 - p) Irrigation Infrastructure and Contract Farming
 - q) Oilseeds farming
 - r) Horticulture: Vegetable and Fruit Farming
 - s) Legumes Farming: Pigeon Peas and Soybeans
 - t) Cassava Commercial Farming
 - u) Cashew Nut farming
 - v) Sisal Farming
 - w) Sugarcane Farming
 - x) Bee-keeping and Beehive Manufacturing
 - y) Ranches, Cattle Beef Fattening and Dairy Farming
 - z) Poultry Hatcheries and Poultry farming
 - aa) Livestock Laboratories
 - ab) Large-scale Commercial Mining of Gold, Gemstones and Building Materials such as Tanga Stones
 - ac) Chalk Making Factories
 - ad) Sea Salt Making Facilities/Factories
 - ae) Forestry, Saw Mills and Furniture
 - af) Blue Economy Development: Modern Deep-sea Fishing and Fish Farming
 - ag) Fish Processing Factories
 - ah) Honey Processing
 - ai) Power Generation from Sisal by-products Projects
 - aj) Tourist Hotels and Camp Sites
 - ak) Modern Markets, Shopping Malls, Conference Facilities and Entertainment Parks
 - al) Land Use Plans and Real Estate Development
 - am) Bus Stations and Vehicle Parking Facilities
 - an) Marine Transportation of Passengers and Cargo
 - ao) Warehouses for Commodities, Dry Port and Industrial Inputs
 - ap) Sports Stadium and Recreation Centres
 - aq) Solid Waste Management and Utilisation for Biogas Production and Organic Fertiliser
 - ar) Private Primary and Secondary Schools, and Tertiary Education
 - as) Vocational Training Centres

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- at) Medical Facilities: Health Care Centres and Hospitals
 - au) Investments in Drilling Water Wells and Construction of Water Dams
 - av) Investment in Water Bottling
 - aw) Investment in Construction Materials Industry
 - ax) Investments in Stone and Sand Quarries for Construction
 - ay) Marine Transport
 - az) Ports Modernisation and Oil Pipeline from Uganda
 - ba) International Horticulture Market at Segera
 - bb) Finance and Banking Services

1.5 The Guide's Target Groups

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

The main targets for this guide are therefore national and international prospective investors interested in starting new businesses or in acquiring existing ones in various sectors, and seek to either expand their current operations or venture into new businesses; and Government ministries responsible for facilitating business owners.

Specifically, the directly-targeted beneficiaries of this guide include:

- 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 Tanga
- Ministry of Industry and Trade
- Primary stakeholders across value chains, i.e. individual entrepreneurs, importers and exporters of input and output factors, and agriculture crops, livestock keepers and fisher folks, industry organisations/marketing boards or organisations and exporters
- Government ministries, agencies, LGAs, EPZA, and State-Owned Enterprises (SOEs), for example those responsible for agriculture, industries, trade, finance, and international cooperation
- Academia/researchers in the Northern Zone and in Tanzania as a whole
- Umbrella organisations such as the Tanzania National Business Council (TNBC), Tanzania Chamber of Commerce, Industry and Agriculture (TCCIA), pension funds investing in agriculture and industries, and

other support institutions

- Institutions overseeing the management of quality and safety management issues, such as the Tanzania Bureau of Standards (TBS)
- Organisations providing productive capacities, information and data, monitoring and evaluation and other business support services, such as Textiles Development Unit, BRELA, TRA, FCC, NEEC, TANTRADE, industry support organisations (ISOs), agricultural and industrial extension service providers etc.
- Selected civil society organisations (CSOs) and non-government organisations (NGOs); and development partners, such as FAO, UNDP, World Bank, United Nations Conference on Trade and Development (UNCTAD), International Trade Centre (ITC), European Union (EU), United Nations Industries Development Organisation (UNIDO), TradeMark East Africa (TMEA), etc.

PART TWO

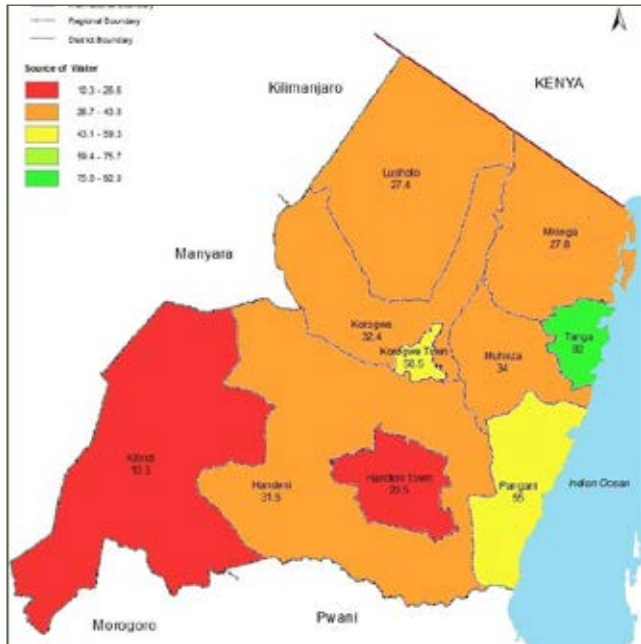
SOCIO-ECONOMIC PROFILE OF TANGA REGION

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 Tanga Region.

2.1 Geographical Location

Tanga Region is located in the north-eastern part of Tanzania, between latitudes 40 to 60 South of the Equator; and between 370-390 East of the Greenwich. The region shares borders with four regions: Kilimanjaro on the west; Manyara on the south-west; Pwani and Morogoro on the south; with Indian Ocean and the islands of Pemba and Unguja to the east; and on the northern side it borders Kenya.

Figure 2.1: Administrative Boundaries of Tanga Region



bodies (ocean, rivers and dams). Out of the 8 districts of Tanga Region, Handeni has the largest area covering about 28.8 percent of total regional land, while Kilindi District has 22.7 percent; Korogwe District has 13.8 percent; Mkinga District has 10.4 percent; Lushoto District has 10.2 percent; Muheza District has 5.3 percent; Pangani has 6.4 percent; and 2.1 percent belongs to Tanga.

2.2 Land Area and Administrative Units

Tanga Region has a total land area of 27,645.34 square kilometres representing 3.09 percent of the total land area of 885,803 square kilometres of the United Republic of Tanzania and 3.01 percent of the 883,343 square kilometres of Mainland Tanzania. There is also a significant additional marine area along the Indian Ocean in four of its eight administrative districts.

The coastline, including bays and estuaries, is over 400 kilometres long. Tanga Region has 8 administrative districts, 11 local government authorities, 37 divisions, 245 wards, 779 villages, 263 mitaa and 4,594 hamlets (vitongoji). Each of the eleven local government authorities has already identified some land appropriate for new investments as summarised below:

- a). **Tanga City Council:** Pongwe Industrial Parks (68 plots) which has a size of 40.49 hectares owned by Tanga City Council. The area located at Pongwe Ward a distance of 15km from City Centre along Tanga – Segera road. Pongwe Industrial Area plots are owned by Tanga City Council, located at Maweni Ward a distance of 16 Km from City Centre along Tanga – Segera road having a total of 242 acres with 101 plots. Amboni/Kiomoni Industrial Area (116 plots) with size of 438 hectares, owned by Tanga City Council, located at Kiomoni Ward a distance of 8km from City Centre along Tanga – Mjesani and Tanga – Horohoro roads. Chongoleani/Ndaoya Oil and Gas Investment Area, the plots are owned by Individuals, located at Chongoleani Ward a distance of 17.4 km from City Centre along Tanga – Horohoro road having a total of 941 hectares. The area is close to Uganda – Tanzania Crude Oil Pipeline Terminal. There are 55 Plots for Investments owned by NDC, located at Kange a distance of 10 Km from City Centre along Tanga – Segera roads having a total of 22.14 Ha. Plots for EPZA - the area has a total 1,300 Ha and it is located at Neema area along Pangani road owned by EPZA.

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- b). **Mkinga District Council:** Industrial land has been set aside (partial compensation done) for setting industries including cashew processing of more than 511.4 tonnes of nuts produced per year. Also, 4090.91 acres of arable land is allocated for sisal, cashewnut and coconut cultivation at Mahandakini and Mwakikoya areas.
 - c). **Lushoto District Council:** Some 10.25 hectares of village-owned land has been set aside as potential site for tourist facilities at Malindi Village in Malindi Ward. About 460 hectares of land are available for combined ginger farming and processing at Kwemkwazu Village. There are also 2,500 hectares at Mnadani Village available for fruit/ vegetable farming and processing. At Gare Ward a piece of land has been allocated for setting a coffee pulping plant, based on production from a 1,000-hectare coffee farm.
 - d). **Pangani District Council has set aside** some 26.04 hectares of land at Sange Village as a potential site for tourist facilities.
 - e). **Muheza District Council** plans to host new industries at Kigongo Investment Area and has made available some 1405 hectares for industrial investments at Bwembela Area.
 - f). **Bumbuli District Council** has made available some 400 hectares for various new investments at Kwehangala Area.
 - g). **Korogwe Town Council and Korogwe District Council** have dedicated some land for various investments: industries at Lwengera (5 ha), which is considered suitable for beef processing and/or animal feeds processing; some 42 hectares for building VETA-accredited vocational training centres; some 100 hectares at Machimboni and Jirihini villages for establishment of colleges; and some 13 hectares at Kwamzolo for building a sports centre/complex. There is also land suitable for irrigation development at Mafuleta (1,000 ha), Mkomazi and Bwiko (19,286 ha), and Mombo (13,416 ha). Suitable crops for irrigation include paddy (main season) and horticultural crops. 200 Acres available for Dry Port and Hotels in Old Korogwe -Korogwe Town Council, 4000 Acres set aside for investment in Agro-processing and Milk processing Industries at Mgombezi in Korogwe District. 200 acres are set for investment in education projects at Mtonga ward

in Korogwe DC. Also, 390 Ha have been set aside for investment in tourist hotels and education infrastructure in Korogwe District Council.

- h). Handeni Town Council and Handeni District Council** have allocated land to EPZ as follows: at Kwedizinga (147 ha); Kwamsisi (some 2,940 ha) for fruit farming and factory to produce juice concentrates); at Kwenkwale (245 ha belonging to Kidia Bus Ltd and another 245 ha at Bongi belonging to the Catholic Church available for renting). Some 15,000 hectares of grazing land suitable for cattle ranching at Mzeri, near Mkata, is available for sub-letting from the National Ranching Company (NARCO) because it is currently under-utilised. There is an additional 4,900 hectares suitable for cotton farming at Kwaluguru, Ndola and Kwamsisi, and another 4,900 hectares for bee keeping at Mswaki (5,000 ha) and 1,251 acres owned by Handeni District Council for investment in industries, trade and market at Mkata, Msomela and Segera.
- i). Kilindi District Council** has allocated the following pieces of land for investment in various sectors: Mafuleta and Sangeni villages (49 ha for industries); and Saunyi Village (some 40 ha for tourist facilities). Lwande and Kwekivu wards are in the process of setting aside land for industries. The Council has ample surplus land for investments in setting up livestock ranches or cashew plantations. Mineral extraction sites are located in Kibirashi, Lwande and Masagalu wards. Also, 1,730 acres are available for investment in Livestock Ranches and Cashew Plantation.

2.3 Population

According to the National Bureau of Statistics (NBS) the projected human population of Tanga Region for 2022 was 2,615,597. The population distribution per LGA is as shown in Table 2.1.

Table 2.1: Tanga Region: Population and Available Land Area in all LGAs

Council	Population (based on 2012 census)		Population (based on 2022 census)		Land and Water Area (km2)			
	People	%	People	%	Land Area	Water Area	Total Area	%
Lushoto DC	332,436	16.3	350,958	13.4	2,051	222.3	2,273.30	8
Korogwe DC	242,038	11.8	272,870	10.4	3,544	175	3,719.00	13.1
Muheza DC	204,461	10	238,260	9.1	1,484	13	1,497.00	5.3
Tanga CC	273,332	13.4	395,429	15.1	545	62	607	2.1
Pangani DC	54,025	2.6	75,642	2.9	1,603	228	1,831.00	6.4
Handeni DC	276,646	13.5	384,353	14.7	7,336	18	7,354.00	25.9
Kilindi DC	236,833	11.6	398,391	15.2	6,443	0	6,443.00	22.7
Mkinga DC	118,065	5.8	146,802	5.6	2,042	906	2,948.00	10.4
Korogwe TC	68,308	3.3	86,551	3.3	206	7	213	0.7
Handeni TC	79,056	3.9	108,968	4.2	838	0	838	2.9
Bumbuli DC	160,005	7.8	159,373	6.1	700	0	700	2.5
Total	2,045,205	100	2,617,597	100	26,792	1631.3	28,423.30	100

Source: Planning and Co-ordination Section (Regional Secretariat – Tanga) 2023 and NBS (2023) 2022 Population and Housing Census

2.4 Climate and Topography

2.4.1 Climate

Tanga Region experiences a tropical type of climate due to its close proximity to the equator and the warm Indian Ocean. Annual rainfall is approximately 1,290 millimetres, and in a normal year there are two rainy seasons: the long rains (known as masika in Kiswahili) in April and May and the short rains (known as vuli in Kiswahili) in November and December. The coastal areas also have showers (mchoo in Kiswahili) during July and August. The average temperature in Tanga Region is 26.3°C. Nationally, Tanga Region is one of the top four zones with highest rainfall; the others being the Eastern Arc Mountains, the Kilimanjaro Highlands and Western Victoria Basin. Mean annual rainfall ranges from about 1,200 – 1,400 millimetres in the coastal areas and rises to around 2,000 millimetres in the mountains.

2.4.2 Rivers and Catchments

Tanga Region is endowed with many rivers, basins, tributaries and catchments. Rivers are Lukingura, Mjonga, Mligaji, Msanagasi, Pangani, Sigi and Umba. This endowment provides an opportunity for agricultural production, especially crop and forage through irrigation, and water for human (domestic) consumption as well as for other purposes such as industrial use.

2.5 Agro-Ecological Zones (AEZ)

Tanga Region has the following dominant ecological zones:

2.5.1 Mountainous Zone

The mountainous zone includes West Usambara Mountains found in Lushoto, Korogwe District, East Usambara Mountains found in Amani and Kigongoi area to Bosha in Mkinga District, Muheza District and Nguu Mountain in Handeni District. The zone is located between 1000 and 2400 metres above sea level with temperatures ranging between 21°C and 28°C, and an annual rainfall ranging between 800 and 2000 mm.

Major crops grown include Coffee, Tea, Maize, Round Potatoes, Bananas, Beans, Fruits, Vegetables and Spices like Cloves, Cinamon, Cardamon, Ginger, Black Pepper. Soft timber production is also one of the major products in this zone.

2.5.2 Indian Ocean Coastal Zone: Tanga-Pwani Belt

This comprises of a very narrow strip of land along the coast of the Indian Ocean, including parts of Tanga, Muheza, Mkinga and Pangani districts in Tanga Region, and Rufiji, Bagamoyo and Mkuranga districts in Coast Region. Annual rainfall levels vary quite a bit, ranging from 600 mm to 1400 mm depending on the year, location and intensity of vuli and masika rains.

Soil fertility is relatively high, and this is a moderately productive zone despite inconsistent and unreliable rains. The household economy rests on two main pillars: crop production and fishing. Cassava and maize are the main food crops, although paddy is also produced in small quantities, along with cowpeas and green gram.

2.5.3 Lowlands: Tanga Maize-and-Cattle Zone

This zone comprises a very small area consisting of Mkinga and Lushoto districts along the north- eastern border with Kenya. This zone consists of lowland plains, found between 100 and 200 metres above sea level and covered with grasslands and thickets. Uмба River runs through the zone, originating in the Usambara Mountains and emptying into the Indian Ocean just across the border with Kenya. Along Uмба River Game Controlled Area and Mkomazi National Park are in close proximity to the zone.

2.5.4 Midlands: Tanga Maize-and-Orange Zone

The Tanga Midlands Zone covers parts of Mkinga, Muheza and Korogwe districts as well as the north-eastern edge of Handeni District. The zone lies east and south of the Usambara Mountains and includes both inland plains and coastal forest. Vegetation is diverse and land fragmentation is common. The coastal area is dominated by bush land, dense and open forests, palm gardens, village cultivation plots and estates (mainly sisal).

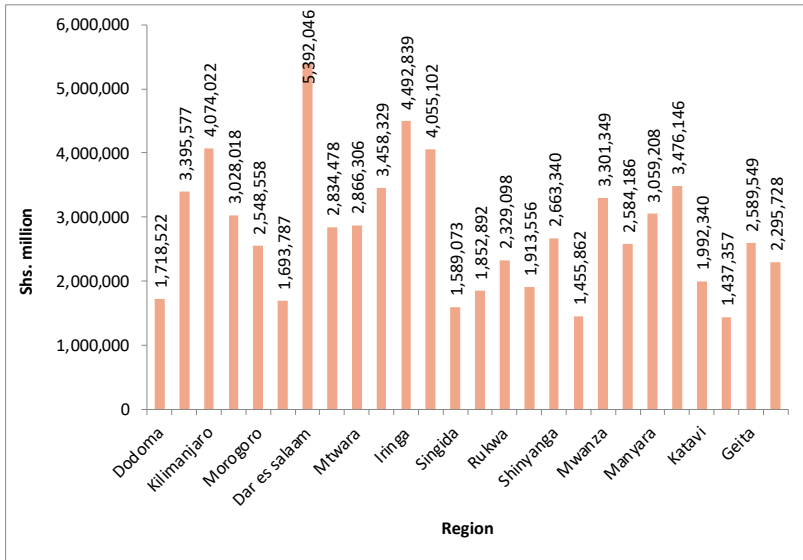
The wet plains (covering Muheza and Korogwe district councils) and dry plains (covering Handeni and parts of Muheza and Korogwe districts) are characterised by open savannah grassland with scattered trees and shrubs. Rainfall in this zone ranges between 600 and 1200 millimetres per year, with the coastal and higher elevation areas receiving more rain than the plains. The zone supports mixed farming, mainly cultivation of maize, cassava and oranges, which are important cash crops.

Minor crops include paddy, pulses and coconuts. While timber was once an important natural resource in the zone, the primary timber trees, *Milicia Excela* (Mvule in Kiswahili) are a rare species facing extinction and are now under strict Government protection.

2.6 Regional Economy

Tanga Region's GDP increased from about TZS 2.93 trillion (4.69% of national GDP) in 2012 to about TZS 7.92 trillion (4.65% of Tanzania Mainland GDP) in 2022. The per capita GDP in the region increased from TZS 1,431,271 in 2012 to TZS 2,844,641 in 2022, which is equivalent to USD 1,229.

Figure 2.2: Provisional Regional Per Capita GDP at Current Market Prices for 2022



Source: NBS (2023), 2022 Tanzania in Figures

The economic strength of Tanga Region is reflected by GDP per capita. Per capita income is an important consideration to investors when deciding where to locate their new industries or consideration of purchasing power of the customers within the region. It has also some implications on budgeting and negotiating for daily wage labour force.

2.7 Socio-Economic Context

2.7.1 Livelihoods

The main economic activities that are practised in Tanga Region include crop production, livestock keeping, fishing, mining, industry and business ranging from big, medium to small-scale industries and economic entrepreneurship. However, about eighty percent (80%) of the population is engaged in agriculture. Due to the collapse of sisal production in the early 1980s majority of farmers depend mainly on food crop production. About five percent (5%) of the population who lives on the shores of the Indian Ocean are engaging mainly in fishing.

2.7.2 Health Status

In 2022 Tanga Region had twenty two (22) hospitals; 64 health care centres and 412 dispensaries. Overall, the national policy of providing one health centre per ward and one dispensary per village has not been realised because, by 2022, one health centre served three (3) wards and one dispensary served approximately two (2) villages. This is an opportunity for private sector to invest in the health care sector. The population's health status indicators in the region are above the national average as indicated in the table 2.2.



Table 2.2: Selected Health Indicators in Tanga Region

Indicator	Regional	National
Infant mortality rate per 1000 live birth	2/1,000	24/1,000
Under five mortality rate 1000 live birth	2/1,000	43/1,000
HIV prevalence among pregnant mother	2%	5.60%
Maternal mortality rate per 100,000 live birth	49/100,000	220/100,000
Birth at health care facilities	88%	81%
HIV prevalence	4.90%	5.10%
Prevalence of HIV among TB patient	13%	18%

Source: DHIS 2; NBS (2023), 2022 Tanzania in Figures; and 2022 Demographic and Health Survey and Malaria Indicator Survey

2.7.3 Education

The Region has a total number of 1083 Primary Schools, where by 1,015 are Public and 68 Private. Also the Region has 301 Secondary Schools, where by 255 are Public and 46 Private. The total number of pupils enrolment in 2023 is 514,718 in Primary Schools where by 259,727 are boys and 254,991 girls. In Secondary Schools, total number of pupils are 111,135 where by 49,967 are boys and 61,168 girls.



Currently there are 20 Vocational Training Centers for Post- Primary youths, one VETA College, two Community Development Training Colleges. However, there are two Private Universities available in the Region; Enckenford University (which is not operational currently) and KOTETI - Kolowa Technical and Training Institute. Also there is a branch of Open University of Tanzania.

2.8 Productive Sectors

2.8.1 Agriculture Sector

Agriculture is the backbone of the region's economy, with more than eighty percent (80%) of the population engaging in agriculture. The region has a total area of about 2,764,534 hectares out of which 1,893,356 hectares is arable land. The land currently utilised for agricultural production is 1,206,800 hectares out of the total arable land. Agriculture in Tanga Region is mainly rain-fed. There are also rivers, including Pangani, Mkomazi, Zigi, Umba and Lwengera which can be utilised for irrigation.

a) Crops Grown in Tanga

Food crops grown include maize, cassava, banana, legumes, millet, sorghum and paddy. Potatoes, vegetables, spices like black pepper, cardamom, cinnamon and cloves, also grow well in Tanga Region. Strategic commercial crops grown in Tanga include sisal, cashew nut, sun flower, tea, cotton and coffee.

b) Livestock

Livestock production is another major economic activity in Tanga Region. In 2021, it was estimated that the region had 975,444 herds of cattle (out of which 97,183 were improved breeds), 960,278 goats, 342,251 sheep and 2,973,018 poultry. The rearing system employed is mainly free-range, whereby animals are grazed freely in the pasturelands, although modern systems (semi-intensive and intensive systems) are increasingly being used.



Milk production is estimated at more than fifty-five million litres annually, with ninety percent (90%) of the amount produced by indigenous breeds. Tanga is widely renowned for harbouring the largest dairy processing plant in the country – Tanga Fresh Limited, with a capacity of processing 120,000 litres of milk per day. Milk collection to the plant is done throughout the entire region and even from other neighbouring regions such as Pwani and Morogoro.

Tanga Dairy Co-operative Union (TDCU) is the mother of a huge and very successful dairy network in the region. It has twenty seven (27) registered primary dairy co-operative societies, with more than 8,000 livestock keepers. There are more than forty two (42) milk collection centres (MCCs) all over the region. The Union, as well, owns more than forty-two percent (42.5%) shares in Tanga Fresh Processing Industry.

The dairy sector in the region, has been growing albeit at a very slow pace but inevitably is being threatened by pending stagnation in terms of production volumes, number of dedicated dairy farmers, breed improvement, modest animal husbandry practices adoption and milk quality. This sector is yet to give out the expected results and benefits to the community and as a result this leads to unrealized full socio-economic development potential of the sector. For example, only 10% of the cattle population in the region are improved breeds which produce an average of 4 litres of milk per day.

Also, the average number of dairy cattle per dairy farmers is only 2 cows with such low productivity. Collaboration between various stakeholders in the region and in the country is therefore badly needed to improve the situation which give room for many investment opportunities along the industry.

c) Forestry

Tanga Region has an extensive forestry woodland cover of about 694,686 hectares, which are categorised as follows:

- Central Government forest reserves (140,986 ha)
- National parks (Mkomazi and Saadani: 183,310 ha)
- Game controlled area (251,800 ha)
- Local authority forest reserves (18,237.4 ha)
- Village forest reserves (94,695 ha)
- Private and public sectors forests (1,534.42 ha)

These forests are classified as high forests, miombo woodlands, open forests, shrub, bushes, thickets and plantation forests. Whereas harvesting of forest products, especially timber, is carried out from open natural forests, controlled harvest continues in planted Government, private, farmlands and woodland forests, which are now the main source of timber in the region. Apart from natural woodlands and forests there are about four thousand hectares (4,718 ha) of softwoods (pine) and eighteen hundred hectares (3,511 ha) of very precious hard wood (teak) of exotic forests. Teak is now being harvested in Lunguza Forest in Muheza District, which is managed by the Ministry of Natural Resources and Tourism.

d) Bee-keeping

The existence of forests in the region provides necessary and important ground for bee-keeping economic activities to take place and flourish in Handeni, Kilindi, Muheza, Lushoto, Mkinga and Pangani districts. Investment opportunity offered by this sub-sector can boost production levels of honey and bee wax. The Region has a total of modern beehives 32,285 and 69,124 traditional beehives where by the honey produced in 2021 was 56.8 tonnes. The Regional has potential of installing over 500,000 beehives while set up target is 100,000 beehives by 2023.

e) Fisheries

Fishery is widespread in all 8 districts of Tanga Region. Mkinga, Tanga, Muheza and Pangani districts border the Indian Ocean, where fishing takes place in an area of 216,000 hectares with 96 coral reefs and 15,000 hectares of mangrove forest responsible for hatching and rearing fish, and habitat



for most common fish species. According to fisheries data gathered in 2021 there were 13,356 fishers and 1,497 fishing vessels in those four Districts. For Korogwe, Lushoto, Handeni and Kilindi districts, fishing is conducted in natural bodies and rivers that practise aquaculture. There are 400 fishers, 300 ponds and 850 seaweed growers in the coastal districts, including bays and estuaries that measure about 400 kilometres long. As of 2021 the production of seaweed was 2,500 tonnes.

Official records indicate that fish production (consisting of fish and fish products) in 2021 was about 11,000 tonnes out of which 3,500 tonnes were processed. The region has one fish processing factory, which handles octopus, lobster, squid and other finfish.

2.8.2 Natural Resources and Tourism

a) Wildlife



Tanga Region is endowed with a national park and a sizable number of game reserves that harbour a variety of wildlife capable of attracting local and foreign tourists. The region has two (2) national parks – Saadani (106,200

ha) which is located in Pangani District and Mkomazi (324,500 ha) located at the boarder of Lushoto, Mkinga and Korogwe Districts. Tanga has one Game Controlled Area which is Uмба Game Controlled Area located in Lushoto, Korogwe and Mkinga Districts. In addition Tanga has Mangroove Forest along the Beach and the cool Usambara mountains which are part of a range of Eastern Arc mountains with three forest nature reserve of Amani, Nilo and Magamba, characterized as one of the 25 hot spots in the world with high biodiversity richness, high endemism, has plants and animals that cannot be found elsewhere in the world.

b) Tourism

The region has enormous potential for the tourism sector to grow and flourish due to the presence of several tourist attraction sites. These attractions include historic caves (Amboni Caves), Saadani National Park and Mkomazi National Park; game reserves, wildlife, beaches (Pangani, Tanga CC, Mkinga and Muheza) and distinguished traditional and cultural features. The welcoming culture of Tanga people with variety of local food, dressing, houses, songs and handcrafts.. Tanga Region is also rich in historical,



geographical and cultural attractions for the tourism sector. Standard hospitality services provided in hotels available in the region make tourism one of the fast expanding economic sectors.

c) Mining Sector

Tanga Region is rich in mineral resources that are not yet adequately exploited. These include building materials and precious minerals, such as gold, and various types of gemstones (rhodolite, ruby, red garnet, green garnet, tourmaline, bauxite, amethyst, and komerupine). The



industrial/building minerals include limestone, gypsum, mica, iron, kyanite, calcite and sheet stone (famously known as 'Tanga Stone'). Salt mining and processing are also carried out in the region. Most of these resources are not fully exploited to the economic potential levels.

2.8.3 Industrial Development

According to NBS, enterprises are grouped into four categories relating to capital outlay and number of people employed:



- Micro industries are those employing less than 5 people and with a capital of less than TZS 5 million
- Small-scale industries are those with a capital of more than TZS 5 million but less than TZS 200 million and employing less than 50 people
- Medium-scale industries are those with a capital of more than TZS 200 million but less than TZS 800 million and employing less than 100 people

- Large-scale industries are those with a capital of more than TZS 800 million and employing more than 100 people.

In 2022, the region had a total of 3,904 small-scale establishments, with 34.2 percent of them engaged in maize milling. Tailoring activities constituted 20.3 percent, followed by carpentry (13.0%), welding (8.5%), timber processing (7.2%), and service industries (4.9%). Other relatively smaller contributors to the number of small-scale industries were sisal processing industries (1.7%) and sunflower oil processing (0.9%), as shown in Table 2.3

Table 2.3: Type of Small-scale Industries by Council in Tanga Region in 2022

District/Council	Welding	Carpentry	Food processing	Maize milling	Sunflower oil Mills	Timber processing	Service industry	Tailoring activities	Block making	Sisal processing	Total
Lushoto DC	6	14	8	32	0	25	6	36	2	1	130
Korogwe DC	10	8	0	128	0	8	4	50	0	16	224
Muheza DC	31	47	7	121	10	34	82	76	42	37	487
Tanga CC	87	107	16	190	2	102	69	58	60	1	692
Pangani DC	15	34	15	50	3	35	5	30	9	1	197
Handeni DC	52	70	110	356	3	22	3	120	15	1	752
Kilindi DC	44	42	0	244	13	22	2	105	13	0	485
Mkinga DC	22	25	2	26	0	5	0	22	7	3	112
Korogwe TC	22	41	13	58	1	14	11	23	16	4	203
Handeni TC	28	68	1	42	5	12	8	225	21	0	410
Bumbuli DC	13	50	2	90	0	4	0	47	5	1	212
Total	330	506	174	1337	37	283	190	792	190	65	3,904
Percent	8.5	13.0	4.5	34.2	0.9	7.2	4.9	20.3	4.9	1.7	100.0

Source: Planning and Co-ordination Section (RS - Tanga) 2023

Table 2.4 shows the types of medium-scale industries existing in the region in 2023. Tanga Region had a total of 69 medium-scale industries, primarily in lime production, printing vouchers, smart cards, spices, sisal fibers, timber processing, tea processing, and sisal fibers.

Tanga City Council hosted 29 percent of all medium-scale industries in the region in 2023. Korogwe DC was the second largest contributor with a share of 27.5 percent and Muheza DC was the third with a share of 18.8 percent. The district with the fewest medium-scale industries was Handeni District Council, accounting for 1.4 percent.

Table 2.4: Distribution of Middle-Scale Industries in Tanga Region in 2023

Council	Type of Industry	Number of industries	Percent
Tanga CC	Lime, printing voucher, smart card	20	29.0
Pangani DC	Salt processing, Coconut processing, fertilizer	8	11.6
Handeni DC	Grain processing	3	4.3
Bumbuli DC	Sisal fibres, tea processing, wine making	3	4.3
Mkinga DC	Cashewnut and sisal processing	2	2.9
Muheza DC	Spices, Sisal fibres, Timber	13	18.8
Handeni TC	Lime processing	1	1.4
Korogwe DC	Tea processing, Sisal fibres	19	27.5
Total		69	100.0

Source: Investment, Industries and Trade Section (RS - Tanga 2023)

In 2023, there were also approximately 36 large-scale industries in the entire region engaged in manufacturing, processing, cosmetics and petroleum jelly production, sisal and tea processing, fruit processing, graphite processing, water bottling, and timber manufacturing.

Nineteen (19) of these industries were located in Tanga City, while four (4) were in Muheza DC, three (3) were in Mkinga DC, and three (3) were in Korogwe DC, as indicated in Table 2.5.

Table 2.5: Distribution of Large-Scale Industries in Tanga Region in 2023

Council	Type of Industry	Number of industries	Percent
Tanga City	Manufacturing, Processing, Cosmetics and Petroleum jelly	19	52.8
Pangani DC	Sisal Processing	2	5.6
Handeni DC	Graphite Processing	1	2.8
Bumbuli DC	Tea Processing, Water bottling	2	5.6
Korogwe TC	Fruit Processing, Sisal fibers	3	8.3
Lushoto DC	Sisal fibers, Timber manufacturing	3	8.3
Mkinga DC	Sisal processing	2	5.6
Muheza DC	Sisal and Tea Processing	4	11.1
Total		36	100.0

Source: Investment, Industries and Trade Section (RS - Tanga 2023)

PRIORITY INVESTMENT OPPORTUNITIES IN TANGA REGION

3.1 Strategic Areas

The investment opportunities identified by Tanga Region can be grouped into six (6) strategic areas as follows:

i). Establishment of Industrial and Agricultural Investment Parks

There is realisation that LGAs can also seek support from private sector in surveying and mapping, as well as for real estate operators to invest on their own or in collaboration with LGAs and/or Central Government under public-private partnership (PPP) arrangements. The main purpose of this investment is to simplify the process of establishing industries by prospective investors.

The initial process of identifying land primarily involves the Local Government Authorities (LGAs). They have in most cases already identified land for establishment of investment parks for industries (which could be registered as special economic zones and export processing zones. The process of identifying land area for industrial and agricultural investment purposes is being spearheaded by the regional administration in collaboration with all LGAs.

ii). Agro-processing

Stakeholders stressed the need for taking advantage of surplus agricultural commodities in the region by encouraging the establishment of agroprocessing industries within the region. It will involve adding value and transforming grains into ordinary and fortified flour as well as other related products; leather into leather goods; processing and packaging of horticulture products; production and packaging of vegetable oil (mainly from cashew nuts, sesame, sunflower and groundnuts); beef processing and

packaging; and production of animal feeds (for cattle, poultry and fish). In the fish industry there is a strong conviction that Tanzania has not benefited much from the Indian Ocean and therefore there is need to invest in modern fishing vessels and gear in addition to cage fish farming.

iii). *Commercial agriculture*

In order for agro-processing to thrive, it is important to invest in commercial production of maize, cassava, paddy, irrigated horticulture (using, for example, green houses and drip irrigation), oilseeds (e.g. sesame, groundnuts and sunflower), legumes (e.g. soya beans, pigeon peas and chick peas) cattle ranches, poultry, and dairy farms.

iv). *Natural resources beneficiation*

Adding value to minerals and timber is an opportunity that is backed by a recent Government directive that none of the country's minerals and timber should be exported without processing either to semi-finished goods, finished goods or to secondary products from raw materials. An interesting new opportunity in mineral processing is that of coal, whose dust can be converted into coal briquettes for home cooking, thus saving trees used to make charcoal.

v). *Service sector*

The sector includes services in hotels and tourism, modern markets and malls, warehouses, banking, real estate development and land surveying and mapping.

vi). *Capacity building*

This includes investments in the education sector (e.g. early learning, primary and secondary education) offering alternative quality education to complement Government facilities; health sector involving establishment of health care centres, specialised hospitals and modern laboratory facilities, as well as the establishment of vocational training centres. Kilindi, Handeni, Pangani and Mkinga district councils stressed the need for capacity building in local government authorities.

Expected early successes in solving challenges in provision of public goods: Areas that the Government of Tanzania has given high national priority in order to facilitate industrialisation include: (i) provision of adequate electricity to all regional and district headquarters by connecting them to the national electricity grid.

The supply of electric power to the grid will be increased and stabilised after connecting to the gas-to-electricity turbines in Dar-es-Salaam and Mtwara, enhancing hydro-power generation after completion of Rufiji Hydro Power Project; and linking the country's power system (including Tanga Region) to the Southern Africa Power Pool.

Parallel to this, there is a boost in financing rural energy supply after introducing a special tax on fuel and mobile phone usage; (ii) completion of urban water supply by drawing water from river sources; and (iii) improved road network involving district-to-district and district-to-regional headquarters for the whole country, with plans to tarmac the road connecting Handeni to Kilindi and Tanga City to Pangani.

The regional administration appreciated that it has the responsibility to ensure improved power, water and road network infrastructure with the support from the Central Government. It will continue to make the necessary follow-ups to ensure that implementation of these programmes takes place within the agreed timeframe once budgets are released. Meanwhile, as will be indicated below, companies are invited to invest in hydro-power generation using the various waterfalls along several rivers that feed into the Indian Ocean.

3.2 Regional Level Priority Investment Opportunities

There are six investment areas, which, it is believed, are better coordinated at the regional level under the close supervision of the Regional Administrative Secretary. These priorities are on one hand part of the priorities suggested in the Third Five-Year Development Plan (FYDPIII), but on the other part they urgently require additional support due to the need for a coordinated approach in sourcing investment funds (e.g. compensation of land and speeding up the process of titling) and achieving economies of scale in aggregated inputs for the established factories (e.g. the case of dairy milk and seasonal fruits).

3.2.1 Investments in Industrial, Business and Agricultural Parks

The national industrial development policy partly stipulates that each local government authority must provide some land for the development of industrial parks. Tanga Regional Commissioner has directed that all district and town councils should identify and allocate land for industries, and indeed all of them have some land area identified for the purpose. Private sector operators are welcome to join hands with local government authorities in compensating land owners so as to speed up freeing land for investments. On the other hand there is also an opportunity for the private sector to participate as service providers to support local government authorities in land surveying and demarcating for various uses. The following table presents a summary of what is expected in the dedicated industrial parks:

Overview of Investment Opportunity in Industrial Parks Development	
Key features 	<p>The regional administration and LGAs could collaborate with the private sector to speed up compliance with national policy for each district to establish industrial parks. The parks could host various types of industrial or service clusters.</p> <p>1. Agro-processing factories cluster:</p> <ul style="list-style-type: none">▪ Value addition of horticultural products (primary processing: sorting, grading, and packaging) and cold storage▪ Secondary processing of horticultural products: conversion of horticultural products into other products▪ Grains milling (mainly maize and paddy)▪ Cassava flour processing and packaging▪ Oilseed processing (from sunflower and cotton seeds)▪ Cashew nut processing factories▪ Sisal processing▪ Factory for packaging materials for both primary and secondary processing industries▪ Hatchery machines for one-day-old chicks▪ Processing milk into various dairy products▪ Animal feeds processing industry (sunflower, groundnuts and sesame)▪ Meat processing and packaging▪ Natural honey processing and packaging

Overview of Investment Opportunity in Industrial Parks Development

- Spice processing and blending
- Water bottling

2. Manufacturing industrial cluster:

- Tanneries: conversion of leather into leather products
- Sisal products: making of different products derived from sisal fibres
- Mining: stone sheets, stone quarry and precious minerals
- Saw mills for timber and furniture fabrication
- Solid waste management, including recycling industry in Tanga City Council

3. Assembling cluster: Assembling, re-packaging, machinery, equipment, and other industrial goods for value addition, e.g. farm machinery and implements, abattoirs equipment, etc.

4. Pharmaceuticals: Drugs and medical equipment manufactured in the region

5. Forest and timber products: High potential to produce chipboards, plywood, fibreboard, furniture, poles. Also potential for beekeeping industry development

6. Packaging and supply chain management facilities

Preferred locations

Essentially all LGAs will require support of the private sector in surveying, preparing planning areas and land use plans. Land allocated for industries is shown above in Section 3.1.

Tanga City Council:

Construction of Manufacturing industries, Agro-processing industries, Pharmaceuticals, Assembling industries at Pongwe Industrial Park (68 plots) - 62.7 Ha; Pongwe Industrial Area (101 plots)- 96 Ha; Amboni/Kiomoni Industrial Area (116 plots) mainly for heavy industries - 510 Ha; Kange NDC industrial Park (55 plots) - 22.14 Ha; and Neema Industrial Area - EPZA (1,300Ha).

Overview of Investment Opportunity in Industrial Parks Development



Muheza District Council:

Suitable sites for Agro-processing industries cluster include Songa, Kilulu, Mkuzi, Kwafungo, Makole (12.4 Acres)

Handeni District Council:

Construction of small, medium and large scale agro-processing industries at Mkata (200 Acres), Msomela (150 Acres), and Segera (901 Acres)

Korogwe Town Council:

Construction of small and medium industries for agro-processing and horticultural products at Mgombezi (800 Ha). The Council also has set aside 2,000 ha for EPZ at Mgombezi Ward

Kilindi District Council:

Construction of small, medium and large scale industries at Vyadigwa, Mbogo, Misufini, and Kimamba (30.186 Ha)

Lushoto District Council:

Land for establishing a Centre of Mechanization has been allocated at Mng'aro and Lunguza.

Pangani District Council:

Land for establishing industries has been allocated at Kipumbwi ward.

Investment rationale

- Need for public and private investments in urban planning and urban infrastructure development so as to have well planned towns in line with laws and regulations
- Tanga has to take advantage of its strategic geographic position to develop industries that can produce goods at competitive costs for penetrating and accessing the EAC and SADC trading blocs through land, water and air ways.

Available support

- Strong support by Ministry of Land, Housing and Human Settlements to engage the services of private companies for preparation of land-use plans and mapping
- The region is connected to the national electricity power grid, which will assure stable supply of power for industries

Overview of Investment Opportunity in Industrial Parks Development

- Strong support by the Third Five-Year Development Plan 2021/22 - 2025/26
- Support by the Integrated Industrial Development Strategy (IIDS). According to IIDS 2025, development of industrial parks is aimed at facilitating industrial development
- IIDS also recognises the importance of micro, small and medium enterprises for industrial development. The strategy argues that this sector is very important for development of the industrial sector and for creating jobs, particularly for the youth. Therefore, facilitation of this sector will be done through the development of industrial parks.

3.2.2 Horticultural Products: Secondary and Final Processing of Fruit and Vegetables

The Regional Secretariat wishes farmers and industry operators to benefit from their investments. It therefore undertakes to share with investors some regularly conducted pre-feasibility studies that indicate levels of production so as to assist in determining or justifying the establishment of new factories in any of the contesting LGAs that are renowned for producing fruits and vegetables.

The support is important in order to avoid capacity under utilisation of existing or expected processing factories.

Overview of Opportunities to Processing of Horticultural Products into Juices, Pastes, Powders, etc.

Key features



- Processing mangoes, pineapples, oranges and water melons into various types of packaged juices (pure and blended juices)
- Processing tomatoes into packaged pastes and juices
- Processing avocado into body health products
- Processing spices such as cloves, ginger, garlic, and pepper into dried powder and pastes.

Overview of Opportunities to Processing of Horticultural Products into Juices, Pastes, Powders, etc.

Preferred locations for investment



- **Muheza District Council:**
Sites for factories available at Bwembwera, Ngomeni and Kilulu wards (Kibanda Village, and Misozwe/Kicheba Village) where land has been allocated by council for industries. Area is easily accessible. Some 22,000 farmers are engaged in orange farming and represent the largest number compared to other districts. The fruits processing factory can be established at Mtindiro (12.4 Acres)
- **Handeni District Council:**
The wards along the Segera-Chalinze area are major producers of oranges and pineapples. The area is centrally located to receive additional supplies from neighbouring district councils (e.g. banana supplies from Mazingara Ward; Kwediyamba Ward is one of the sources of high volume of fruits, especially during November to January. The production of citrus fruits in Handeni DC is about 150,000 tonnes per year
- **Korogwe Town Council:**
Construction of small and medium industries for horticultural products at Mgombezi (800 Ha). Location of factory at Kwamsisi. At Mgombezi some 5,000 hectares have been set aside (the first 2,000 hectares were secured in 2018/19, and compensation was paid). Fruits to be supplied from Msambiasi, Kwamsisi and Mgombezi wards and neighbouring districts
- **Lushoto District Council:**
The council has about 2,500 hectares of fruits, and has identified suitable location at Mnadani Village in Malindi Ward and at Lukozi
- **Bumbuli District Council:**
Site available at Soni, Baga, Mgwashi and Kwehangala, where an assortment of fruit is cultivated.

Overview of Opportunities to Processing of Horticultural Products into Juices, Pastes, Powders, etc.

- **Kilindi District Council:**
Most wards are suitable for vegetable farming, mostly tomatoes at Kikunde, Negero, Pagwi and Kilwa.
- **Pangani District Council:**
Sites for factories available at Kimanga, Mkalamo, and Kikoke.
- **Mkinga District Council:**
Factory to be established at Mapatano as a centre in Maramba and Magaoni as a centre for Duga, Mkinga, Manza and Kwale wards. To obtain supplies from all wards in the Council suitable for horticultural farming.

Investment rationale



- The Government had also some plans to support the establishment of an international fruit/vegetable market at Seger Ward
- Tanzania Horticulture Association (TAHA) supports farmers to increase farm productivity so that they can supply quality horticultural produce to established industries
- Minimise post-harvest losses: the rationale behind this proposal is based solely on adequate volumes of output with frequent spoilage of horticultural products. Processing is seen as a major avenue for reducing post-harvest losses along with provision of employment to the residents, mainly the youths in the districts
- Local knowledge and interest: there is already some interest by inhabitants of the region to cultivate horticultural crops
- Horticultural crops have high value per unit area, thus offering a better approach to enhancing farm income and higher profits to investors, and at the same time and reducing poverty in the region
- Impact of assured markets will likely stimulate more investment in commercial farming of horticultural products.

Overview of Opportunities to Processing of Horticultural Products into Juices, Pastes, Powders, etc.

Available support

- LGAs have shown commitment to provide conducive environment for investment, including allocation of land needed for constructing industries where need be
- LGAs are also ready to enter into PPP with potential investors and/or promote the Build Operate Transfer (BOT) approach
- Some LGAs are ready to facilitate joint ventures between potential investors and local private investors
- Policy and political support at national, regional and local levels.

3.2.3 Tubers/Root Crops Processing Industries: Cassava and Sweet Potatoes

Given that the technology for processing cassava and sweet potatoes are similar, investors are welcome to take advantage of the surplus production of the two tuber crops to process them into various final products for local and international markets. The regional administration undertakes to support local government authorities in sourcing and distributing high yielding cassava cultivars to enable farmers supply enough raw materials for the established processing facilities. The regional government takes this role of coordinating local government authorities to hasten investments in production and processing facilities. It is also of mutual interest to avoid over-investment of facilities before production picks to desired levels. The regional priority is to increase productivity and process cassava into starch to meet the high demand of starch within the country and in the Great Lakes market.

Overview of Investment Opportunities for Processing of Tubers

Key features



- A total of about 807,417 tonnes of cassava was produced annually in 2020/21 in Tanga region
- Cassava flour dishes are favourite among the people of Tanga and so there is a ready market within the region in addition to exports
- Processing plants to produce mineral/vitamin-fortified cassava and potatoes flour, and packaging plants

Overview of Investment Opportunities for Processing of Tubers

Location for investment



These LGAs have a history of producing cassava for the market:

- **Tanga City Council:**
Among suitable sites are Kirare and Mabokweni wards
- **Mkinga District Council:**
In 2022 mkinga DC produced 196,720.00 tones of all cassava. Investors can set a plant to process cassava at Bwiti, Gombero and Mkinga wards (30 Acres).
- **Muheza District Council:**
In 2020 Muheza DC produced 53,246 tonnes. Available sites at Kibanda Village in Kilulu Ward, Bwembwera Ward and Ngomeni Ward. Land has been allocated by council for industries and the area is accessible
- **Korogwe District Council:**
The Council is considered as a reliable source of raw materials to be supplied to cassava processing factories. In 2020 there were some 1,214 hectares of cassava and produced 7,324 tonnes per hectare.
- **Handeni District Council:**
Kwamsisi is taken as the nucleus of cassava processing factories. Nine (9) wards can cultivate cassava (excluding urban wards). Some land has already been set aside for industrial development: at Mkata (6 areas for light industries), Segera and Kabuku (6 plots for light industries). Farmers have been mobilised to cultivate high yielding cultivars. The district produced 358,285 tonnes in 2020.
- **Pangani District Council:**
There are some suitable sites in Madanga Ward

Investment rationale

- China has expressed readiness to import cassava products from Tanzania
- There is already some significant investment by Government in deploying high yielding cassava cultivators in the region.

Overview of Investment Opportunities for Processing of Tubers

Available support

- Policy and political support at national, regional and local government levels
- NMB support of 3.041 billion in 2020 to 421 cassava farmers at Handeni DC for improving productivity
- Relevant institutions, such as TBS have established presence within the region to enable certification of products
- Good infrastructure, which includes roads networks, communication, electricity supply and markets
- Completion of TANESCO's backbone transmission infrastructure project power line to improve electric power situation in Tanga Region.

3.2.4 Processing Milk into Various Dairy Products

Nearly 90% of the milk produced in Tanga Region come from indigenous cattle whose productivity lies between 0.5 to 1 litre per cow per day. The estimated 55 million litres of milk produced per annum will almost be doubled if improvement in breeding, feeds and feeding of the indigenous cattle will be highly invested. The total milk produced based on the number of cattle the region harbours, have not been collected and passed through the formal channel which includes processing.

Investors will have the full support of the regional as well as the local governments in provision of the extension services required and proper network of primary cooperatives led by Tanga Dairy Cooperative Union (TDCU) - the apex organization of the cooperative societies in the region with more than 8000 farmers.

Overview of Investment Opportunities in Dairy Industry

Key features



- Packed milk, milk powder, butter, cheeses, yoghourts (plain and flavoured), milk shakes, and ice creams
- There is need for establishing some small-scale and medium-scale milk processing plants in Handeni, Kilindi, and Pangani district councils.

Overview of Investment Opportunities in Dairy Industry

Preferred locations



New small to medium-scale facilities in:

- **Handeni District Council:**
The DC has enough livestock (more than 135,000 herds of cattle and 200,000 goats) for milk production. Construction of medium scale industry for processing milk is suitable at Mkata (50 Acres) and Msomela (20 Acres)
- **Handeni Town Council:**
Handeni TC produces 432,000 litres of milk per annum.
- **Kilindi District Council:**
Dairy farming is suitable in most wards, as the council has about 4,000 improved dairy cows with daily lactation of 10 litres per cow. The district has also more than 350,000 herds of cattle (local cows), of which 10,000 reliably produce milk at any one time, producing 2 litres of milk per cow per day.
- **Pangani District Council:**
The DC has set aside land for industrialisation at Muhembo; for dairy cows at Mwera, Pangani Mashariki, Ubangaa Ward (Mseko Village), Masaika Ward (Kigurusimba Village), and Mkalamo Ward. Also dairy processing industry can be established at Mtonga village where 500 hectares have been allocated for investments
- **Korogwe Town Council:**
Msambiazi-Mtonga industrial area (50 ha) collects about 29,000 litres of milk per month from *Umoja wa Wafugaji Korogwe* (UWAKO) – i.e. an association of livestock keepers in Korogwe – and provides 17,000 litres per month to Tanga Fresh. Another contesting site for setting up a factory is Makumba with about 300 hectares available and unplanned but under LGA. Milk processing industries can be also be established at Mgombezi(800 Ha)

Overview of Investment Opportunities in Dairy Industry

	<ul style="list-style-type: none"> ▪ Lushoto District Council: Factory at Lushoto, and 3 milk collection centres with daily collection of 700 litres, 800 litres, and 900 litres per day, respectively. This area has a potential for hosting 22,000-60,000 dairy cows ▪ Bumbuli District Council: A milk collection center has been built in Bumbuli Town, which receives most of its milk from Bumbuli, Funta, Dule B, and Mamba. ▪ Muheza District Council: There is a factory at Muheza industrial area; main sources of milk are Mkuzi and Kigombe ▪ Mkinga District Council: Dairy farming is practised at Mkinga, Bwiti, Mduga and Manza, and milk produced is taken to Tanga Dairies Ltd in Tanga City Council
<p>Investment rationale</p>	<ul style="list-style-type: none"> ▪ More than 20 million litres of milk are produced per year, mostly from Muheza, Tanga, Korogwe and Lushoto district councils ▪ There is need for establishing small-scale dairies in LGAs to simplify logistics of collection. The current demand by Tanga Dairies Ltd is 165,000 litres per day but it collects and receives only 60,000 litres per day. There are only 600 farmers in Tanga who supply 28,000 litres (as low as 15,000 litres in dry season). ▪ Some surplus milk from livestock-rich LGAs such as Handeni, Kilindi and Pangani fail to reach the established processing plants in Tanga ▪ Most of the produced milk is sold unprocessed to consumers hence the failure to meet demand for various dairy products such as cheese, yoghurt, etc.

Overview of Investment Opportunities in Dairy Industry

	<ul style="list-style-type: none">▪ An assurance of market for surplus milk is likely to stimulate more investments in dairy farming▪ Tanga Airport and a good road network provide an appropriate transport system for dairy products to be marketed outside the region.
Available support	<ul style="list-style-type: none">▪ Livestock policy and development programmes support expansion of dairy farming▪ Policy support through Tanzania Livestock Master Plan▪ Tanzania Dairy Board has plans to support small-scale dairy farmers, encouraging them to organise themselves in co-operatives to simplify Government interventionist support▪ Programmes for dairy sector development supported by development partners such as Heifer International, Bill and Melinda Gates Foundation, and MasterCard Foundation (East Africa Dairy Development Programme)▪ Land for setting up factories is available in all LGAs▪ Health departments and TBS to provide support in meeting statutory obligations/conditions for processed food products▪ <i>VAT Special Relief on Project Capital Goods:</i> VAT exemption on meat and milk insulated cooling tanks and aluminium jerry cans used for storage and collection of milk for dairy industry.

3.2.5 Leather Processing Industry (Tanneries)

The model to be used will be that of building simple facilities for initial preparations (such as salting and drying at butcheries and slaughter houses from where they are taken to one factory whose location is preferably Tanga EPZA Industrial Complex).

Overview of the Opportunity for Leather Processing

Key features



- Primary preparation (salting) of hides and skins at butchery and slaughter-house levels
- Processing of wet-blue hides/skins
- Processing of finished leather
- Manufacturing of leather products

Preferred locations

- **Tanga City Council:**
The Council is strategically located to receive semi-processed skins/hides from all the LGAs. Located at EPZA Neema Area or NDC Industrial Park. Each LGA to have slaughter houses for hides preparation facilities/sheds for salting and drying
- **Pangani District Council:**
The main source of hides/skins is Mkwaja Ward
- **Muheza District Council:**
Semi-processing to be done at Kibanda Industrial Area. Collection centres for hides/skins to include Kigombe Ward
- **Bumbuli District Council:** Raw materials to be sourced from collection centres in Milingani Ward.



Overview of the Opportunity for Leather Processing

- **Lushoto District Council:**
Mlalo, Mwangoi and Mnazi wards are main sources of hides and skins currently wasted. The Council produces about 1,000 hides a month
- **Handeni District Council:**
In all 12 wards there is a total of 17,528 livestock (branded about 17,662 cattle, goats 33,300, and sheep 5,221). Some 24 cows, 40 goats and 15 sheep are slaughtered per day but skins are thrown away. Construction of medium scale industry for processing leather at Mkata (50 Acres), and Msomela (20 Acres)
- **Handeni Town Council:**
Handeni TC has an average of 29,290 Cattle, and 33,150 Goats and Sheeps. An average of 3,336 Cattle 1,875 Sheeps and 2865 Goats are slaughtered per annum. This give pace for investors to construct tannery industry.
- **Korogwe Town Council:**
Suggested sites for initial processing are Mgombezi and Kwamsisi industrial areas. The main sources of hides and skins include slaughter houses in Korogwe Town Council. Kwamsisi has also allocated area for Livestock Market.
- **Kilindi District Council:**
There are collection points at Kibirashi and Songe wards, and there is enough livestock (more than 350,000 herds of cattle; 200,000 goats, and 150,000 sheep) due influx of cattle into the district. More than 100 herds of cattle are slaughtered per month, whose skins are thrown away.

Overview of the Opportunity for Leather Processing

Investment rationale	<ul style="list-style-type: none">▪ All the councils in the region have some slaughter houses for cattle, goats and sheep whose skins are left to waste due to lack of a reliable market (see photo insert of disused hides)▪ The amount of leather is expected to increase with the modernisation of the slaughter houses.
Available support	<ul style="list-style-type: none">▪ Production of leather goods in Tanzania is in line with Leather Sector Development Strategy 2016-2020, with an established Leather Development Fund▪ Leather Association of Tanzania▪ Leather industry is one of the key industries that FYDP III has singled out for promotion▪ In order to protect the local leather-processing industry the Government has been taking various measures, including banning the importation of raw hides and imposing high import duty on hides and skins products▪ Existing leather processing plants in the country cannot cope with the amount of skins/hides produced annually. It is therefore important to add more factories▪ Tanga is strategically located in terms of roads network to enable it obtain supplies from all LGAs within the region▪ Government's commitment to supporting the development of leather sector through upgrading of livestock extension services to ensure that the quality of hides and skins is improved.

3.3 Council Level Priority Investment Opportunities

At council level, investors are invited to invest in cereals processing, grading and packaging; oilseed (sunflower, sesame, groundnuts) processing and packaging; dairy farming and processing; livestock feeds processing; fruit and vegetable processing and packaging; tea processing; packaging materials factories; construction of market structures, and warehouses for agricultural


produce; modern boat building and marine transportation; modern fishing vessels on Indian Ocean and cold storage facilities for fish; vehicles (buses and lorries) parking facilities; real estate development for residential use and shopping malls; mining of gemstones and building materials; construction of hotels/motels and tourism facilities; establishment of sports and recreation facilities; provision of specialised vocational training on skills development; establishment of private health care facilities; and construction of private primary and secondary schools. Detailed information about these opportunities is given below:

3.3.1 Agro-based Industries Opportunities

1. Cereals Milling Industries: Maize and Paddy

Overview of Investment Opportunities in Cereals Milling	
<p>Key features</p> 	<ul style="list-style-type: none"> Maize: milling and packaging plants to produce and package mineral/vitamin fortified maize flour Paddy: milling and packaging plants There is bulk production of maize and paddy, especially in Handeni, Tanga, Lushoto, Kilindi and Korogwe There is high need for establishment of processing plants so as to add value to the produce.
<p>Location for investment</p> 	<ul style="list-style-type: none"> Tanga City Council: Can be located within Neema EPZA and NDC Industrial Park Handeni Town Council: Cereal milling industries can be established at Kwamagome, Mlimani, Konje and Mabanda. Handeni District Council: Can be located within the DC's industrial area Korogwe Town Council: Kwamngumi and Mahenge paddy schemes produce a total of 10,000 tonnes per season.

Overview of Investment Opportunities in Cereals Milling

	<ul style="list-style-type: none"> ▪ Korogwe District Council: Possible sites at one of the high volume maize producers: Mnyuzi, Hale, Makumba, Mombo, Makuyuni, and Kwalukonge. ▪ Lushoto District Council: Paddy milling machines to serve Mng'aro and Lunguza paddy farmers ▪ Kilindi District Council: There are some 11.76 hectares have been set aside for agro-processing industries ▪ Pangani District Council: Investing on milling industries can be done at Mkalamo, Tungamaa, Masaika and Mikinguni.
<p>Investment rationale</p> 	<ul style="list-style-type: none"> ▪ Some 314,126.8 tonnes of maize produced, with surplus production of maize and paddy sold unprocessed to other regions ▪ Surpluses last two seasons thus price has been depressed to between TZS 15,000-20,000 per dry maize bag of 100 kg ▪ Existing milling plants are inadequate ▪ Producers could increase surplus cereals if assured of markets ▪ By-products from maize milling are a major raw material for feeds industries, which is currently in high demand in the country.
<p>Available support</p>	<ul style="list-style-type: none"> ▪ Political support at national, regional and local government levels to promote food production so investor is assured of raw materials availability ▪ Good infrastructure, which includes roads networks and communication ▪ Assured national/regional markets for the final products ▪ Relevant institutions, such as TBS, are within the region to enable certification of the products.

2. Animal Feeds Processing

Overview of the Opportunity in Animal Feeds from Cereals and Oilseeds Such as Sunflower

Key features



- There no medium or large scale factories for processing of animal feeds
- There is demand for modern livestock keeping of cattle, pigs, and chicken that required feed supplements
- The districts with potential to establish animal feeds factories have adequate supply of raw materials; but some of it can be sourced from outside the respective district

Preferred locations

- **Tanga City Council:**
Establishment of processing factory at Pongwe Industrial area will mostly depend on raw materials from other LGAs; but the market is high within Tanga CC
- **Pangani District Council:**
There is space within its industrial area for animal feeds factory
- **Korogwe District Council:**
It can also be established and supported by high demand for animal feeds in Mombo and Magoma
- **Handeni District Council:**
There is space for establishing a factory within its identified industrial area. There is adequate supply of raw materials from all wards in the DC and beyond
- **Kilindi District Council:**
It can be established to depend on raw materials from all wards

Investment rationale

- Animal feeds are currently ordered from other regions, such as Iringa and Dar-es-Salaam
- LGAs have surplus grains and oilseeds, whose by-products are ideal for making livestock feeds
- There is a local market for livestock feeds, as farmers also keep dairy cows, pigs and poultry
- Presence of reliable transport system (Handeni- Mkata-Handeni - Korogwe), and reliable supply of animal food products i.e. corn millet, sunflower and cassava

Overview of the Opportunity in Animal Feeds from Cereals and Oilseeds Such as Sunflower

Available support

- Political support at regional and local government levels to promote manufacturing of animal feeds
- Relevant institutions, such as TBS, are within the region to enable certification of the products

3. Horticultural Products: Primary Value Addition

Overview of Opportunities in Horticultural Products: Sorting, Grading and Packaging

Key Features:



- Primary value addition by grading and packaging of vegetables, including tomatoes, onions, green pepper and cucumber; and fruit such as water melons, pineapples, mangoes and avocado
- Adding value by drying fruits such as mangoes, pineapples and banana
- Primary processing of vegetables, such as tomatoes
- Sorting fruits (e.g. mangoes, pineapples and water melons) into different grades
- Training farmers to grade fruits and entering into contract to buy from them
- Specialised transport trucks for perishable fruits to deliver to various super-markets in major towns

Preferred locations for investment



- **Muheza District Council:**
Sites for constructing sorting and grading centres/factories available at Bwembwera, Ngomeni and Kilulu wards (Kibanda Village, and Misozwe/Kicheba Village, where land has been allocated by council for industries)
- **Handeni District Council:**
Sorting and grading of banana supplies from Mazingara, Kwamgwe and Mgambo wards. Kwediyamba is among high volume sources of fruits, especially during November to January
- **Handeni Town Council:**
Location set for industries at Malezi, Kwenjugo, Kwamagome, Mabanda, Konje and Mlimani

Overview of Opportunities in Horticultural Products: Sorting, Grading and Packaging

- **Korogwe Town Council:**
Location of sorting/grading factory at Kwamsisi. Fruits to be supplied from Msambiazi, Kwamsisi and Ngombezi wards, and from neighbouring districts
- **Lushoto District Council:**
The DC has Identified suitable location at Mnadani Village in Malindi Ward, and at Lukozi
- **Bumbuli District Council:**
Land sites for sorting and packaging facilities available at Soni, Baga, Mgwashi and Kwehangala. Assortment of fruits cultivated within the district
- **Kilindi District Council:**
Sites for sorting could be established in wards that have the highest production of fruit
- **Pangani District Council:**
Sites for factories available at Kimang'a, Mkalamo, and Kikoke
- **Mkinga District Council:**
A factory to be established at Mapatano as a centre in Maramba. Supplies will come from all wards in the district, as they are all suitable for horticultural farming

Investment rationale



- Tanga Region is known for seasonal fruits such as mangoes, oranges and pineapples, as well as for all-seasons fruits such as water melons
- The Government has plans to support the establishment of an international fruit/vegetable market at Segera Ward
- TAHA is in support of farmers to increase productivity so that they can supply quality horticultural produce to established industries
- Local knowledge and interest: there is already some interest by inhabitants of the region to cultivate horticultural crops

Overview of Opportunities in Horticultural Products: Sorting, Grading and Packaging

	<ul style="list-style-type: none"> ▪ Horticultural crops have high value per unit area, thus they offer a better approach to enhancing farm income and higher profits to investors, and at the same time reduce poverty in the region ▪ Impact of assured markets will likely stimulate more investment in commercial farming of horticultural products
Available support	<ul style="list-style-type: none"> ▪ LGAs have shown commitment to provide conducive environment for investment, including allocation of land needed for constructing industries ▪ LGAs are also ready to enter into PPP arrangements with potential investors and/or promote the Build Operate Transfer (BOT) approach ▪ Some LGAs are ready to facilitate joint ventures between potential investors and local private investors ▪ Policy and political support at national, regional and local levels.

4. Primary Sisal Processing Factories

Overview of Investment Opportunities for Primary Sisal Processing

Key features 	<ul style="list-style-type: none"> ▪ Construction of new sisal decorticators to offer competition to existing ones ▪ Organic power generation from sisal by-products ▪ Construction material from sisal ▪ Paper pulp production
Preferred locations 	<ul style="list-style-type: none"> ▪ Korogwe District Council: Possible sites for construction of Medium and Large sisal processing industries include Mkalamo, Mkumbala and Magoma wards ▪ Mkinga District Council: Possible sites in Mwakijembe, Daluni and Gombero wards ▪ Lushoto District Council: Possible sites in Mnazi, Lunguza and Mngáro wards

Overview of Investment Opportunities for Primary Sisal Processing

	<ul style="list-style-type: none"> ▪ Tanga City Council: Possible sites in Pongwe ward ▪ Pangani District Council: About 200 hectares have been allocated for establishing Sisal processing industries at Mkalamo, Masaika, Mkwaja, Mikinguni and Mwera wards. Kilimangwido Estate offers a favorable area of about 4,400 hectares for sisal production. This estate is located in Ubangaa village and is owned by Amboni Sisal Properties. Mizinga Plantation provides a favorable area of about 2,280 hectares for sisal production. This area is located in Mseko village and is privately owned by Nassoro Fehed. Bushiri Estate, situated in Bushiri Village, is favorable for sisal production, with approximately 400 hectares of land. It is privately owned by Stephen Sleevin Idutubija.
Investment rationale	<ul style="list-style-type: none"> ▪ There is already confirmed global demand for organic ropes ▪ New technology exists for manufacturing various products from sisal ▪ Plenty of idle land suitable for sisal production.
Available support	<ul style="list-style-type: none"> ▪ Sisal commodity has been identified among the priority crops and industry in the country ▪ LGAs have shown commitment to provide conducive environment for investors to acquire land for large-scale farming and/or facilitating contract farming with smallholder farmers ▪ Some LGAs are ready to facilitate joint ventures between potential investors and local private investors.

5. Manufacturing of Sisal Packaging Materials for Primary and Secondary Processing Industries

Overview of the Opportunity for Industries to Make Packaging Materials

Key features	<ul style="list-style-type: none"> ▪ Manufacturing of sisal bags ▪ Manufacturing of various products made from sisal ▪ Manufacturing of packaging materials made from raw materials other than sisal
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Overview of the Opportunity for Industries to Make Packaging Materials

Preferred locations



- **Korogwe District Council:**
Possible sites in Mkalamo, Mkumbala and Magoma wards
- **Mkinga District Council:**
Possible sites in Mwakijembe, Daluni and Gombero wards
- **Lushoto District Council:**
Possible sites in Mnazi, Lunguza and Mngáro wards
- **Tanga City Council:**
Possible sites in Pongwe ward
- **Pangani District Council:**
Possible sites in Mwera and Sakula ward

Investment rationale



- The country spends up to USD 25 million a year importing gunny bags. Bags needed for cashew nuts packaging, for example, cost USD 1.08 per bag
- Tanga region produces 28,000MT of sisal fibre per annum which is equivalent to 60% of National production. The regional target is producing 70,000 MT by 2025. This makes the region a rich source of raw materials for manufacturing sisal-made packaging materials.
- There is a growing demand in all LGAs for packaging materials.
- The existing factory in Tanga produces a limited variety of plastic packaging materials in small quantities; so there is room for more factories
- All LGAs have allocated some land for industries as shown in Section 3.1.1 above
- Proper packaging materials will reduce post-harvest losses and elongate shelf life of some delicate produce, especially horticultural crops.



Overview of the Opportunity for Industries to Make Packaging Materials

Available support

- National Environment Management Council (NEMC) and Tanzania Bureau of Standards (TBS) have guidelines on acceptable materials and quality for packaging materials and will be available to provide further guidance so that products can also be exported to neighbouring SADC countries without restrictions
- LGAs have set aside land for establishing industries, including manufacturing of packaging materials
- The Government, through TBS, has been calling for the private sector to invest in the production of packaging materials.

6. Oilseeds Processing and Packaging

Overview of the Opportunities to Invest in Processing of Oilseeds

Key features:



- Processing of groundnuts into cooking/edible oil for human use
- Processing of sunflower seeds into cooking/edible oil for human use
- Double refinery of sunflower oil
- There is no factory in Kilindi District rather there are 12 small sunflower oil processing machines with the capacity of 50 - 100 bags of 100kgs per day
- Converting of by-products from processed sesame seeds, groundnuts and sunflower seeds into cakes for livestock use (cattle, poultry, pigs)

Preferred location of investment



- **Tanga City Council:**
Pongwe industrial area – coconut and sunflower oil processing; double refinery facilities for sunflower oil
- **Pangani District Council:**
Oil seeds processing can be undertaken at Ubangaa, Masaika and Pangani west wards. About 16,280 tonnes of coconut are produced in per year on average
- **Kilindi District Council:**
Suitable location at Songe Town for sunflower processing

Overview of the Opportunities to Invest in Processing of Oilseeds

- **Handeni District Council:**
There is a choice on locations for establishing factories at Light Industria Areas available at Kabuku, Mkata and Segera. Raw materials from sunflower farming wards such as Msasa, Kwenjungo, and Kwediyamba.
- **Handeni Town Council:**
Sesame and Sunflower are cultivated Kwamagome, Mabanda, Vibaoni, Malezi and Kwediyamba
- **Mkinga District Council:**
Suitable for coconut oil processing. Land is available within its industrial area. Nuts to be sourced from Manza and Gombero wards
- **Lushoto District Council:**
Ideal for butternut oil processing factories to be established in the identified industrial zone.

Investment rationale



- The market for vegetable oils has been increasing, as consumers avoid animal fats
- The region also produces significant amounts of coconut, sesame, groundnut, and sunflower, whose production can be stimulated to increase if the market offers competitive prices of the commodities
- Market development: At the moment most of the groundnut and sunflower is utilised at household level, and some of it processed by small oilseed milling machines scattered in the villages
- Improved quality of edible oils should command better market prices. Formal processing of oilseeds will result into better quality refined products without harmful residues. Such residues cannot be removed using basic technologies, i.e. by simple oil pressing machines
- Local knowledge and interest: easier for take-off in increased production because there is already some interest by inhabitants of the region to cultivate oilseed crops
- Impact of assured markets will likely stimulate more investment in commercial farming of oilseed crops.

Overview of the Opportunities to Invest in Processing of Oilseeds

Available support

- FYDP III, Agriculture Sector Development Policy (ASDP II) and Agriculture Sector Development Strategy and Programme 2017-2022 promote edible oil production
- LGAs have shown commitment to provide conducive environment for investment, including allocation of land needed for constructing industries where need be
- LGAs are also ready to enter into PPP arrangements with potential investors and/or promote Build Operate Transfer (BOT)
- Some LGAs are ready to facilitate joint ventures between potential investors and local private investors
- Policy and political support at national, regional and local levels.

7. Cashew Processing and Packaging

Overview of the Opportunities to Invest in Processing of Cashew nuts

Key features



- Processing of cashew nuts
- Packaging processed cashew nuts for domestic and export markets.

Preferred location of investment



Tanga City Council:

Has set aside some 7,289 square metres of land for setting up cashew processing factory. Hope to source materials from other LGAs



Mkinga District Council:

Cashewnut processing industry/Warehouse at Mtimbwani (10 Acres)

Kilindi District Council:

Possible Site at Songe Town

Handeni District Council:

Possible sites in Kabuku, Mkata and Segera light industrial area

Overview of the Opportunities to Invest in Processing of Cashew nuts

	<p>Pangani District Council: Possible site at Mkwaja Ward; more cashew production expected in the next two years.</p> <p>Handeni Town Council: Cultivated at Kwamagome, Mabanda, Malezi, Msasa, and Kwedyamba.</p> <p>Pangani District Council: Pangani encourages people to invest in agro-processing industries, especially in cashew nut, coconut oil, and sisal decorticating machines. A cashew nut processing industry can be established in Mkwaja ward, and the required area can be acquired through negotiations with the village council.</p>
<p>Investment rationale</p>	<ul style="list-style-type: none"> ▪ The Government has earmarked cashew among “revival” crops after years of decline ▪ The region also produces significant amounts of cashew nut, whose processing locally can be stimulated to increase ▪ Local knowledge and interest: easier for take-off in increased production because there is already some interest by inhabitants of the region to cultivate cashew nuts ▪ Impact of assured markets internationally will likely stimulate more investment in commercial farming of oilseed crops.
<p>Available support</p>	<ul style="list-style-type: none"> ▪ Government has clearly shown interest in developing the cashew sector both in value addition and in production, and in enhancing earning at all levels of the sector ▪ There is support by the: <ul style="list-style-type: none"> ✓ Cashew nut Industry Strategy (2013/14 to 2023/24) ✓ Agriculture Sector Development Programme 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 Three (2021/22 - 2025/26) ▪ National Public-Private Partnership (PPP) Policy, 2009. Cashew Board of Tanzania has been reformed to be more responsive to the needs of farmers, so more cashew is likely to be produced in the coming years

Overview of the Opportunities to Invest in Processing of Cashew nuts

- LGAs have shown commitment to provide conducive environment for investment, including allocation of land needed for constructing industries where need be
- Policy and political support at national, regional and local levels.

8. Tea Processing Factory

Overview of the Opportunities to Invest in Tea Processing and Packaging

Key features



- Medium-scale tea processing facilities to offer competition to existing ones

Preferred location of investment

- **Lushoto District Council:**
Possible sites in Kwehangala, Mazumbai or Balangai
- **Korogwe District Council:**
Factory to be set up in Bungu Division to process tea from Bungu, Dindila and Ambangulu estates
- **Bumbuli District Council:**
Revival and expansion of Mponde Tea Factory to serve 16 tea growing wards

Investment rationale

- Farmers have experience in the crop but lack adequate facilities for green tea processing

Available support

- Tanzania Smallholder Tea Producers Association to offer technical support to ensure adequate supply of raw materials
- LGAs are ready to facilitate joint ventures between potential investors and local private investors
- Policy and political support at national, regional and local levels
- There are some established international players in the sector (such as Unilever), who could be potential partners for investment

Overview of the Opportunities to Invest in Tea Processing and Packaging

- Key donor-supported interventions include the Chai Project launched by the Gatsby Foundation and Wood Foundation Africa, with a view to transforming the sector through providing matching grants with private factories (to address specific local constraints); and to strengthening a farmers' association
- There is also Tea Research Institute that supports improvement of tea production through a technology transfer programme.
- The Tea Board of Tanzania (TBT) is to introduce a new market-based pricing mechanism for all 30,000 smallholders and, with the Tanzania Smallholder Tea Development Agency, to pilot a land titling project

9. Cotton Processing Factory

Overview of the Opportunities to Invest in Cotton Processing



- Investment in cotton processing is highly welcome
- Cotton ginneries
- Cotton value chain products processing industries

Preferred location of investment

- **Tanga City Council:**
There are 1359.04 hectares of land for industrial investment at Kange, Neema, Pongwe and Amboni
- **Korogwe District Council:**
Factory to be set up within the industrial parks in Korogwe.
- **Pangani District Council:**
Cotton gunnery can be established at Mikinguni ward where cotton is mainly produced.

Investment rationale

- Farmers have experience in the crop but lack adequate facilities for cotton processing.

Overview of the Opportunities to Invest in Cotton Processing

Available support

- Cotton is an identified strategic crop enterprise by FYDP III
- LGAs are ready to facilitate joint ventures between potential investors and local private investors
- Policy and political support at national, regional and local levels.

10. Coffee Processing Factory (small-scale facility)

Overview of the Opportunities to Invest in Coffee Processing, Blending and Packaging

Overview



- Small-scale coffee pulping and coffee curing factory in Lushoto.



Preferred location of investment

- **Lushoto District Council:**
Gare Ward using coffee produced from 1,000 hectares (8 km from Lushoto Town)

Investment rationale

- Production of coffee crop can be increased if farmers see evidence of profitability
- Market development: consumers are more aware of the health benefits of coffee.

Available support

- Some LGAs are ready to facilitate joint ventures between potential investors and local private investors
- Policy and political support at national, regional and local level

11. Honey Processing, Wax Products and Honey Packaging

Overview of the Opportunities to Invest in Beekeeping and Processing of Honey

Overview

- Honey processing
- Honey packaging
- Processing of honey by-products such as wax and propolis

Overview of the Opportunities to Invest in Beekeeping and Processing of Honey

Preferred location of investment



- **Korogwe District Council:**
Based on its natural forests and modern beehives
- **Kilindi District Council:**
Possible site in Songe Town; honey from beehives in Nguu natural forests and Handeni Game Reserve
- **Mkinga District Council:**
Industrial area – current official figures registered production of 3 tonnes per year but there is potential for more. Investors can also focus on beekeeping where 17,051.6 Km² have been allocated
- **Handeni District Council:**
Possible sites in Kitumbi and Gole villages and 15 other villages
- **Tanga City Council:**
Establishment of honey processing plant.

Investment rationale



- **Korogwe District:**
Produces about 5,050 kg per year from forests located at Bungu, Makangara, Mkwajuni, Kwagunda, and Mombo
- **Kilindi District Council:**
There are community forests and bee keeping groups to supply honey for processing in Kwesapo, Sangeni, Vyadigwa, Kwediswati, Balang'a and Jungu. There are 50 groups with 53,606 traditional beehives and 17,062 modern beehives, which yield about 10 kg per beehive of honey; harvesting is done four times a year
 - Market development: Consumers are more aware of the health benefits of honey
 - Improved quality of honey should command better market prices because honey is currently sold unprocessed
 - Local knowledge and interest: easier for take-off in increased production because there is already some interest by inhabitants to keep beehives
 - Impact of assured markets will likely stimulate more investment in honey processing and packaging.

Overview of the Opportunities to Invest in Beekeeping and Processing of Honey

Available support

- Some LGAs are ready to facilitate joint ventures between potential investors and local private investors
- Policy and political support at national, regional and local levels.

12. Spice Processing, Blending and Packaging

Overview of Opportunities to Invest in Processing, Blending and Packaging Spices

Key Features



- Small factories for:
- Processing spices
 - Blending spices
 - Packaging spices



Preferred location of investment

- **Muheza District Council:**
Possible site at Chartur Estate in Kibanda Ward; sources cloves and cardamom from Amani and Magoroto wards
- **Korogwe Town Council:**
Possible site in an industrial park area within Korogwe Town
- **Mkinga District Council:**
"Osman" plant from Maramba Division used as perfume in soap making. Cloves and cardamom from wards bordering Amani Ward in Muheza District. Construction of small and medium spice products processing industries can be undertaken at Kigongoi (20 Acres)
- **Lushoto District Council:**
Kwemkwazu is the main producer of ginger from about 460 hectares of land. More can be bought from other LGAs
- **Bumbuli District Council:**
Industrial area – sources include Kisiwani, Tamota, Bumbuli, Mazumbai Forest, and Ndelema Forest

Overview of Opportunities to Invest in Processing, Blending and Packaging Spices

	<ul style="list-style-type: none"> ▪ Kilindi District Council: At Songe – to source cardamom from Lulago Village in Lwande Ward
<p>Investment rationale</p>	<ul style="list-style-type: none"> ▪ Korogwe District produces about 5,050 kilograms of spices per year ▪ Muheza District produces about 2,456 tonnes of spices. Production capacity is 1,228 tonnes per year, which includes cloves (77 tonnes); cardamom (756 tonnes); cinnamon (106 tonnes); black pepper (229 tonnes); and ginger (60 tonnes) ▪ Market development: consumers are more aware of the health benefits of spices ▪ Improved quality of spices should command better market prices because spices are currently sold in raw form ▪ Local knowledge and interest: easier for take-off in increased production because there is already some interest by inhabitants to cultivate spices ▪ Impact of assured markets will likely stimulate more investment in commercial farming of spices crops.
<p>Available support</p>	<ul style="list-style-type: none"> ▪ Some LGAs are ready to facilitate joint ventures between potential investors and local private investors ▪ Policy and political support at national, regional and local levels.

13. Modern Abattoirs for Slaughter of Livestock and Sheds for Basic Skins/Hides Preparation

Overview of the Opportunities in Modern Abattoirs for Cattle, Sheep and Goats

Key Features



- Construction of abattoirs
- Construction of modern slaughter houses in towns
- Sheds/structures for basic preparation of hides and skins
- Starting modern butcheries in all towns and trading centres

Overview of the Opportunities in Modern Abattoirs for Cattle, Sheep and Goats

<p>Preferred locations</p>	<ul style="list-style-type: none"> ▪ Korogwe Town Council and Handeni Town Council: Possible sites for abattoirs or modern slaughter houses include Msomela (5 Acres), Mkata (5 Acres), and Kabuku (5 Acres). In Handeni Town Council the modern slaughter house can be established at Kwamagome and take advantage of 1,700 acres set for ranch and related investments ▪ All town councils: Possible sites for modern slaughter houses ▪ All towns and trading centres: Possible sites for modern butcheries
<p>Investment rationale</p>	<ul style="list-style-type: none"> ▪ Existing slaughter houses and slaughter slabs are not only small but also inefficient, particularly with respect to meeting supply requirements for meat processing and tanneries ▪ Most of the butcheries use rudimentary equipment for cutting and storing meat ▪ The butcheries lack basic facilities for proper preparation and storage of skins/hides
<p>Available support</p>	<ul style="list-style-type: none"> ▪ Policy and political support at national, regional and local government levels ▪ Good infrastructure, which includes roads networks, communication, electricity supply and available markets ▪ LGAs' health and veterinary departments to provide guidance on proper procedures for establishing the facilities.

14. Beef Processing and Packaging

Overview of Opportunities for Beef Processing

Key features



- Medium-scale beef processing and packaging factory
- Various beef products: fresh meat, sausage, smoked meats (e.g. beef, mutton, chicken, & duck)
- Animal by-products (e.g. bone meal, blood meal, glue, tanned skins and hides, feathers)
- Supply of raw materials, such as blood for manufacture of animal feeds

Overview of Opportunities for Beef Processing

Preferred locations

- **Handeni Town Council:**
21.6 hectares of land are available in Kwenjugo-Konje area for establishing factories
- **Handeni District Council:**
Construction of medium scale industry for processing meat at Mkata (50 Acres), Kabuku (5 Acres) and Msomela (20 Acres)
- **Kilindi District Council:**
Possible site in Songe (power available); Kibirashi and Songe wards to supply cattle
- **Korogwe Town Council:**
Five hectares (5 ha) of land are available at Old Korogwe-Lwengera. Beef processing industries can also be established at Mgombezi(800 Ha)
- **Korogwe District Council:**
Potential sites in Mombo
- **Pangani District Council:**
Establishment of meat processing industries at Mtonga village (500Ha)
- **Muheza District Council:**
Establishment of meat processing industry at Kwafungo and Kigombe.

Investment rationale



- High demand for quality meat in the region by both domestic consumers and tourists
- LGAs have enough land for cattle fattening before slaughter
- There is opportunity to sell some of the semi-processed hides/skins to markets within and outside East Africa
- Tanga Airport provides an appropriate transport system for beef products to be transported to selling outlets within Tanzania and in the EAC market
- There is opportunity to sell some of the cut beef to markets outside East Africa

Overview of Opportunities for Beef Processing

Available support

- Policy and political support at national, regional and local government levels
- Good infrastructure, including roads and communication networks, electricity supply and markets.

15. Primary Preparation of Hides and Skins for the Leather Industries

Overview of Opportunities for Small-scale Basic Hides/Skins Preparation

Key features



- Small-scale facilities for initial preparation of hides and skins for sale to leather processing factory
- Establishment of micro and small-scale leather products cottages (shoes, bags, etc.)

Preferred locations

- **In all towns and urban centres** with abattoirs and slaughter houses. Pangani District Council has allocated about 500 hectares at Mtonga village for processing leather and other investments. Muheza District Council has private individuals who are ready to lease land at Kwafungo and Kigombe. Handeni District Council has allocated land at Msomela (5 Acres), Mkata (5 Acres), and Kabuku (5 Acres)

Investment rationale

- Livestock hides and skins from slaughter houses and abattoirs thrown away for lack of drying facilities
- The skins and hides from slaughter houses are not properly prepared for supply to the leather industries/tanneries in the region and beyond, and therefore fetch very low prices

Available support

- National Livestock Policy (2006) supports animal feeds processing
- Existence of Tanzania Animal Feeds Manufactures Association (TAFMA), which provides a common forum for all animal feeds manufacturers in Tanzania
- In order to protect local processing of leather the Government has been taking various measures, including banning the importation of raw hides and imposing high import duties on hide products

Overview of Opportunities for Small-scale Basic Hides/Skins Preparation

- Tanzania's target on leather industry is to enhance the capacity of local leather industries to process hides and skins locally instead of exporting raw skin
- The Small Industry Development Organisation (SIDO) is ready to provide technical support.

3.3.2 Commercial Agricultural Production

The Second Phase of Agriculture Sector Development Programme (ASDP-II) has among its cornerstones the need to improve farm productivity so that more output is obtained from the same production unit. The approach to be used is through direct investment by private sector commercial farmers and in partnership between smallholder farmers and Government.

Land is for private sector investors to engage in large-scale commercial farming of perennial crops such as cashew (Kilindi, Handeni and Mkinga); annual crops such as maize, paddy, cassava, sesame, sunflower, soybeans; commercial intensive farming of horticultural crops; commercial bee keeping; commercial livestock keeping for beef and dairy; commercial poultry farming; commercial production of certified improved crop seeds; and commercial services for livestock health facilities such as artificial insemination (AI) and vaccination services. Examples of such investment opportunities are elaborated below.

1. Irrigation Infrastructure and Contract Farming

Investment in drip irrigation and greenhouses is highly preferred and expected in order to conserve water resources in line with NEMC guidelines.

Overview Investment Opportunity in Irrigation Infrastructure Development

Key features



- Some old irrigation schemes are candidates for rehabilitation to operate under PPP arrangements

Overview Investment Opportunity in Irrigation Infrastructure Development

Preferred locations

- **Korogwe District Council:**
Potential area of 12,680 ha suitable for irrigation is yet undeveloped at possible sites in Mkomazi basin, Magoma, Kerenge and Mafuleta. Sites are suitable for construction of dams and other irrigation infrastructures for paddy and horticultural products production. Investors also can invest in irrigation farming for paddy and horticultural crops at Mombo, Kwemkumbo, Kwemazandu, Chekelei, Mkomazi where 1,500 hectares of land have been allocated and at Kweisewa where 1,000 hectares have been allocated Makuyuni-Mafuleta and Kiloza(500Ha)
- **Tanga City Council:**
Possible sites in Kirare, Mleni, Mapojoni, Kibatini, Gandara, Kiomoni and Mafuriko with potential of 962 ha that will be irrigated with Zigi river and constructed dams. Drip Irrigation and Green houses farming can be conducted at Kiomoni and Mzizima wards along Zigi river where 250 Ha has been allocated
- **Bumbuli District Council:**
Suitable arable land (400 ha) for irrigation at Baga Kwenendege and Bangara. In addition, all wards are suitable for irrigation infrastructure except Milingano and Kwemkomole wards.
- **Lushoto District Council:**
Some fertile undeveloped land (22,667 ha) along Umba river basin at Mlalo Ward
- **Muheza District Council:**
Suitable arable land (375 ha) for irrigation at Potwe, Misozwe and Mashewa.
- **Handeni District Council:**
Dams for irrigation (Msangazi Valley feeding into Pangani river) Possible sites in Jambe, Masatu and Sezakofi with potential of 412 hectares that will be irrigated with Zigi river and constructed dams. There is also irrigation land of about 5,546 hectares for cultivation of various crops at Kwamgwe ward

Overview Investment Opportunity in Irrigation Infrastructure Development

- **Handeni Town Council:**
Investing in irrigation farming at Mlimani ward (50 Ha), Msasa ward (42 Ha), Kideleko ward (35 Ha), and Kwendiamba ward (70 Ha)
- **Korogwe Town Council:**
Potential area of 1,361 ha suitable for irrigation is yet undeveloped at possible sites in Kwamsisi, Mahenenge, Lwengera, Kwamngumi, Goo and Msambiazi. Sites are suitable for construction of dams and other irrigation infrastructures for paddy and vegetables production
- **Mkinga District Council:**
Suitable arable land (150 ha) for irrigation at Mwakijembe and Churwa.
- **Pangani District Council:**
Possible sites in Pangani Basin at Kigurusimba, Mseko, Kipumbwi and Mkalamo has a total of 1,090 ha available for irrigation. Establishment of Irrigation farming is feasible at Mseko and Kigurusimba villages along Pangani river where 7,000 Ha owned by individuals/ villagers can be leased for investment
- **Kilindi District Council:**
Suitable land for irrigation schemes has been allocated at Chajula (250 Acres), Kwadundwa (500 Acres), Msiri (750 Acres), Nkebe (320Acres), Tamota (650 Acres), Misufini (150 Acres), Bonde la Kikunde (90 Acres), River Komnara (110 Acres), and Gombero (35 Acres).

Investment rationale



- Most of the potential land for irrigation is undeveloped
- The region's agro-processing agenda will succeed if supply of agricultural products outlined above is increased
- There are untapped irrigation potentials in the said areas; small farmers have not been able to fully utilise the irrigation potentials, mostly due to lack of financial and technical capacities

Overview Investment Opportunity in Irrigation Infrastructure Development

Available support

- The revised National Irrigation Master Plan of 2017 seeks to expand land under agriculture production and improve productivity and profitability for food security and poverty alleviation through irrigation
- Government has set up a District Irrigation Development Fund (DIDF) and a National Irrigation Development Fund (NIDF) through which irrigation financing of needed services is done
- Good infrastructure, including roads and communication networks; electricity supply, and markets
- Policy and political support at national, regional and local government levels for local and foreign investment
- The current supply is unlikely to meet demand for processing the said horticultural produce and hence promote investment to increase supply.

2. Oilseeds farming

Overview of Investment Opportunities in Oilseed Production

Key features



- Contract farming with smallholder farmers to raise yield per unit area and also raise the quality of oilseeds from groundnuts and sunflower
- Invest in large-scale commercial production of sesame, sunflower and coconut
- Both models are possible: where an investor can have some demonstration farms and support smallholder farmers with technical inputs and access to markets for their produce.



Overview of Investment Opportunities in Oilseed Production

Preferred locations

- **Kilindi District Council:**
Possible sites for sunflower farming; most of the wards have suitable weather for the crop
- **Handeni District Council:**
Possible sites for sunflower farming in most of the wards; sesame is grown mostly in Kwamsisi, Kwachaga Mazingara, Kwaluguru, Kwamagome, Kideleko, Mlimani, Konje, Malezi, Kwenjugo na Mabanda. The size arable land allocated for oil seeds farming sunflower and sesame) is 148,302 hectares at Kwamsisi, Kwedizinga, Kang'ata and Kwamatuku.
- **Handeni Town Council:**
Areas of Kwamagome, Kideleko, Kwedyamba, Mlimani, Kwenjugo, Mabanda, Konje and Malezi wards have favourable soil for sesame and sunflower farming.
- **Pangani District Council:**
Possible sites for Sunflower farming at Bushiri, Mkalamo, and Mikinguni; and coconut farming at Mwera and in all wards. The land suitable for cultivation of coconut, sunflower and sesame is owned by farmers and villagers at Mbulizaga village (6000 Acres); Mseko village (2,000 Acres); Mtango village(3,000 Acres); and Mtonga village (5,000 Acres)
- **Mkinga District Council:**
Sunflower thrives in all wards, especially Boma and Mwakijembe; coconut thrives in coastal wards
- **Tanga City Council:**
There are sites for coconut and sunflower farming. Also Oilseeds production/processing can be undertaken at Kirare ward where 10 Ha has been allocated for that purpose
- **Muheza District Council:**
Possible sites for coconut farming in Mkuzi Ward
- **Kilindi District Council:**
Arable land for cultivation of sunflower has been allocated Sangeni (8,33.30 Acres), Mkuyu (451.63 Acres), Mbwego (277.50 Acres), and Tobacco (5,332.50 Acres).

Overview of Investment Opportunities in Oilseed Production

Investment rationale



- There is room to open more land for cultivation of these crops on a commercial scale
- The region has a potential to produce more coconuts, sesame, groundnuts and sunflower, if the market for these products is assured and stimulated by investments in agro-processing factories
- Local knowledge and interest: easier for take-off in increased production because there is already some interest by inhabitants of the region to cultivate oilseeds crops
- Impact of assured markets: will likely stimulate more investment in commercial farming of oilseed crops

Available support

- LGAs have shown commitment to provide conducive environment for acquiring land for large-scale farming and/or facilitating contract farming with smallholder farmers
- Some LGAs are ready to facilitate joint ventures between potential investors and local private investors
- Policy and political support at national, regional and local levels.

3. Horticulture: Vegetable and Fruit Farming

Overview of the Production Opportunities in Horticulture Sector

Key features



- There is room to expand area under cultivation of these crops and/or modernise the existing cultivated land
- Expansion of production of horticulture is necessary for the supply of raw materials to be required by the established processing factories

Preferred locations for investment

- **Tanga City Council:**
Some 50 hectares has been allocated in Golani Shutashuta for investing in horticultural products
- **Korogwe District Council:**
Possible sites in Makuyuni Ward, Korogwe Mnyuzi, Kwagunda, Kerenge, Kizara, Vugiri, Kwashemshi and Mgila. There is also land for horticultural farming in Mkomazi and Mazinde wards using irrigation water from Ruvu River. Cultivation for horticultural products can be undertaken at Kweisewa (1,000Ha), Mpasilasi (1500Ha).

Overview of the Production Opportunities in Horticulture Sector

- **Bumbuli District Council:**
Possible sites in Dule B, Funta, Bumbuli, Mponde, Mamba, Soni, Mgwashi, Mbuzii, and Mayo. May adopt contract farming with smallholder farmers
- **Lushoto District Council:**
Possible sites in all wards. Contract farming is the preferred model of engagement with land owners, mostly smallholder farmers
- **Handeni District Council:**
Possible sites that are suitable for mango farming
- **Kilindi District Council:**
Suitable areas at Rwande and Lurago
- **Pangani District Council:**
Investment in fruits farming at Mtango village (2,500Ha).

Investment rationale



- In Korogwe: high volume of water from Pangani River for irrigated farming
- There is high demand for vegetable crops (tomatoes, onions, green pepper, cucumber, and French beans, which is undertaken by smallholder farmers); and for fruit (water melons, pineapples, mangoes, and avocado)
- Increasing market for vegetables and fruits due to an increasing proportion of enlightened and middle-income working class
- Expanding market in neighbouring countries
- Link being established with established processing and packaging plants



Overview of the Production Opportunities in Horticulture Sector

Available support

- Tanzania Horticulture Association (TAHA) is dedicated to helping farmers engage in commercial horticultural production
- Government has removed taxes on imported equipment for greenhouses and drip irrigation, which is now being encouraged in order to ensure production takes place throughout the year
- Districts have committed to attracting investments in producing raw materials to feed the established industries as per Government motto
- Policy and political support at national, regional and local levels

4. Legumes Farming: Pigeon Peas and Soybeans

Overview of Investment Opportunities for Legumes

Key features



- Enter into contract farming with smallholder farmers to raise yield per unit area and also raise the quality of legumes, especially pigeon peas and soybeans, which are in high demand by the Indian and Chinese markets
- Invest in large-scale commercial production of soya and pigeon peas, possibly using the existing paddy farms as a second crop



Preferred locations

- **Kilindi District Council:**
Possible sites deemed suitable for legume crops (such as beans, pigeon peas, legumes, cardamom, etc.) include Sangeni (8,33.30 Acres), Mkuyu (451.63 Acres), Mbwego (277.50 Acres), and Tobacco (5,332.50 Acres)
- **Mkinga District Council:**
Possible sites deemed suitable for legume crops
- **Handeni District Council:**
Possible sites in Tuliani and Kwediyaamba that are deemed suitable for legume crops

Overview of Investment Opportunities for Legumes

	<ul style="list-style-type: none"> ▪ Handeni Town Council: Kwamagome, Kideleko, Kwediyamba, Mlimani, Kwenjugo, Mabanda, Konje and Msasa wards have favourable soil for Legume farming.
Investment rationale	<ul style="list-style-type: none"> ▪ There is already confirmed demand for legumes in India and China ▪ The current level of production of legumes (such as soybeans and pigeon peas) is far below the demand in the local and export markets
Available support	<ul style="list-style-type: none"> ▪ LGAs have shown commitment to provide conducive environment for acquiring land for large-scale farming and/or facilitating contract farming with smallholder farmers ▪ Some LGAs are ready to facilitate joint ventures between potential investors and local private investors ▪ Policy and political support at national, regional and local levels.

5. Cassava Commercial Farming

Overview of Investment Opportunities for Large-Scale Farming of Cassava

<p>Key features</p> 	<ul style="list-style-type: none"> ▪ Large-scale farming of cassava ▪ Support to smallholders to enhance productivity from their cassava farms
<p>Preferred locations</p> 	<p>The following LGAs have large tracts of land for large-scale commercial production:</p> <ul style="list-style-type: none"> ▪ Kilindi District Council: Suitable in all wards except those bordering highlands. Cassava can be grown at Sangeni (8,33.30 Acres), Mkyuyu (451.63 Acres), Mbwego (277.50 Acres), and Tobacco (5,332.50 Acres) ▪ Handeni District Council: Suitable in all wards

Overview of Investment Opportunities for Large-Scale Farming of Cassava

	<ul style="list-style-type: none"> ▪ Handeni Town council: Possible sites in nine (9) wards that can cultivate cassava (exclude town wards) ▪ Mkinga District Council: Suitable in most wards ▪ Korogwe District Council: Land for cassava farming is available ▪ Muheza District Council: Possible sites in Kigombe and Kambai ▪ Tanga City Council: There are 2,726 Ha of land owned by individuals for Large-scale farming of cassava at Kirare, Mabokweni and Mzizima ward.
<p>Investment rationale</p>	<ul style="list-style-type: none"> ▪ There is already a confirmed global demand for cassava ▪ The current level of production of cassava does not meet demand by the international market, with an already assured market by newly established factories in Handeni District (at Kwamsisi)
<p>Available support</p>	<ul style="list-style-type: none"> ▪ Industrialisation Policy and the Third Five-Year Development Plan have prioritised cassava agribusiness in the country ▪ The National Root Crops Improvement Programme ▪ LGAs have shown commitment to provide conducive environment for investors to acquire land for large-scale farming and/or to facilitate contract farming with smallholder farmers ▪ Some LGAs are ready to facilitate joint ventures between potential investors and local private investors ▪ Policy and political support at national, regional and local levels.

6. Cashew Nut farming

Overview of Investment Opportunities for Cashew Nut Farming

Key features



- Large-scale farming of cashew nut
- Support to smallholders to enhance productivity of their cashew trees

Preferred locations



- **Kilindi District Council:**
Possible sites successfully tested in Kibirashi, Songe and Mvungwe but in general cashew can grow in 15 out of 21 wards of Kilindi District
- **Pangani District Council:**
The land is owned by farmers and villagers at Mbulizaga village(6000 Acres); Mseko village (2,000 Acres); Mtango village (3,000 Acres); Mtonga village (5,000 Acres) is suitable for cultivation of cashew nuts
- **Handeni Town Council:**
Investment in cashew nuts block farming. The Council has allocated 23,850 hectares in 10 wards
- **Handeni District Council:**
Farming of the crop is suitable in 8 wards out of 12 wards. The suitable wards are relatively less populated
- **Korogwe District Council:**
The crop to be introduced in 16 wards
- **Mkinga District Council:**
Farmers have adopted the crop but still required enhanced extension service that could be done in partnership with the council

Investment rationale

- There is already a confirmed global demand for cashews
- The current level of production of cashews is increasing at 3% per year, while demand is increasing by 5% per year

Overview of Investment Opportunities for Cashew Nut Farming

Available support

- Cashewnut Industry Strategy (2013/14 to 2023/24)
- Cashew Board of Tanzania is positioned to promote production of cashews in more regions
- Government has set up an auction system that allows farmers to obtain optimum price for their produce
- LGAs have shown commitment to provide conducive environment for investors to acquire land for large-scale farming and/or to facilitate contract farming with smallholder farmers
- Some LGAs are ready to facilitate joint ventures between potential investors and local private investors
- Policy and political support at national, regional and local levels

7. Sisal Farming

Overview of Investment Opportunities for Sisal Farming

Key features



- Large-scale farming of sisal
- Buy some sisal from smallholders at a competitive price to that offered by other companies

Preferred locations

- **Korogwe District Council:**
Possible sites in Mkalamo, Mkumbala and Magoma
- **Pangani District Council:**
The land is owned by farmers and villagers at Mbulizaga village(6000 Acres); Mseko village (2,000 Acres); Mtango village (3,000 Acres); and Mtonga village (5,000 Acres)
- **Handeni District council:**
Investment in sisal farming where by 6263.38 hectares have been allocated for that purpose
- **Handeni Town Council:**
Investment in Block farming for sisal. The Council has allocated 23,850 hectares in 10 wards

Overview of Investment Opportunities for Sisal Farming

	<ul style="list-style-type: none"> ▪ Mkinga District Council: Possible sites in Mwakijembe, Daruni and other places ▪ Lushoto District Council: Possible sites in Mnazi, Lunguza and Mngáro ▪ Tanga District Council: Some abandoned farms repossessed by Central Government ▪ Tanga City Council: Sisal farming within Tanga City Council where 2,500 Ha have been allocated for that purpose. ▪ Bumbuli District Council: Possible land for sisal cultivation has been allocated at Milingano, Usambara and Mahezangulu wards
<p>Investment rationale</p>	<ul style="list-style-type: none"> ▪ There is already a confirmed global demand for organic ropes ▪ New technology exists for manufacturing various products from sisal ▪ Plenty of idle land suitable for sisal production
<p>Available support</p>	<ul style="list-style-type: none"> ▪ LGAs have shown commitment to provide conducive environment for investors to acquire land for large-scale farming and/or to facilitate contract farming with smallholder farmers ▪ Some LGAs are ready to facilitate joint ventures between potential investors and local private investors ▪ Policy and political support at national, regional and local levels.

8. Sugarcane Farming


Overview of the Opportunity

Key features



Pangani District Council:

- Individuals and companies are welcome to invest in sugarcane farming
- There is arable land for cultivation sugar cane at Mtango village where 2,500 hectares have been allocated for potential investors.

<p>Key investment rationale</p> 	<ul style="list-style-type: none"> ▪ Paddy is an important crop for both subsistence and commercial farming in Tanzania, and rice consumption has been increasing in recent years ▪ Sugarcane is one of important food and commercial crops in Tanzania ▪ Tanzania is importing over 300,000 tonnes of sugar annually (approximately 50% of sugar consumed). Furthermore, the consumption is anticipated to more than double within the next 15 years due to rapid population growth and increased consumption per capita ▪ The sugar industry in the United Republic of Tanzania has an important socio-economic impact in terms of employment and economic activity.
<p>Available support</p>	<ul style="list-style-type: none"> ▪ Supported by National Agriculture Policy, 2013 ▪ Land is available for sugarcane irrigation schemes ▪ Good infrastructure, which includes roads networks, communication services, electricity supply and markets.

9. Bee-keeping and Beehive Manufacturing

Overview of Investments Opportunities in Bee-Keeping and Modern Beehive Making

<p>Key features</p> 	<ul style="list-style-type: none"> ▪ Bee-keeping ventures ▪ Establishment of beehive factory
<p>Preferred areas</p> 	<ul style="list-style-type: none"> ▪ Kilindi District Council: Ideal locations include Nguu Forest; Kimbe; Kweisapo and Lwande ▪ Korogwe District Council: Suitable forests for bee keeping are Bungu, Makangara/ Mkwajuni, Kwagunda, and Mombo. Bee-keeping is also suitable along the Pangani and Lwengera rivers at around 60 metres from the river bank ▪ Bumbuli Town Council: Bee keepers should take advantage of natural forests in Kwehangala, Mazumbai, Hekulu, Mgwashi, and Mponde

Overview of Investments Opportunities in Bee-Keeping and Modern Beehive Making

	<ul style="list-style-type: none"> ▪ Muheza District Council: Bee keepers to take advantage of natural forests in Amani Ward ▪ Bumbuli District Council: Suitable forests for bee keeping are Mahezangulu, Ndelemai, Baga, and Kisimagonja ▪ Tanga City Council: Suitable for investment in beekeeping ▪ Handeni Town Council: Kwamagome, Kideleko, Mabanda, Konje and Msasa wards are suitable for bee keeping ▪ Mkinga District Council: Bee keepers to take advantage of natural forests bordering Amani Ward and those bordering Mkinga National Park.
<p>Investment rationale</p>	<ul style="list-style-type: none"> ▪ Supplies in Kilindi District Council: community forests and bee keeping groups active in Kwesapo, Sangeni, Vyadigwa, Kwediswati, Balang'a and Jungu to supply honey for processing. There are 50 groups with 53,606 traditional beehives and 17,062 modern beehives, which yield about 10 kg of honey/beehive; harvesting is done four times a year ▪ Korogwe produces about 5050 kilograms per year; about 60 percent of the harvested honey is used locally ▪ Pangani District Council: Areas potential for Bee-Keeping include Mkwaja, Bushiri, Mkalamo, Pangani East, Pangani West and Kipumbwi (1,500Ha). There is also Mangrove Area of about 3,750 hectares.
<p>Available support</p>	<ul style="list-style-type: none"> ▪ Policy and political support at national, regional and local government levels ▪ Natural Resource Management Policy encourages community participation in conservation and utilisation of forests through sustainable economic activities such as bee keeping.

10. Ranches, Cattle Beef Fattening and Dairy Farming

Overview of Investment Opportunity in Beef Fattening

Key features



- Cattle ranches: excess land available in Kilindi and Handeni
- Cattle fattening: some potential to buy indigenous cattle and fatten them before disposing them at a higher price
- Dairy farming
- Mobile veterinary services (MVS) (vaccination and dipping) for outreach to pastoralists roaming between Handeni and neighbouring district councils such as Simanjiro and Kiteto
- Artificial insemination (AI) centres in collaboration with LGAs (under PPP model)



Preferred locations



The following LGAs reported availability of ranching land:

- **Kilindi District Councils:**
The only LGA with a high proportion of idle land (112,810 ha) part of which can be used to establish ranches
- **Handeni District Council:**
Some 25,000 hectares available for ranches at the following villages: Nkale, Sindeni, Magamba, Kwamsisi and Kwakono. Land for fattening can be obtained at Mkata, Mbagwi and Kangáta villages. Renting from NARCO (15,000 ha) at Mzeri and Gendagenda-Mkata. Establishment of cattle ranches at Nkale Ranch (1354.86 Ha) located at Kwamatuku ward, and at Mzeri Ranch (49,710 Ha) owned by NARCO and located at Mzeri Misima ward
- **Mkinga District Council:**
Possible sites for establishment of small ranches and dairy farming in Bwiti, Mwakijembe, Duga, Parungu Kasera and Doda.
- **Tanga District Council:**
Possible sites available, mostly for dairy farming

Overview of Investment Opportunity in Beef Fattening

- **Korogwe District Council:**
 - (a) Sites for dairy farming at Hale, Mnyuzi, and Bungu (1,500 ha available);
 - (b) Sites for ranches at Mkalamo (1000 ha); Mtoni Bombo (400 ha); Mkomazi (100 ha); Kweisewa (1,500 ha); and Changelikwa (250 ha). Korogwe District has only 2,800 dairy cows, so there is need to introduce more farmers to dairy farming. Possible partnerships to improve Mzeli Ranch
- **Pangani District Council:**

Possible sites for ranches at Ubangaa Ward (Mseko), Masaika-Kigurusimba Village (Mkalamo). Cattle, sheep and goats can also be kept at Mtonga village (500Ha)
- **Muheza District Council:**

Land available at Mlingano (Kilapula) and at Azimio and Mivumoni ranches for renting. Dairy farms or Beef fattening can be established at Kwafungo-Kigombe with 370.5 hectares for joint venture, buying or renting from private individuals
- **Bumbuli District Council:**

Possible sites suitable for dairy farming at Mamba and Dule B
- **Lushoto District Council:**

Possible sites available mostly for dairy farming at Mnazi, Mng'aro and Lunguza
- **Handeni Town Council:**

Investment in Ranch can be undertaken at Kwamagome (1,700 Acres).

Overview of Investment Opportunity in Beef Fattening

<p>Investment rationale</p>	<ul style="list-style-type: none"> ▪ This is an indication of potential to buy indigenous cattle and fatten them before disposing them at a higher price ▪ The investment should go hand-in-hand with the establishment of fattening lots ▪ High demand for quality meat in the region by both domestic consumers and tourists ▪ Meat industries, like all other industries, will generate employment to the people of the region ▪ Road network to Tanga and Pangani ports and the ocean vessels provide appropriate transport systems for fattened animals to be transported live to customers within Tanzania, to Indian Ocean islands and in the EAC market.
<p>Available support</p>	<ul style="list-style-type: none"> ▪ Policy and political support at national, regional and local government levels ▪ Good infrastructure, which includes roads and communication networks, and available markets.

11. Poultry Hatcheries and Poultry farming

Overview of Investment Opportunities in Poultry Hatcheries and Poultry Farming

<p>Key features</p> 	<ul style="list-style-type: none"> ▪ Establishment of chick hatcheries for supply to poultry farms ▪ Establishment of poultry farms ▪ Supply of incubators and brooding machines
<p>Preferred locations</p> 	<p>Suitable in all LGAs without exception; wards specifically mentioned with land available include:</p> <ul style="list-style-type: none"> ▪ Handeni Town Council: Land is available in Konje Ward (50 hectares); Kwenjigu Ward (50 hectares); Mlimani Ward (300 hectares); and Mabanda Ward (50 hectares) ▪ Pangani City Council: There is land in Kipumbwi Ward

Overview of Investment Opportunities in Poultry Hatcheries and Poultry Farming

	<ul style="list-style-type: none"> ▪ Bumbuli District Council: There is land at Soni, Bumbuli, Mgwashi and Dule B ward. ▪ Lushoto District Council: There is land in Kwemakame Ward ▪ Korogwe Town Council: There is land in Kwamsisi Ward and Ngombezi Ward ▪ Tanga City Council: There is land in all wards ▪ Mkinga District Council: Poultry farms can be established at Gombero, Doda and Parung Kasera wards.
<p>Investment rationale</p>	<ul style="list-style-type: none"> ▪ Tanga Region climate in all the districts is ideal for raising chicken for meat and eggs ▪ Chicken feeds made from by-products of fish, oilseeds, maize and paddy processing, are easily obtained from within the region ▪ An increasing urban population in Tanga Region, Tanzania and the EAC region offers a ready market for poultry meat and eggs ▪ Increasing purchasing power of the population also means more people are able to purchase chicken meat, which is usually more expensive compared to beef
<p>Available support</p>	<ul style="list-style-type: none"> ▪ National Livestock Policy (2006) supports this type of investment ▪ There is political support at national, regional and local government levels.

12. Livestock Laboratories

Overview of Investment Opportunities in Livestock Laboratories

Key features



- Laboratories for animal disease diagnostics
- Accredited laboratories for quality control of animal products to meet international standards.

Overview of Investment Opportunities in Livestock Laboratories

Preferred locations	<p>Suitable in all LGAs without exception: LGAs that specifically mentioned the need for laboratories are Handeni District Council, Pangani District Council, Handeni Town Council and Tanga City Council. Land plots for this type of investment will be identified by the councils once investors are present in person.</p>
Investment rationale	<ul style="list-style-type: none"> ▪ Livestock laboratories will ensure quality of products for exportation to regional and international markets
Available support	<ul style="list-style-type: none"> ▪ Policy and political support at national, regional and local government levels ▪ Medicines and veterinary accessories are tax exempt.

3.3.3 Natural Resources Beneficiation

1. Large-scale Commercial Mining of Gold, Gemstones and Building Materials such as Tanga Stones

Overview of the Opportunity in Commercial Mining and Processing

Key features	<ul style="list-style-type: none"> ▪ Value addition of extracted precious minerals and gold is a new area where not much investment is done ▪ Commercial extraction of gemstones and industrial minerals ▪ Commercial mining of chip stones such as felstones and Tanga stones.
Preferred Locations	<ul style="list-style-type: none"> ▪ Kilindi District Council: Gold sites at Tunguli, Ngeze, Masagalu, Matandala, Vyadigwa, Mbogo, Kwaluguru, Lwande, Mvungwe, Negero na Mbagwi; Ruby and Garnet at Kwamfyomi; Quarts at Chamtui - Kikunde, Kwediboma, Mbagwi; Chalcedony at Negero; feldspar at Negero and Kibirashi; Salt farming and processing at 24 Salt mining sites along the Indian ocean. The mineral deposits contain Ruby, Gamete, Green tourmaline, Red t., and Blue Sapphire



Overview of the Opportunity in Commercial Mining and Processing

- **Handeni District Council:**

Gold sites at (Magambazi, Suwa, Kilimamzinga, Kwamagome, Majili, Kwedijava, Gole, Madebe and Manga; Dolomite at Chogo, Mumbwi, Kwedikwazu, Kwediyamba, Chanika Kofi; Ruby at Chanika Kofi, Seza Kofi; Rhodolite at Kwamazuma; Iron ore at Lugala, Kwabojo na Genda Genda; Feldspar at Pozo, Manga, Misima, Kwankonje, Kwamsangazi, Mbagwi, Kweditiribe; Graphite at Kwamsisi and Mkalamo; Building materials at Kwamaizi, Suwa, Komsala, Mzeri. Investors can establish small and medium sized mining industries for value addition and purification process Mazingara, Mkata, Kwaluguru, Kangata, Sindeni, Kwamatuku, Ndolwa, Kitumbi, and Kabuku.

- **Korogwe District Council:**

Limestone at Mkalamo, gypsum at Manga and Mkomazi 100ha; Ruby, garnet, Sapphire at Tewe, Kalalani na Kigwasi; Aquamarine, Spinel and Chrisoberyl at Kigwase and Umba; Zircon at Kwebamba and Mashewa; Moonstone at Mlembule; Feldspar at Mkomazi; Gold at Vuga and Ubiri; Rhodolite at Marange & Umba; Bauxite at Mazinde; Granite at Msambiazi and Mombo.

- **Muheza District Council:**

Gold at Sakare, Amani, Kicheba & Mbambara; granite at Mkanyageni and Lihamba; limestone at Pingoni and sand at Mtakuja, Ngomeni & Kigongomawe


- **Tanga City Council:**

Limestone deposits at Kiomoni, Mafuriko, Kange-Mkulumuzi and Mbogo are more than 100 meters deep. Extraction of Limestone can be done at Mzizima and Kiomoni Wards within 510Ha owned by Tanga City Council. There are more than 2,239,202,605 tonnes in an area of 8.3 square kilometers in Tanga City alone that is surveyed. Existing factories can produce cement for more than 200 years; Red soil at Kange & Pongwe and salt along the coast. Salt extraction is feasible at Tangasisi, Mnyanjani, Masiwani, Tongoni, Marungu and Chongoleani within an area of 2,814,766 Sqm owned by individuals

Overview of the Opportunity in Commercial Mining and Processing

- **Mkinga District Council:**
Tourmaline and garnet at Ng'ombeni, Kigongoi, Hesambia, Msenge, Gilevi & Kwamtili; Gold at Kwamtili; Ruby at Mwakijembe; Dolomite at Mbuta; Salt along the coast and sand at Mtimbwani
- **Lushoto District Council:**
Bauxite at Manga Mtindiro, Mabughai & Kwemashai; iron ore at Lunguza & Maringo; copper at Mnazi; gold at Mponde; and rock salt at mombo
- **Pangani District Council:**
Gold at Mlozo; limestone at kimang'a; salt along the coast; heavy mineral sand available at Kipumbwi, Mikunguni, Mwera, Simuni, Ushongo and Mzambarau villages. Enriched in high density minerals such as ilmenite, zircon, leucoxene, monazite, rutile etc.
- **Handeni Town Council:**
Investors can establish small and medium sized industries for minerals value addition at Kwenjugo (179 Acre), Mlimani (28Ha), Konje (28Ha), Msasa-Mzundu (120 Acre), and Kideleko (16Ha)
- **Korogwe Town Council:**
Construction of stone crusher plant at Mtonga ward (10 Acres).

Investment rationale

- There are still some undeveloped mining sites ready for small and medium size investments for extracting gold, gemstones, industrial minerals and building materials such as Tanga stones 
- The identified sites require investments for medium and large-scale mining
- Most of the licences issued (e.g. 1,700 for Kilindi alone) are for small-scale miners with little capital using simple mining tools/methods
- In some areas it will require buying some ready supplies from small-scale miners operating on open pits.

Overview of the Opportunity in Commercial Mining and Processing

Available support

- Supported by Tanzania's FYDP III, which calls for value addition and beneficiation in metal and mineral industries
- The mining policy supports the development of medium and large-scale mining operations and the need to modernise the sector
- The regional administration, through the Regional Mines Office, will support the process of establishing modern commercial mining
- Recent connections to the national electricity power grid allows for low cost investments without relying on power generators

2. Chalk Making Factories

Overview of the Opportunity in Making Chalk

Key features



- Chalk factory
- Chicken feed supplements (calcium)

Preferred locations

- **Pangani District Council:**
Possible site at Mwembeni Village in Jasini Ward as is the main source of gypsum
- **Kilindi District Council:**
Possible site in Kibirashi Ward, which is also a main source of gypsum.

Investment rationale

- Demand for chalk is increasing with an increasing number of schools in Tanzania and in EAC/SADC markets.

Available support

- SIDO and Tanzania Bureau of Standards (TBS) regularly provide technical support to ensure product standards are met.

3. Sea Salt Making Facilities/Factories

Overview of the Opportunity in Making Sea-water Salt

Key features



- Making of salt from harvesting sea water from the Indian Ocean
- Fortification of the made salt to meet national standards.

Preferred locations

- **Tanga City Council:**
About 212 hectares suitable for salt processing at Maere, Kisosora (Chumvini), Mpirani, Ndaoya, Machui, Tongoni, Mwarongo and Chongoleani
- **Pangani District Council:**
Possible sites at Buyuni, Sange and Mikinguni. About 20 acres of land Buyuni village and 30 acres at Sange village have been allocated for construction of salt making industries
- **Mkinga District Council:**
Possible sites along the Indian ocean coast -Mayomboni, Moa, Manza, Kwale, Mtundani, Doda, Kibiboni, and Tawalani.

Investment rationale

- There are many sites suitable for making salt from sea water
- Demand for quality and fortified salt is increasing with population increases in Tanzania and in EAC/SADC markets,

Available support

- There is national, regional and local government support for this type of industry
- Good infrastructure, which includes roads and communication networks, electricity supply and available markets
- There is demand for processed salt in the district, region and outside the region
- Tanzania Food and Nutrition Centre (TFNC) and TBS to provide technical support to adhere and meet required food standards.

4. Forestry, Saw Mills and Furniture

Overview of Investments Opportunities in Timber Products

Key features



- Establishment of modern saw mills
- Making briquettes using thousands of tons of saw dust in Tanga, Muheza, Handeni and Lushoto
- Establishment of a furniture factory.

Preferred locations

- **Korogwe District Council:**
Timber is available in the district. Investors are invited to renovate the existing Tembo Chip board industry through PPP at Mkumbara
- **Muheza District Council:**
Sources of timber include Kambai and Bombani (based on teak forests). Industries for briquettes using thousands of tonnes of saw dust obtained from Teak tree processing activities at Mikwamba (3.4 Acres); and furniture industry using Teak timber product along Amani road at Mikwamba (3.4 Acres)
- **Lushoto District Council:**
Sources of timber include Shume and Magamba
- **Handeni District Council:**
Land for factory has been set aside in Magamba Ward. Factory to depend on 27,000 of planted trees in 17 villages
- **Handeni Town Council:**
Tree planting for timber production at Konje (80Ha)
- **Kilindi District Council:**
Timber is available in the district
- **Bumbuli District Council:**
Timber is available in all Wards.
- **Pangani District Council:**
Land for putting up factories available at Mtango Village in Mikinguni Ward and Mseko Village in Ubangaa Ward.

Investment rationale

- Natural and planted forests in the six (6) districts
- Sawdust can be used for making charcoal.

Overview of Investments Opportunities in Timber Products

Available support

- National Forestry Services (NFS) to provide technical support for harvesting forests in a sustainable manner
- SIDO to provide technical support in furniture technology
- Increase of excise duty on imported furniture (2017/18 Budget Speech).

5. Blue Economy Development: Modern Deep-sea Fishing and Fish Farming

Overview of the Opportunity: Deep-sea Commercial Fishing, Fish Farming, and Fish Feeds

Key features



- Manufacturing of modern boats using the existing facility at Mkinga
- Installation of fish cages in suitable sites along the Indian Ocean
- Development of fish ponds
- Hatcheries for the production of fingerlings to farmers using fish cages and fish ponds
- Seaweed farming, lobster and crabs fattening, carbon credit (seagrass and mangrove), and associated facilities
- Manufacture of fish feeds and supply to fish farmers.

Preferred Investment areas

- **Mkinga District Council, Pangani District Council and Muheza District Council:**
Modern fishing boats
- **Tanga City Council:**
Construction of fishing harbor at Sahare; modern deep sea fishing and fish farming (fish ponds, cages and hatcheries for the production of fingerlings); investment in fish feed industry; and construction of modern fish market at Sahare, Mwarongo, Tongoni, Mchukuuni and Chongoleani

Overview of the Opportunity: Deep-sea Commercial Fishing, Fish Farming, and Fish Feeds

	<ul style="list-style-type: none"> ▪ Mkinga District Council, Tanga District Council and Pangani District Council: Seaweed farming, and prawns farming along the coastline. Specifically, Sea weed farming can be undertaken at Moa, Ndumbani, Zingibari, Mwandusi, Tawalani, Mtundani, Bomasubutuni, Bomakichakamiba (30 Acres) in Mkinga District Council. Sea cucumber farming can be undertaken at Bomasubutuni Bomakichakamiba, Tawalani , Mtundani (20 Acres) ▪ Pangani District Council, Tanga District Council and Mkinga District Council: Fish cages in all suitable sites along the coastline ▪ Korogwe District Council: Establishment of fish market at Bwiko –“Catfish” zone ▪ Kilindi District Council: Investment in aquaculture at Kilindi, Lwande and Kilwa (3,104 Ha). ▪ All LGAs in the region: Fish ponds and fish dams.
<p>Investment rationale</p>	<ul style="list-style-type: none"> ▪ Fish farming at household level could easily increase household incomes as well as improve nutrition.
<p>Available support</p>	<ul style="list-style-type: none"> ▪ Some institutions (e.g. Economic and Social Research Foundation) are already providing training in aquaculture ▪ Support by National Fish Policy 2015; Government has strongly supported investment in aquaculture training, with degree programmes at Sokoine University of Agriculture and the University of Dar es Salaam, and skills training at Mbegani Fisheries Development Centre and FETA ▪ Tanzania is one of the beneficiaries (along with Uganda and Kenya) of a major EU-funded project “Support to Promoting Aquaculture in the East Africa Community”, launched in 2017, with funding of up to Euro 10 million.

6. Fish Processing Factories

Overview of the Opportunity in Fish Processing Factories

Key features



- Fish processing and packaging
- Cold chain facilities for fish products
- Manufacture of fish by-products.

Preferred locations



- **Tanga City Council:**
Possible sites for factories at Pongwe, Neema, Macheni and Tangasisi Ward (Malongo Mtaa)
- **Pangani District Council:**
A plot measuring 13.8 hectares is available at Kipumbwi
- **Mkinga District Council:**
Council has already earmarked a piece of land (1.0 ha) at Moa Village to set up fish processing industry.

Investment rationale

- The region has 66 central government reserve forests with a size of 155,762 hectares, 21 council reserve forests with a size of 14,541 hectares, 162 village reserve forests with a size of 107,697.6 hectares and 15,966 hectares of mangroves which provide great opportunities for beekeeping.
- There is citrus cultivation in the District of Muheza, Handeni, Korogwe, Tanga and Mkinga which provides good resources for bees.
- There is also vegetable cultivation in Lushoto District
- There is sunflower cultivation in the districts of Kilindi, Korogwe and Handeni.
- Currently, the Region is estimated to have 6000 beekeepers and the average production is 56 tons of honey and 4 tons of wax per year.
- Regional target of production is 1000 tons of honey per year and 100 tons of wax by 2026
- There are over 400 registered beekeeping groups
- The region has a total of 32,285 modern beehives and 69124 traditional beehives

Overview of the Opportunity in Fish Processing Factories

Available support

- Tanzania Fisheries Research Institute (TAFIRI) with the overall objective of carrying out research and providing scientific information and advice on management, conservation and utilisation of fisheries resources in the country
- The landing site will be established by respective LGAs
- Government support in formation and formalisation of benchmark management units (BMU) networks & strategies to combat dynamite fishing. In this regard eighty BMUs leaders and village government leaders have been trained in fisheries governance, and a total of eight fisheries management plans and by-laws were developed.
- Tanzania Food and Nutrition Centre (TFNC) and TBS to provide technical support to adhere and meet required food standards

7. Honey Processing

Overview of Investments Opportunities in Honey Processing

Key features



- Bee-keeping ventures
- Honey processing factory
- Establishment of beehive factory.



Preferred areas




- **Kilindi District Council:**
Sites available in: Mswaki (3,000 ha); Mabalanga (3,000 ha); Negero (2,000 ha); Bandari (2,000 ha); Balangá (170 ha); Chamtui (80 ha); Vyadigwa (75 ha); Mkindi (62 ha); Kilindi (50 ha); Muungano (45 ha); Kimbe; Kweisako and Lwande.
- **Korogwe District Council:**
Suitable forests for bee keeping are Manundu, Bungu, Lwengera, Makumba, Makangara, Makwajuni, Kwagunda, Kwamkole and Mombo.

Overview of Investments Opportunities in Honey Processing

	<ul style="list-style-type: none"> ▪ Korogwe Town Council: One of the suitable forests is Korogwe Hill forest (146 ha) which is under TFS whereby community bee keeping groups are producing a total of about 820kg to 1200kg of honey per year. Other suitable forests for bee keeping are Kwamsisi, Old Korogwe and Kwamkole.
Investment rationale	<ul style="list-style-type: none"> ▪ Supplies in Kilindi District Council: active community forests and bee keeping groups in Kweisapo, Sangeni, Vyadigwa, Kwediswati, Balang'a and Jungu to supply honey for processing. There are 50 groups with 53,606 traditional beehives and 17,062 modern beehives, which yield about 10 kg of honey; harvesting is done four times a year ▪ Korogwe produces about 5,050 kilograms of honey per year. About 60 percent of the harvested honey is used locally.
Available support	<ul style="list-style-type: none"> ▪ Policy and political support at national, regional and local government levels.

8. Power Generation from Sisal by-products Projects

Overview of the Opportunity in Generating Power from Sisal by-products

Key features 	<ul style="list-style-type: none"> ▪ Generate bio-gas electricity from sisal by-products ▪ Feed the generated electricity to TANESCO's national grid system. 
Preferred locations 	<p>All sisal processing factories (coroners) involved in decortications of sisal can be established anywhere within Muheza District Council, Korogwe District Council, Handeni District Council, Handeni Town Council and Mkinga District Council.</p>
Investment rationale	<p>Although major towns are already connected to the national power grid there are still opportunities to tap on under-utilised energy sources such as water falls along the region's rivers, solar, wind power, and sisal by products.</p>

Overview of the Opportunity in Generating Power from Sisal by-products

Available support

The National Power Master Plan recognises the need to invest in variable sources of electric power, including stand-alone power sources.

3.3.4 Service Sector: Land Use Services, Hotels, Recreation Facilities and Transport Logistics

1. Tourist Hotels and Camp Sites

Regional administration is geared to coordinating efforts in order to advertise Tanga as a desirable tourist destination; harmonise standards of hotels and camping sites; and ensure security for tourists to safeguard the region's image as a memorable and safe place to visit.

Overview of Investments Opportunities in Tourism and Hospitality Services

Key features



There are several opportunities for tourism sector investment related to:

- Game viewing and hunting
- Ocean surfing
- Mountain biking
- Excursion tours for site seeing and observation points
- Historical sites
- Cultural tourism of native tribes of Tanga, including *Wazigua*, *Wabondei*, *Wadigo* and *Wasambaa*
- Leasing of six islands, conference tourism, construction of tourism facilities (hotels of varying statuses, lodges, cabins, tented camps, recreational areas), mangrove boardwalk and tour operation.



Overview of Investments Opportunities in Tourism and Hospitality Services

Preferred locations

All LGAs indicated their preferred locations for hotels as well as for natural and historical sites that can attract tourists:

- **Mkinga District Council:**

Suitable sites for hotels are those adjacent to Mkomazi National Park (5,330 km²); tourist hotels, campsites and recreation areas at Horohoro border (1,000 plots); leasing of Kwale, Mwewe and Kirui Islands for construction of tourist hotels and recreation centres; Kwale historical sites; Indian Ocean beach hotels and extensive coastal line with undeveloped sand beaches

- **Tanga City Council:**

Amboni Caves (8 km from Tanga City), Totten Islands (off the harbour); three Islands of Jambe, Ulenge and Karange; historical sites/ruins (left by Persians, Arabs, and Portuguese) such as those at Tongoni and Galanos, and hot sulphur springs. Investors can establish tourism village at Mwahako where 10 Acres owned by Tanga City Council; invest in construction of Mangrove board walk at Sahare, Raskazone, Chumvini, Mwambani; lease Totten, Karange and Jambe Islands for construction of tourist hotels and recreation areas; invest in Tour guide and operations; Travel and leisure facilities such as fast boats, jet ski; Hotels; and Sports and re-creation Centres at Tangasisi-Mwang'ombe where 13 Acres has been allocated by Tanga City Council

- **Muheza District Council:**

Areas for investment include Amani Nature Forest Reserve, 33 hectares have been set aside at Kibanda Ward for building hotels/tourist facilities, and sand beaches at Kigombe. Amani Nature Forest Reserve hosts 40% of world's tree species and three horned chameleons. Villages within the reserve are suitable for mountain biking, and are also involved in butterfly husbandry for silk making. At Kigombe there are 17 beaches plots (73.34 Acres) owned by Amboni Group of Company Ltd suitable for joint venture in the construction of tourist hotels. At Amani, Magoroto and Kigombe wards there are 3.4 acres for construction of tourists camps/facilities

Overview of Investments Opportunities in Tourism and Hospitality Services

- **Korogwe District Council:**

Possible sites include Mashindei Hills on the way to Lutindi; area between Mazinde and Mkomazi (20 ha) and Kalalani for tourism and camping sites (200 ha); Crocodile Island (old Korogwe); Chief Mbega in Msambizi historical sites – a small area with miracles. Natural attractions include Mkomazi Nature Reserve. The district needs a resting point for tourists travelling between Dar and Moshi. At the moment, a total of 1500 tourists per year travel through Korogwe but there is only one centre for resting. Tourist hotels can be constructed at Mashinde hills (20Ha) and at Kalalani
- **Bumbuli District Council:**

Suitable sites for hotels include Kwehangala. Tourists are flowing to Mazumbai to visit Kwamongo Hill, Chief Kimweri House, and Mazumbai Forest but no hotel facilities in the neighbourhood. Tourist hotels are proposed at Kwehangala (3 Acres) and Mpalai (1 Acre) whereby the land is owned by individuals who are ready to sell to investors
- **Pangani District Council:**

There is land (26.04 ha) at Sange Village for construction of hotel. Panga historical sites (before called Mazingara); some special areas also available within the Saadani National Park (1,100 km² along the Indian Ocean). The area along the ocean shore at Mkwaja/Buyuni is suitable for construction of hotels. Other areas for construction of tourist hotels and camp sites include Ushongo, Pangani east, and Kikokwe villages with an average Beach Belt of 40.2 Km². Other potential investments include construction of recreational centres and establishment of Dhow sailing competitions
- **Handeni Town Council:**

Establishment of recreation centres at Mabanda(140Ha)
- **Handeni District Council:**

There are 89 plots at Kwenjugo-Konje each measuring 1,200 m² for business and hotel development. At Chanika-Kivesa there are 5,789.5 km² owned by CCM

Overview of Investments Opportunities in Tourism and Hospitality Services

- **Lushoto District Council:**

There are some 5.02 hectares, owned by Malindi Village (en-route to Mtae). The site where there is Mambo Observation Viewpoint (from where Mountain Kilimanjaro can be seen)). There are also some tourist attractions in Shume (foot prints, waterfalls, and beautiful skylines. Receives not less than 3,000 tourists annually. Malindi is the pathway of tourists when they do cycling and walking *safari* towards various attractions, including Mtae. Construction of air strip for tourist visiting Mkomazi national Park is proposed at Mnazi ward (200Ha) and investing in a Skyline from Mkumbara (Korogwe DC) to Irente (Lushoto DC). Construction of tourist hotels of various status, tented camp and cabins is proposed at Mnazi ward at Kwemkwazu village (20H a) and Malindi. There is a room for investing in tour operation companies

- **Kilindi District Council:**

There are some 40 hectares at Saunyi Village for construction of hotels. Also, investing in Hunting Blocks at Saunyi, Kisangasa, Kibirashi, Kwediboma, Msanja, Mabalanga and Mkindi (3,500 sq.km) within Handeni Game Controlled Area.

Investment rationale

Availability of tourist attractions in the region. For instance Pangani Districts has various historical attractions including Old Arabu Mosque at Mkwaja ward, Old Cemetery at Mkwaja and Western Pangani Wards, Sange jiwani Historical sites, Old Slave Market/ Centre or Freedom Ground, Old Tower at ferry built on 23rd July, 1916, Pangani Ruins (Shells), German Cemetery, Pangani Port Authority Building, Boma formerly DC Building, Maziwe Island, Abushiri Cemetery, German sea wall, Pangani East and West Ward, The Old town of Pangani, etc. Some districts with tourist attractions lack good tourist hotels, thus forcing tourists to travel fairly long distances from the attractions. In view of the above, district residences miss the opportunities to earn incomes from tourism.

Overview of Investments Opportunities in Tourism and Hospitality Services

Available support

- National Tourism Development Policy
- Regional Security Committee (chaired by Regional Commissioner) and district security committees (chaired by district commissioners)
- Land will be made available for construction of hotels, camping sites and air trips. For some of these investments PPP arrangements are envisaged, and some of these will be through joint ventures between private citizens and potential investors to be facilitated by district councils
- Good infrastructure, which includes roads networks, communication, electricity supply and markets.

2. Modern Markets, Shopping Malls, Conference Facilities and Entertainment Parks

Overview of Investment Opportunities in Development of Malls, Markets and Other Facilities

Key features



- Shopping malls: wholesale and retail shops, saloons, banks and automated teller machines (ATM), car parking, shops, conference hall, restaurants and offices
- Market centres: modern markets in all LGAs
- Commercial, business and trade services centres: business centre, financial and insurance centre
- Entertainment parks.

Preferred Locations

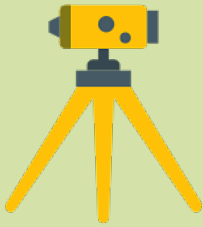
- **Tanga City Council:**
Site available at Chuda area at city centre (14,181 sq m) owned by Tanga City Council; at Maweni, Pongwe and Mnyanjani (31,451.68 sq.m) for building Modern Markets; and at Tangamano-Majengo (13,586 sq.m) owned by Tanga City Council for Shopping Malls (for whole sales and retail shops/saloons, Banks, ATMS, Car Parks, Restaurants, Conference halls and offices)
- **Korogwe Town Council:**
Old Korogwe Ward – land (10 ha) has been allocated for hotels, and for shopping centre (2.6 ha). Also available space at Bagamoyo area: 7 hectares and 1 hectare at the old bus stand

Overview of Investment Opportunities in Development of Malls, Markets and Other Facilities

	<ul style="list-style-type: none"> ▪ Lushoto District Council: Land available in Town centre (800 sq m for shopping mall). Investors are invited to build a Modern Shopping Mall at Lushoto town (Business centre). An International horticultural market can be established at Lukozi ▪ Bumbuli District Council: Land available at Kwehangala ▪ Pangani District Council: A site has already been identified and land owners compensated to pave way for the construction of an expanded and modern port ▪ Muheza District Council: Establishment of recreation centers at Mabanda (140 Ha) ▪ Korogwe District Council: Construction of football stadium at Makuyuni (10 Acres) ▪ Handeni District Council: An area of 80 hectares has been allocated at Mkata Ward for building markets, shopping malls and other facilities. ▪ Handeni Town Council: Due to rapid urbanization of Handeni Town reaching 108,968 people in 2022, it is imperative to welcome investors for establishing shopping malls. ▪ Mkinga District Council: A site (3.8 acres) has been allocated for construction of Border Market at Horohoro.
Investment rationale	<ul style="list-style-type: none"> ▪ Population and its purchasing power expanding and so are requirements for shopping malls and entertainment areas ▪ LGAs require such facilities as an alternative source of revenue.
Available support	<ul style="list-style-type: none"> ▪ PPP allows collaboration between private sector and Government ▪ Security of vehicles provided ▪ Traffic rules strictly observed.

3. Land Use Plans and Real Estate Development

Overview of Investment Opportunities in Surveying and Land Titling, and Real estate Development



- Surveys to demarcate and prepare maps for various uses: commercial and business usage, farms etc.
- Preparation of title deeds for surveyed land
- Real estate development
- Development of Pongwe Satellite City in Kange area, Tanga

Preferred locations



All LGAs are in need of this service BUT mostly needed in the following LGAs:


- **Tanga City Council and Tanga District Council:**
Sites available in Neema Tanga-Pangani road (1,300 ha); Kibanda Ward (33 ha dedicated for real estate and hotels development); building and renovation of warehouses for industrial use can be undertaken at Gofu Industrial Area (7,289 sq.m); and construction of housing estate in the City Plot 55A & B owned by NHC
- **Kilindi District Council:**
Sites available in Chengeni Ward (100 hectares for industries); and Saunyi Village (some 40 ha)
- **Handeni District Council:**
EPZ (300 hectares of land at Kwedizinga and some other land parcels in Kwamsisi, Kwenkwale, Mzeri and Mswaki). Some 367.2 hectares set aside for a proposed international market for horticulture produce at Segera
- **Pangani District Council:**
Possible site in Muheza – Kigongo Investment Area
- **Korogwe Town Council and Korogwe District Council:**
Sites in Mkomazi and Bwiko (19,286 ha) and Mombo (13,416 ha) to be surveyed for different land usage
- **Mkinga District Council:**
Land set aside for industrial use (partial compensation done)

Overview of Investment Opportunities in Surveying and Land Titling, and Real estate Development

	<ul style="list-style-type: none"> ▪ Lushoto District Council: Land use plans at Malindi, Kwemkwazu, Mnadani and Gare ▪ Bumbuli District Council: Sites available in Kwehangala Housing Estate.
Investment rationale	<ul style="list-style-type: none"> ▪ Most of the land in Tanga Region is not surveyed and without title deeds. It also lacks land use plans except in limited parts of urban areas ▪ The Government has formalised outsourcing of such services from private companies that can provide the much-needed skilled human resource and modern equipment for land surveying, i.e. Geographical Positioning System (GPS) and geo-system or programme used for drawing maps.
Available support	<ul style="list-style-type: none"> ▪ Regional Land Office and Zone Land Office in Tanga City.

4. Bus Stations and Vehicle Parking Facilities

Overview of Investments Opportunities in Urban Transport Facilities: Bus Stations and Vehicle Parking

Key features 	<p>Construction of urban transport facilities, mostly by replacing existing ones and some involving moving to new locations identified by LGAs:</p> <ul style="list-style-type: none"> ▪ Modern bus stands ▪ Parking lots for trucks in towns and trading centres ▪ All LGAs have allocated land for construction of bus stations and parking facilities for buses and lorries ▪ Likely mode of investment: PPP.
Preferred locations 	<ul style="list-style-type: none"> ▪ Korogwe District Council: Additional services in some growing urban centres such as Mombo (suggested to be located at <i>Mwisho-wa-Shamba</i> (Liverpool)) ▪ Handeni District Council: Possible sites at Mkata (a fast growing urban centre) ▪ Handeni Town Council: Possible site for establishing a new bus stand and lorry Parking is Kwambwembwele.

Overview of Investments Opportunities in Urban Transport Facilities: Bus Stations and Vehicle Parking

	<ul style="list-style-type: none"> ▪ Pangani Town Council: Possible sites within Pangani Town ▪ Mkinga District Council: A site is allocated for the contrution of vehicle parking at Horohoro. ▪ Bumbuli District Council: Possible site at Kwehangala Modern Bus Stand ▪ Kilindi District Council: Possible sites in Songe Town.
<p>Investment rationale</p>	<ul style="list-style-type: none"> ▪ Population and businesses expanding and so are requirements for parking areas for passenger and cargo vehicles ▪ Towns are expanding very fast and are attracting more business transactions and trade with the rest of Tanzania. Hundreds of trucks come in and out of the two areas. It is therefore important to invest in, among others, bus station and vehicle parking areas of international standards ▪ Economic activities are already increasing, as evidenced by increasing GDP and GDP per capita, and thus travelling has increased.
<p>Available support</p>	<ul style="list-style-type: none"> ▪ Seventy-five percent (75%) import duty relief on project deemed capital goods including equipment, utility vehicles and some building materials through TIC ▪ Political support from national, regional and local levels.

5. Marine Transportation of Passengers and Cargo

Overview of Investments Opportunities in Marine Transport Vessels

Key features



- Investment in seaworthy vessels for passenger transportation between Tanga and other sea ports of East Africa as far north as Malindi (Kenya) and as far south as Mtwara (south of Tanzania) and Beira (Mozambique)
- Investment in seaworthy vessels for cargo transportation between Tanga and other sea ports of East Africa as far north as Malindi, Pemba and Zanzibar, and as far south as Mtwara and Beira; and other Indian Ocean islands of Seychelles, Comoros and Madagascar carrying Tanzanian commodities.

Overview of Investments Opportunities in Marine Transport Vessels

Preferred locations	<ul style="list-style-type: none"> ▪ Possible investments at Tanga Port in Tanga CC and Pangani Minor Port
Investment rationale	<ul style="list-style-type: none"> ▪ To shorten travel time to 2-3 hours for passengers travelling between Dar-es-salaam and Tanga (currently lasting 5-7 hours) ▪ The region will have increased commodities to export to the rest of Tanzania and other neighbouring countries ▪ Economic activities are already increasing, as evidenced by increasing GDP and GDP per capita ▪ Investment in associated services due to expanded port services especially the construction of the crude oil terminal, expansion of Tanga port and the Mwambani port which is yet to be built.
Available support	<ul style="list-style-type: none"> ▪ Political support from national, regional and local levels ▪ Part of Tanzania and EAC Transportation Network strategy.

6. Warehouses for Commodities, Dry Port and Industrial Inputs

Overview of Investments Opportunities in Warehousing and Dry Port

Key Features 	<ul style="list-style-type: none"> ▪ Construction of new warehouses for storage of agricultural commodities ▪ Construction of cold storage facilities ▪ Establishment of Dry Port at Old Korogwe (40 Ha) in Korogwe Town Council ▪ Managing warehouses for storage of agricultural commodities, especially those under the Warehouse Receipt System ▪ Renovation of old warehouses owned by co-operatives and by Government.
Preferred locations	<ul style="list-style-type: none"> ▪ Tanga City Council: Site available in Gofu Industrial Area (7,289 sq m) some 1.5 kilometres from the city centre ▪ All LGAs: There is shortage of warehousing and cold storage facilities in all councils. For instance Handeni DC has allocated land for cold rooms for citrus fruits at Segera Ward.

Overview of Investments Opportunities in Warehousing and Dry Port

Investment rationale	<ul style="list-style-type: none"> ▪ Leading surplus crops that are marketed and generate income for the people of Tanga Region are cassava, maize, and paddy ▪ Producers and traders require warehouses to mitigate negative effects of seasonal price fluctuations ▪ Need for more professional storage facilities.
Available support	<ul style="list-style-type: none"> ▪ ASDP II to promote expanded capacity for storage to curb post-harvest losses ▪ Agricultural marketing policy and laws ▪ Commodity Warehousing Legislation, which is supported by Warehouse Receipts Regulatory Board ▪ Seventy-five percent (75%) import duty relief on project deemed capital goods including equipment, utility vehicles and some building materials through TIC.



7. Sports Stadium and Recreation Centres

Overview of Investments Opportunities in Sport and Recreation Facilities

Key features	<ul style="list-style-type: none"> ▪ Tanga Region has only one stadium, Mkwakwani, situated in Tanga City Council; other towns have none ▪ Multi-purpose facilities ▪ Single purpose facilities ▪ Likely mode of investment: PPP
Preferred locations	<p>All LGAs are interested in constructing sport facilities. Those which provided data on land size are Bumbuli and Korogwe district councils:</p> <ul style="list-style-type: none"> ▪ Bumbuli District Council: A total of 2.5 hectares of land has been allocated at Bumbuli and 2.5 hectares at Kwadoe village in Mamba ward for investment in sport and recreation facilities ▪ Korogwe District Council: A total of 5.24 hectares of land have been allocated at Mnyuzi (1 ha) and Makuyuni (4.24 ha) for investment in sport and recreation facilities.



Overview of Investments Opportunities in Sport and Recreation Facilities

	<ul style="list-style-type: none"> ▪ Mkinga District Council: Site has been allocated at Kasera area for the construction of sports stadium and recreational centres.
Investment rationale	<ul style="list-style-type: none"> ▪ Population is increasing and in need of recreation facilities ▪ Purchasing power has increased so people can afford to pay entry fees for entertainment.
Available support	<ul style="list-style-type: none"> ▪ Tanzania Sports Council (<i>Baraza la Michezo la Taifa</i>) and Tanzania Football Federation (TFA) are training referees and preparing sport competitions ▪ Sport and recreation centres constitute a basic aspect in people's lives, and is supported by FYDP III as an important attribute towards human development ▪ Policy and political support at national, regional and local levels with respect to the importance of sports, as well as cultural and recreation centres.

8. Solid Waste Management and Utilisation for Biogas Production and Organic Fertiliser

Investment Opportunities in Utilisation of Organic Waste for Biogas and Organic Fertiliser

<p>Key features</p> 	<p>Growing urban centres such as Tanga City, farm residues and by-products from agro-processing all do generate thousands of tonnes of organic matter that could be transformed into:</p> <ul style="list-style-type: none"> ▪ Electricity through combustion and steam-driven turbines ▪ Bio-gas from sisal waste ▪ Charcoal briquettes from farm waste ▪ Likely mode of investment: PPP
Preferred locations	<ul style="list-style-type: none"> ▪ Tanga City Council: Establishment of waste recycling plant and an incinerator for clinical waste through PPP at Mpirani Sanitary landfills where 75 Acres owned by Tanga CC have been set aside for potential investor ▪ Other towns: Possibility setting up recycling plants in other fast-growing towns such as Korogwe, Mombo and Mkata.

Investment Opportunities in Utilisation of Organic Waste for Biogas and Organic Fertiliser

Investment rationale	<ul style="list-style-type: none"> ▪ Tanga City produces the highest amount of urban waste, while wastes from other LGAs are more farm-based. This means, depending on project feasibility study and the technology for waste processing, all LGAs are good candidates for this type of investment ▪ Providing an alternative source of energy for domestic and commercial uses ▪ Reducing climate change effects ▪ Increasing the life span of landfill ▪ Reducing greenhouse effects ▪ Creating jobs opportunity.
Available support	<ul style="list-style-type: none"> ▪ Environmental Management Act CAP 191 of 2004 and associated regulations provide guidance on how to handle/manage solid waste ▪ Policy supports collection, compression and recycling of solid waste ▪ Seventy-five percent (75%) import duty relief on project deemed capital goods including equipment, utility vehicles and some building materials through TIC. ▪ Policy and political support at national, regional and local government levels for clean energy.

3.3.5 Capacity Development


1. Private Primary and Secondary Schools, and Tertiary Education

The number and rate of pupils passing standard seven (Std VII) exams and continuing to Form I have been between 67.2 percent in 2014 and 72.7 percent 2018 of the 49,146 pupils who sat for exams. The number of secondary schools in Tanga Region increased from 279 in 2014 to 284 in 2018, equivalent to 1.76 percent increase, with privately-owned schools increasing from 40 to 45 in the same period.

Kilindi District Council and Mkinga District Council had 2 private secondary schools; therefore, the two district councils had to rely on public secondary schools (22 in Kilindi and 15 in Mkinga).

On the other hand, Korogwe and Handeni district councils had one private secondary school each. So the two district councils had to rely on public secondary schools within their respective boundaries - 27 in Korogwe District Council and 23 in Handeni District Council.

Overview of Opportunities in investing in Primary and Secondary Schools, and in Higher Learning Institutions

<p>Key features</p> 	<p>Construction of school buildings for:</p> <ul style="list-style-type: none"> ▪ Higher learning institutions ▪ Science-based secondary and high schools ▪ English-medium primary schools ▪ Pre-primary preparatory centres <p>All LGAs indicated the need for education infrastructure but Kilindi, Handeni, Pangani, Muheza and Mkinga district councils expressed the need more strongly than the rest.</p> <ul style="list-style-type: none"> ▪ Mkinga District Council has only one English-medium private school ▪ Pangani District Council needs primary and secondary schools ▪ Handeni District Council and Handeni Town Council both need primary and secondary schools.
<p>Preferred investment areas</p>	<p>All LGAs have set aside land for education facilities:</p> <ul style="list-style-type: none"> ▪ Lushoto District Council: Has allocated land at Mazinde (20 ha) and Mkalamo (20 ha) ▪ Bumbuli District Council: Has allocated land at Kwadoe (7 ha) for secondary schools, and (3 ha) at Mpalai for primary schools ▪ Handeni District Council: Land (500 ha) given to Catholic Church at Bongi for establishing academic institutions. At Chanika Mdoe, land belonging to Mr Hassani Gwando (8,700 m²; Block E, 33-year lease) is ready for academic institutions investment

Overview of Opportunities in investing in Primary and Secondary Schools, and in Higher Learning Institutions

	<ul style="list-style-type: none"> ▪ Tanga City Council: Needs investment in learning institutions such as Secondary Schools and another university; about 2,000 hectares are available at Maweni, Masiwani, Pongwe and Mzizima ▪ Muheza District Council: Land for schools available at Kibanda/Kilapula in Kilulu Ward ▪ Korogwe Town Council: Land for construction of training institution has been allocated at Old Korogwe (42 Ha) ▪ Korogwe District Council: Land available at Old Korogwe (72 hectares) and at Makuyuni and Mazinde.
<p>Investment rationale</p>	<ul style="list-style-type: none"> ▪ Human resources is a central element in agricultural and industrial development ▪ Quality education at primary and high school levels is a potential investment area ▪ There are investment opportunities in private primary and secondary schools.
<p>Available support</p>	<ul style="list-style-type: none"> ▪ Existing support for improvement of the education sector in the country ▪ Increased public awareness on the importance of educating children.

2. Vocational Training Centres

Overview of Investment Opportunities in Vocational Training Centres

Key features



Offer training in vocational skills needed in running factories, farms and other investments.

Overview of Investment Opportunities in Vocational Training Centres

<p>Preferred investment areas</p>	<p>All LGAs (except One) expressed dire need for vocational training centres:</p> <ul style="list-style-type: none"> ▪ Kilindi District Council: Prefer each ward to have its own VETA-accredited vocational training centre due to long distances between settlements ▪ Handeni District Council: Has surveyed land available at Mkata and Kabuku wards (124,312 km²) ▪ Pangani District Council: Has allocated 32 hectares of land at Mikinguni Ward ▪ Mkinga District Council: Has 10 hectares of land available ▪ Korogwe District Council: Has allocated land as follows: 100 hectares for colleges at Machimboni and Jirihini villages (surveyed); and 42 hectares at Kwamzolo (13 ha already surveyed) for VETA training centre, which can combine a commercial sport complex. The council has also identified sites at Makuyuni and Mazinde ▪ Lushoto District Council: Has made available sites at Mlalo and Mtae ▪ Bumbuli District Council: Has allocated 12 hectares of land at Bumbuli Ward. Investors also are invited to establish a scientific medical research for rare species of flora and fauna which are medicinal and the council has allocated 320 hectares of land for that purpose.
<p>Investment rationale</p>	<ul style="list-style-type: none"> ▪ Thousands of young people completing Std VII and Form IV eager to acquire vocational skills ▪ Industries to be established in the region will require trained technicians.

Overview of Investment Opportunities in Vocational Training Centres

Available support

- Technical and Vocational Education and Training Development Programme (TVETDP)
- Supportive institutions include a College of Engineering and Technology (CoET) founded in 2001 through the transformation of the Institute of Production Innovation (IPI) and integration with the existing Faculty of Engineering (FoE) at CoET
- SIDO supports business development services (technical training courses, business management and entrepreneurship training, among others), technology development services (product and technology development, including development and support of design skills, and the application of new technologies, among others)
- Policy and political support at national, regional and local government levels
- VETA to provide accreditation certificates.

3. Medical Facilities: Health Care Centres and Hospitals

There is still a need to invest in combating the prevalence of diseases such as malaria, ARI, pneumonia, diarrhoea, clinical AIDS, etc.; as well as in training human resource, especially nurses who are in short supply.

Investment is needed for construction of more health care facilities (i.e. health care centres), provision of medical supplies (medicines) and equipment and for training health care/medical personnel.

Overview of the Opportunities in Health Care Facilities

Key features



- Public health policy target to provide one health care centre for each ward in the country is far from being achieved
- Investment in health care centres in Tanga Region is badly needed
- Possibility of a referral private hospital is most welcome
- There is also need for diagnostic centres.

Overview of the Opportunities in Health Care Facilities

<p>Preferred locations</p>	<ul style="list-style-type: none"> ▪ Korogwe Town Council: Has set land aside for construction of health care centres at Mahenge, Msambiazi and Ngombezi ▪ Handeni District Council: Has land available for construction of private hospitals ▪ Kilindi District Council: Has allocated land for construction of private hospitals ▪ Tanga City Council: The Council has allocated land for investing in hospital and health care centres at Pongwe and Mzizima Wards. ▪ Handeni Town Council: Has allocated land for construction of private hospitals
<p>Investment rationale</p>	<ul style="list-style-type: none"> ▪ Tanga Region has an increasing population that requires medical and health care ▪ The pace of public investments in expanding health care facilities is slower compared to the increasing human population and the target of providing one per ward all over the country ▪ Relatively more demand for health care services especially in the newly-created districts ▪ Universal medical insurance scheme assures that patients will have the ability to pay for health care services rendered.
<p>Available support</p>	<ul style="list-style-type: none"> ▪ Policy and political support at national, regional and local government levels ▪ Health policy requires that each ward should have a health care centre and each village should have a dispensary.

4. Investments in Drilling Water Wells and Construction of Water Dams

Overview of the Opportunities in Drilling Water Wells and Construction of Water Dams

Key features



- Deep wells drilling
- Water dams construction
- Water tanks installation
- Water distribution system

Overview of the Opportunities in Drilling Water Wells and Construction of Water Dams

<p>Preferred locations</p>	<p>The services are badly needed in some remote wards in the following LGAs:</p> <ul style="list-style-type: none"> ▪ Kilindi District Council: Locations to be identified by water resource surveyors ▪ Handeni District Council: Locations to be identified by water resource surveyors ▪ Mkinga District Council: Locations to be identified by water resource surveyors ▪ Handeni Town Council: Locations to be identified by water resource surveyor
<p>Investment rationale</p>	<ul style="list-style-type: none"> ▪ Tanga Region has an increasing population that requires water supply ▪ The Government has set a target of reaching 85 percent of rural population's water demand by year 2020. Private sector investments in water supply will hasten to reach that target ▪ People are willing to pay for water services.
<p>Available support</p>	<ul style="list-style-type: none"> ▪ Policy and political support at national, regional and local government levels ▪ Water policy recognises the role of private sector and community service providers in supplying water to the people.

5. Investment in Water Bottling

Overview of the Opportunities in Water Bottling

Key features



Korogwe District Council:

Investment in spring water bottling at Vugili Village in Bungu Ward; and the plant can be built on site at Vugili Village


Lushoto District Council:

Investment in water bottling in Lushoto District Council using natural springs running throughout the year. There is a huge volume of water from springs running from Kibohelo and Shagayu.

	<p>Bumbuli District Council: Investment in water bottling at Kwehangala and Dule wards using natural spring water. There is suitable and adequate amount of water for the industry. The council has an area of 2,650 square metres suitable for this investment.</p>
Key investment rationale	<ul style="list-style-type: none"> There is no water bottling plant anywhere in Tanga Region; therefore, the region relies on portable water bottled in other regions Bottled water ensures bacteriological quality of drinking water.
Available support	<ul style="list-style-type: none"> Support by National Water Policy 2002 District authorities have shown commitment to provide conducive environment for investment, including allocation of land needed for construction of water bottling plants Policy and political support at national, regional and local levels.


6. Investment in Construction Materials Industry

Overview of the Opportunities in Construction Materials Industry

<p>Key features</p> 	<ul style="list-style-type: none"> High deposit of gypsum and feldspar in Kilindi, more especially at Kibirashi. These deposits are significant for making tiles and other construction materials There is an increasingly high demand for construction materials (including cement, gravel, sand, stones, tiles etc.). For instance Korogwe District Council has allocated 100 hectares at Mkomazi for construction of cement industry The huge deposits of gypsum can also be used by other related industries not only in Tanga Region but also beyond.
Preferred locations	<p>Given the presence of abundant gypsum in Tanga Region, factories to manufacture derivatives of gypsum can be established in any of the LGAs by picking one or more products of choice by the investors.</p> <p>The following LGAs indicated willingness to welcome investors: Kilindi District Council, Mkinga District Council, Handeni District Council, Handeni Town Council and Korogwe District Council.</p>

Key investment rationale	<ul style="list-style-type: none"> Raw materials are for the moment being transported to other regions for making tiles and other products A huge significant deposit of gypsum is still untouched.
Available support	<ul style="list-style-type: none"> The Government has identified pharmaceuticals as one of Tanzania's investment priority areas, and so there is support to manufacture gypsum-based medical and industrial products District authorities have shown commitment to provide conducive environment for investment, including allocation of land needed for construction of pharmaceutical plants Policy and political support at national, regional and local levels.

7. Investments in Stone and Sand Quarries for Construction

Overview of Opportunities in Stone Quarries for Construction	
<p>Key features</p> 	<ul style="list-style-type: none"> Stone quarries and stone crushing plants for production of various construction materials, including materials for building roads and houses, are in high demand There is huge demand of stone materials in Tanga Region and in neighbouring areas due to multiple construction projects There are on-going activities but in small scale, and so medium and large-scale investments in this sub-sector are needed.
Preferred locations	<p>High deposit of rocks for quarries and sand are present in all LGAs and specifically in Tanga City Council (investments in stone crush plant at Maweni, Mzizima and Kiomoni Wards where 510 Ha owned by Tanga City Council have been allocated), Lushoto District Council, Handeni District Council and Mkinga District Council (Tanganstones cutting Plant at Doda village where 1.5 Acres have been allocated).</p>

Overview of Opportunities in Stone Quarries for Construction

Investment rationale	<ul style="list-style-type: none"> ▪ Urbanisation in Tanga Region is on the increase, hence increasing construction of modern houses and infrastructures that utilise stone quarry products ▪ Zanzibar has high demand for sand for its growing housing sector ▪ Demand for construction materials in Tanzania, especially decorative stones including the famous Tanga stones from Mkinga District, will continue to rise due to expanding cities in the country (e.g. Dodoma City).
Available support	<ul style="list-style-type: none"> ▪ Land and mineral departments at LGAs to provide guidance on the legal requirements for extracting and processing decorative stones ▪ NEMC to provide environmental assessment certificates for investments in the construction sector, and to supervise restoration of mining pits.


3.4 Investments with a National Scope

The following opportunities are mostly coordinated at national level through institutions such as TIC. However, local government authorities have a role of assisting in identifying and mobilising citizens to accept investments into their localities and to also take up opportunities for support services during and after implementation as part of encouraging local content and participation.

1. Marine Transport

Although marine transport between Tanga and other coastal towns can be considered to have improved in Tanga Region compared to previous years, there is still demand for more vessels to take on cargo and passengers.

Overview of Investments Opportunities in Marine Transportation


Key features 	<ul style="list-style-type: none"> ▪ Introduce more scheduled vessels between Tanga Port and major towns along the Indian Ocean coast ▪ Introduce water sport boats ▪ Introduce tourist cruise ferries/ships ▪ Investment in associated services due to expanding port services and especially the opening of a crude oil terminal and Mwambani Port being built by the Chinese.
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Overview of Investments Opportunities in Marine Transportation

<p>Investment rationale</p>	<ul style="list-style-type: none"> ▪ Water transportation of passengers and goods is an expanding opportunity to increasing population and improving economic conditions of the people in Tanga Region ▪ Need to offer competition to existing vessels ▪ Low capacity of existing vessels plying between Pemba and Unguja ▪ Demand for commodities produced in Tanga to be supplied in other towns in Tanzania Mainland, Zanzibar, Kenya and Uganda.
<p>Available support</p>	<ul style="list-style-type: none"> ▪ Marine transport policy and laws protect marine transport business ▪ Patrol boats in place ▪ New radar system to ensure the ocean is secure and safe.

2. Ports Modernisation and Oil Pipeline from Uganda

Overview of Investment Opportunities Related to Oil Pipeline from Uganda

<p>Key features</p> 	<ul style="list-style-type: none"> ▪ Sub-contracting to clearance of pipeline route and service camps ▪ Provision of fuel and vehicle accessories ▪ Provision of transport logistics ▪ Provision of catering services ▪ Development and modernization of Tanga Bay, Kware Bay, Manza Bay and Mwambani Bay to allow tourist ships and other vessels to dock and expand access of tourists arriving by ship to Tanzanian national parks and to other tourist attractions. Access to Saadani National Park, the only park bordering the coastal line in the region ▪ Enhancing and expanding access to export/import through modernised ports.
<p>Investment locations</p>	<ul style="list-style-type: none"> ▪ Mkinga District Council: Designated industrial parks ▪ Tanga City Council: About 941 Ha of land owned by individuals at Chongoleani/Ndaoya can be used for any investment to tap the opportunities brought by Oil Pipeline from Uganda and gas from Mtwara ▪ Pangani District Council: Designated industrial parks.

Overview of Investment Opportunities Related to Oil Pipeline from Uganda

Available support	<ul style="list-style-type: none"> ▪ Local content policy encourages participation of Tanzanians in foreign-funded projects such as this one ▪ There is a specific agreement between Uganda and Tanzania to allow participation of Tanzanians in this pipeline venture.
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3. International Horticulture Market at Segera

Overview of Investment Opportunities in Establishing an International Horticulture Market at Segera

Key features	<ul style="list-style-type: none"> ▪ Setting up an international horticulture market at Segera ▪ The market to serve EAC market
Preferred locations	<ul style="list-style-type: none"> ▪ Handeni District Council: At Segera, where a total of 367.2 hectares are available.
Investment rationale	<ul style="list-style-type: none"> ▪ The market to cater for needs from EAC member states ▪ To provide a reliable outlet for horticulture produce from within and outside Tanga Region ▪ MIT and MoA have planned this project for the past 15 years.
Available support	<ul style="list-style-type: none"> ▪ PPP policy and PPP regulations in place ▪ TAHA to provide support ▪ Tanzania Trade Development Authority (TanTrade) to provide support.

4. Finance and Banking Services

Although there are more than 10 financial institutions with a national scope that provide financial services in Tanga Region (which is an indication of high demand for financial services), none of them provides long-term development finance suitable for industrial investments.

Overview of Investments Opportunities in the Banking Sector

Key features



In need of new banks or improvements in existing banks:

- Banking facilities in support of agricultural and livestock production
- Banking facilities to support agro-processing industries and other industrial and service sector investments
- Banking facilities to support manufacturing based on region's natural resources
- Trade financing facilities

Investment rationale

- Tanzania Agricultural Development Bank (TADB) is a national bank dedicated to support long-term agricultural investments in the agriculture sector
- Tanzania Investment Bank (TIB) offers long-term development financing for industrial development. It cannot handle all bankable projects
- Most of the banks offer commercial loans that are not suitable for long-term investment financing.

Available support

- Licensing of financial institutions is done by the Bank of Tanzania
- Finance and banking policies provide attractive conditions for the banking sector
- Monetary and fiscal policies have led to macro-economic stability with controlled inflation rates
- Security to businesses and banks throughout the region.

STRATEGIC ISSUES FOR IMPLEMENTATION OF THE GUIDE

4.1 Developing an Implementation Plan and Strategy

Preparation of an in-depth implementation plan and strategy, including detailed financing strategy is among the critical areas as far as attracting investors is concerned. To accomplish this requires that regional and districts staff supported by national institutions that are engaged in investment development and promotion. The implementation strategy/plan will enable the region to identify and link up with national and local investors, businesses, and investment promoters, as well as creating awareness of and getting access to international investors. The necessary capacities to develop and pitch bankable project proposals for investment must be built.

Thus, moving forward, the region will make efforts to seek support from partners and local financial institutions to mobilize resources that will be used to: (i) develop capacity of local government staff, (ii) engage and support capacity development for private sector associations including business councils, (iii) facilitate organization of local, national and international investment forums, (iv) enable development of bankable projects/business cases, and (v) facilitate and promote international trade.

In line with the identified investment opportunities, among other things, the region will give priority to improving the collection and quality of data in all key social-economic sub-sectors, products and services. This is extremely important for supporting investors decisions in undertaking their feasibility studies and development of business plans.

The region recognises the challenges of implementing the guide and to attract the much-needed investments. Therefore, the region resolves to establish an investment unit to guide and facilitate investors. Also, the investment guide will be used to market the investment opportunities that are available in the region. To operationalise the guide the region will select some opportunities

and collaborate with lenders and investors to develop Concept Notes (CN), conduct pre-feasibility and feasibility studies, and develop business plans for bankable projects.

4.1.1 Financing Strategies and Partnership

Access to finance is the most pronounced challenge given the changing global financing architecture and onset of COVID-19 pandemic that has forced governments, the private sector and other key economic and business players to revisit their expenditure priorities. Innovative ways have to be identified and decisions of where to invest require strategic thinking.

The region will have to seek support from experts for advice on how to structure financing for promising viable bankable projects. Such expertise is readily available at UNCDF, UNIDO, UNDP, AfDB, UN-HABITAT, private consultancy firms and Universities. Some of the potential financing approaches include:

- Increasing private sector participation, singularly or in partnership with the LGAs, at the same time ensuring that the private resources (e.g. local banks, etc) is well leveraged.
- Undertake measures that help to scaling up domestic revenue mobilisation for LGAs, which can be an incentive for ploughing back resources into further investment.
- Ensuring priority investments secure smooth and full funding, e.g. through innovative financing – blended finance, municipal bonds, etc.
- Leveraging public sector resources into key infrastructure to entice private sector participation in financing priority development projects.
- Working closely with experts that can assist in developing business ideas and collaborating with local banks and other lenders or grant making institutions.
- Encouraging and working with institutional investors like pension funds, cooperative unions, state owned enterprise, etc.
- Work with and encourage foundations or corporates to properly be responsible social investors/environmental investors.
- Utilize investment facilitation fund by approaching development banks such as TADB and TIB and others.
- Also, partnership creation in various circumstance and forms so that a vibrant Special Purpose Vehicle (SPV) can be established e.g. PPP or

PPPC, Region (A) + Region (B); two districts or more forming partnership; LGA with state owned enterprise; LGA + SOE, Private; LGA + Private + SOEs + International Private.

4.1.2 Human Resources Development

Investment in human resources development is one of the agenda given priority in Sustainable Industrial Development Policy (SIDP). Human capital consists of the stock of knowledge, set of skills and abilities inherent in individuals which increases productivity. We now live in the Knowledge Economy and we need, as a matter of necessity, to build human capital that will enable Tanga Region to productively and effectively engage in the country, region and globally. It is important to structure training programs that are linked to what the market requires. This involves technical training of workforce required by individual industries, development of business management, and development of industrial capability to plan and implement business strategies. Scarcity of middle-level management and skilled labour is one of the most serious constraints, which the region will focus on to improve.

Other key elements of capacity development are leadership and promotion of the guide, communication and marketing the investment opportunities, ability to engage and negotiate deals for a win-win results, accurate interpretation of the national and local investment policies, laws and regulations.

It is imperative to invest in digitalization of the investment guide, data and link to economic diplomacy. Digitalization and economic diplomacy will help to share with both foreign embassies located in Tanzania and Tanzanian embassies abroad.

4.1.3 Addressing Weaknesses Hindering Investments

The region will focus on measures to address weaknesses that would hinder investments. These will include the following:-

- (i). Priority investment in physical (hard) infrastructure to support SMEs such as in SIDO spaces, as well as in designated spaces for clusters and in soft infrastructure including human resource development, institutional support and regulatory issues

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- (ii). The region will work with SIDO and other development partners in the provision of business support services to SMEs for the purpose of building their capacity to grow (this can be done through SIDO and clusters)
 - (iii). Identifying mechanisms to address financing needs of SMEs through public finance, from private financial institutions and from development partners
 - (iv). Creating regional institutional support for growth through accelerating public sector development for coordinated public support by:
 - a) Establishing financial support programmes for promotion of local investment in identified sub-sectors.
 - b) Creating an investment matching fund to promote private sector investment in regional strategic projects.
 - c) Creating and deploying industrial extension officers to support industries in all LGAs.
 - d) Establishing investment facilitation units or teams for easy access by investors.
 - (v). Mobilizing zonal or regional technical support institutions, (industrial support organisations, business support organisations and agencies) at regional and district levels because national support institutions like NDC, BRELA, TNBC, TIRDO, EPZA, TANTRADE, TBS, COSOTA etc., may not be able to undertake their functions effectively in each region.

4.2 Translating the National Five-Year Development Plan 2021/22 – 2025/26 (FYDP III) to Local Context

The investment guide is aligned to the Third Five-Year Development Plan (FYDP III) 2021/22 – 2025/26, which is dedicated to realising Competitiveness and Industrialisation for Human Development through trade and investment, value addition activities, deepened industrialisation and services provision, and skills development.

These will be driven by new knowledge and digital revolution. To achieve this the region will among others promote industrial sector growth based on inter-sector value addition, competitive agro-processing industries, developed medium-technology industries, natural resources-based/fuelled industries as well as an increase in mineral beneficiation.

4.2.1 FYDP III Core Objectives

FYDP III main objective is to contribute to realisation of the National Development Vision 2025 goals. These goals include Tanzania becoming a middle-income country status and continue with transformation of becoming an industrial country with a high human development or a high standard of living. Upon reaching its vision, the Tanzania is envisioned to have the following attributes: peace, stability and unity; good governance; an educated and learning society; and a strong economy that can withstand competition and benefit many people.

Therefore, the FYDP III enhances the thrust of previous plans by emphasizing economic reform, industrial development, and the knowledge and ability to participate fully in international trade. Tanzania can benefit more from its geographical location, abundance natural resources than it is now. The peace and political stability of a country are valuable assets that, among other things, will attract local and foreign investors to areas with economic growth opportunities. Further, FYDP III highlights for increased investment in science, technology and innovation as a way for the country to move from comparative advantage into competitive advantages, stimulate industrial development and become competitive in local, regional and global markets.

The FYDP III aims to strategically use resources to achieve the goals of the National Development Vision 2025. In addition, FYDP III aims to implement sectoral strategic plans, agreements and regional and international strategic plans including the implementation of the Sustainable Development Goals - SDGs to accelerate economic growth and social development. Specifically, FYDP III intends:

- (i). To build on achievements realised towards attainment of TDV 2025 to make Tanzania a semi-industrialised, middle-income country by 2025;
- (ii). To strengthen capacity building in the areas of science, technology and innovation to enhance competitiveness and productivity in all sectors especially the productive, manufacturing and services sectors to enable Tanzanians to benefit from the opportunities available within the country;
- (iii). To strengthen the industrial economy as a basis for export-driven growth including investing in new products and markets and enabling Tanzania to become a production hub in the countries of the East, Central

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- and Southern Africa and thus increasing the country's contribution to international trade;
- (iv). To enhance the scope of Tanzania's benefits from strategic geographical opportunities through enabling improved business environments and strengthening the country's regional position as a hub for production, trade, supply and transportation;
 - (v). To facilitate increased business start-up and private sector involvement to find the best way to promote the growth of the sector in tandem with job creation and make the sector a strong and reliable partner in development;
 - (vi). To promote exports of services including tourism, banking services, insurance and entertainment;
 - (vii). To strengthen the implementation of FYDP III including prioritization, planning, integration and alignment of implementation interventions;
 - (viii). To accelerate inclusive economic growth through poverty reduction and social development strategies as well as productive capacity for youth, women and people with disabilities;
 - (ix). To ensure that regional and global agreements and commitments are fully integrated into national development for the benefit of the country;
 - (x). To strengthen the relationship between the sectors that are endowed with natural wealth and resources with other economic and social sectors;
 - (xi). To strengthen the role of Local Government Authorities (LGAs) in bringing about development and increasing income at the community level; and
 - (xii). To strengthen the country's capacity to finance development by ensuring access to domestic revenue and effective management of public expenditure.

4.2.2 Role of Tanga Region as per FYDP III Focus

FYDP III among others, strengthen the role of Local Government Authorities (LGAs) in bringing about development and increasing income at the community level. The region will ensure the envisaged economic transformation has a sizeable and sustainable impact on the reduction of poverty and improvement in quality of life (through inclusive growth) where MSMEs are supported and well linked to large-scale enterprises in manufacturing, construction, tourism, and other priority areas of FYDP III

through the local economic development (LED) approach. The LED approach, which tailors local plans to respective local contexts and comparative advantages, provides an effective way to organise small-scale farmers and MSMEs for the purpose of supporting industrial transformation.

Tanga Region Investment Guide presents economic and investment opportunities and is expected to strengthen and promote industrialisation and SMEs in agriculture value chains, knowledge transfer and capacity building. The key to socio-economic transformation is the LED approach. It is critical to ensure that allocation of land for investment and development of SME clusters is happening.

4.2.3 Local Economic Development (LED) Approach

The core aim of LED in FYDP III is to ensure that practical approaches are used by regional secretariats, LGAs, and communities in designing and implementing locally customised investment interventions. The LGAs pursue the promotion of local investment through the LED approach - **Focusing on Small and Medium Enterprises (SMEs)**

In recognition of the role that SMEs play in job creation, to align with the FYDP III, the Tanga investment guide focuses on the following, among others:

- a). commercialisation of primary production activities that will provide inputs to the manufacturing and processing enterprises – agriculture, livestock, forestry, marine products harvest (from lakes) and mineral extractive industries
- b). Industrial parks development as physical platforms for locating manufacturing and processing enterprises with reliable and affordable supply of industrial infrastructure and related services – power, gas, industrial water, telecommunications and industrial waste management.
- c). Human skills and enterprise development that will create a labour pool and the requisite business infrastructure.
- d). Technology transfer to ensure that the development of new industries will be profitable and environmentally friendly. To acquire and adapt various technologies for the long-term development requirements of the region.

To be effective, local economic development strategies will be customized from the national framework for certainty and predictability, thereby allowing businesses to incorporate them in their supply chain management plans and practices. FYDP III aspires to see the development of a 'thriving' local entrepreneurial (private enterprise) class and clearly articulated not only as a viable for sustainable employment generation but also for faster economic growth.

4.2.4 Strategic Interventions for Private Sector and Non-State Actors Development

The region will customized FYDP III proposed interventions for enhancing the role of the private sector and non-state actors as key players in the implementation of the plan. Specific interventions include Improving the business climate; Expanding access to critical economic and social infrastructure, and Supporting enterprise development as follows:

a) Improving Business and Investment Environment:

A conducive environment for business planning and operation is essential for the development of a vibrant, competitive and sustainable private sector. Interventions for improving business environment shall prioritise:

- (i) Continued collaborative implementation of the Blueprint for Regulatory Reforms to Improve the Business Environment; and
- (ii) Strengthen public-private policy dialogue through devolved and strengthened TNBC, NEEC and other structures.

b) Expanding Access to Social and Economic Infrastructure

Adequate infrastructure (including formality and security of land tenure, transport, electricity, water and ICT infrastructure) is an essential input for smooth and cost-effective operation of business. Similarly, access to quality of social services like education, health and judiciary reduces the risk of high operational cost for enterprises, thus contributing to faster private sector development. In this regard, the following interventions shall compliment the effort to promote private sector and non-state actors' participation in Tanzania's economic development:

- (i) Continued investment in human capital (health, education, etc.) and governance systems as indicated in relevant sector programmes;

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- (ii) Investment in economic infrastructure as indicated in relevant sector programmes;
 - (iii) Investment to secure a regional logistics hub with efficient air, land, inland water transport and ICT connectivity.

c) Supporting Enterprise Development

Effective change requires information, data, and analysis on the opportunities and constraints enterprises face as they strive to diagnose situations, facilitate evidence-based decision-making and assess the effectiveness of their decisions. FYDP III put in place measures to increase the survival rate of start-ups. Measures in this regard shall include:

- (i) Inclusive business support services by providing and sponsoring entrepreneurship training for eligible entrepreneurs, facilitate registration/formalisation, sharpen business plans and back up for engagement with potential financiers;
- (ii) Assist to provide information on opportunities, advocacy and investment promotion generally;
- (iii) Promote specialised financing windows for eligible enterprises;
- (iv) Organise or support business incubation laboratories, including for innovators;
- (v) Support the development and awareness of Business Development Services (BDS) to support private sector competencies along the value chains of priority sectors and use market access opportunities; and
- (vi) Promote local content and local economic development strategies.

4.2.5 Building Trust in the Public-Private Dialogue (PPD)

Review of country experiences show that, often a time, Public-Private Dialogue (PPD) becomes ineffective due to mutual distrust between the Government and the private sector. For the private sector and non-state actors to thrive and make a significant contribution to the economy, both parties must trust each other.

This will make it possible for each party to fulfil its role. The Region has a responsibility to create an enabling and safe environment for the private sector and non-state actors but also the private sector and non-state actors has a responsibility to conduct its activities transparently and to provide accurate information to the government.

The Region will adopt the groundwork for dialogue laid by FYDP III as a key pillar of trust building by ensuring that there are mechanisms for listening to and working on private sector complaints, arguments, and opinions. In the private sector, the FYDP III strategies require transparency and accurate business information, fair competition, and the proper use of investment incentives offered by the Government. FYDP III has set the stage for having a top leadership of the country with a sincere commitment to engaging the private sector. It is believed that the gap between high-level Government officials and a group of businessmen will decrease. Stronger national development meant the best possible returns for both partners. The Region will support this initiative.

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 in Tanga Region specifically.

5.1 Supportive Policies and Legal Environment

Key investment policies, laws, strategies, plans and programmes that are promoting investment in the Region are presented below.

5.1.1 Policies, Legal, Institutional and Regulatory Considerations

a). Key policies

Policies to guide investment promotion and interventions in Tanga 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 (1997); The Mineral Policy of Tanzania (2009); Tanzania Mining Industry Investor's Guide (2015); Tanga Regional Strategic Plan 2021/22 - 2025/26, District and City 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 Tanga Region are: Immigration act and regulations of work permits; Tanzania Investment Act (2022); 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); the National Environment Management Act (No.10 of 2004); the Environment Management (Environmental Impact Assessment and Audit) (Amendment) Regulations of 2018; and other sector Acts and relevant Tanga Region local government authorities by-laws.

5.1.2 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 III); 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 such as SAGCOT.

The above policies, regulatory authorities, strategies and plans support the investment climate in Tanga 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 Tanga Region is determined to be doing that and to ensuring speedy implementation of prioritised investment opportunities, as well as to put in place a climate that is conducive to investing in the Region.

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

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

a). **Public-Private Partnership**

The Government recognises the role of the 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 Public Private Partnership (Amendment) Act (2018) and PPP Regulations (2020) 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 Partnership

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 venture

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).

5.2 Facilitation: Processes and Requirements

Tanga Region and Central Government have set and are striving to improve the investment climate to attract 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.

5.2.1 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, and 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: info@tic.go.tz

5.2.2 Main Institutions Dealing with Investment in Tanzania and in Tanga Region

Main institutions dealing with investment issues in Tanga 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 Tanga, local government authorities in respective Districts (on land issues), Ministry of Water (MoW), Ministry of Agriculture (MoA) and Ministry of Livestock and Fisheries (MoLF).

5.2.3 Registration

Registration of an investment can be undertaken at BRELA and at district, regional or national offices of Tanzania Investment Centre and requires the following documentation: (i) Memorandum and Articles of Association; (ii) Certificate of Registration or Certificate of Incorporation; (iii) Investment Feasibility Study; (iv) Certificate of Incentives in the case of projects approved by TIC; (v) Partnership Agreement (deed), in the case of a partnership; (vi) Lease Agreement; (vii) Business Enquiry Forms; (viii) IT 21 forms for companies and IT 20 forms for individuals; and (ix) Company and Operators' Certification of Registration for Tax Payer Identification Number (TIN).

5.2.4 Central Government Taxes

Taxes involved in investment projects in Tanga 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. Corporate with perpetual unrelieved losses for three consecutive years (excluding corporate conducting agriculture business, providing health care or education services), corporate tax is 0.3 percent of annual turnover for resident corporate.

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 a personal income tax where total income exceeds TZS 2,040,000/- per annum. 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, and foreign institutions dealing with technical assistance and the United Nations Organisation and its agencies/organs.

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 entities 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 oil seeds, 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.

5.3 General Investment Incentives

Investors registered by Tanzania Investment Centre pursuant to Tanzania Investment Act, 2022 (TIA, 2022) 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.

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 detailed above are subject to periodic reviews, as the Government keeps on improving the investment climate in the country. Please contact Tanzania Revenue Authority (www.tra.go.tz) and Tanzania Investment Centre (www.tic.go.tz) for updates.*

5.4 Access to Resources

5.4.1 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, 2022.

Land for investment purpose shall be identified, gazetted and allocated to 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

5.4.2 Land for Investment in Tanga Region

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

5.4.3 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.

5.4.4 Labour

Tanga 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 about

20 Vocational Training Centers for Post- Primary youths, one VETA College, and two Community Development Training Colleges. There are also two Private Universities (Enckenford University and KOTETI -Kolowa Technical and Training Institute) as well as a branch of Open University of Tanzania. Investors are invited to build skills development institutes in the Region.

5.4.5 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.

5.5 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 and manufacturing to strengthen competitiveness as well as to raise its GDP. The Regional government and District authorities are ready and committed to providing a series of further support services and incentives to drive industrial development and growth in short, medium and long-term plans.

According to 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 products.

However, for the private sector to play its role effectively, Tanga Region authorities will have to 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 as well as public-private community partnerships, and also facilitate joint ventures between

potential investors and local private investors. Such partnerships are critical for achieving objectives of implementing capital and technology-intensive investments, including the build-operate-and-transfer approach. In addition, the private sector will be facilitated to improve delivery, to thrive and be competitive by easing access to affordable input and output factors nationally and internationally.

PART SIX

KEY CONTACTS IN TANGA REGION

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

6.1 Key Websites

Office	Website
Tanga Regional Secretariat	www.tanga.go.tz
Tanga City Council	www.tangacc.go.tz
Muheza District Council	www.muhezadc.go.tz
Mkinga District Council	www.mkingadc.go.tz
Korogwe Town Council	www.korogwetc.go.tz
Handeni Town Council	www.handenitc.go.tz
Kilindi District Council	www.kilindidc.go.tz
Lushoto District Council	www.lushotodc.go.tz
Bumbuli District Council	www.bumbulidc.go.tz
Pangani District Council	www.panganidc.go.tz
Korogwe District Council	www.korogwedc.go.tz
Handeni District Council	www.handenidc.go.tz

6.2 Key Contacts

6.2.1 Regional Commissioner's Office

Office	Post Office Box	Telephone/Mobile Phone	E-mail
Regional Commissioner (RC)	5095, Tanga	+255 27-2642240	rc@tanga.go.tz
Regional Administrative Secretary (RAS)	5095, Tanga	+255 27-2642421	ras.tanga@tamisemi.go.tz

6.2.2 District Commissioner's Offices

Office	Post Office Box	Telephone	E-Mail
Tanga District Commissioner	832, Tanga	+255 27-2642398	das.tanga@tanga.go.tz
Muheza District Commissioner	70, Muheza	+255 734 603340	das.muheza@tanga.go.tz
Mkinga District Commissioner	2008, Tanga	+255 27-2641434	das.mkinga@tanga.go.tz
Korogwe District Commissioner	651, Korogwe.	+255 27-2650011	das.korogwe@tanga.go.tz
Handeni District Commissioner	02, Handeni	+255 27-2977408	das.handeni@tanga.go.tz
Kilindi District Commissioner	01, Kilindi	+255 27-977304	das.kilindi@tanga.go.tz
Lushoto District Commissioner	32, Lushoto	+255 27-2600003	das.lushoto@tanga.go.tz
Pangani District Commissioner	34, Pangani	+255 27-2641227	das.pangani@tanga.go.tz

6.2.3 Tanga City Council

Office	City Director		E-mail
	Post Office Box	Telephone/Mobile Phone	
Mayor	178 Tanga	+255 27 2644530/3	info@tangacc.go.tz
City Director	178 Tanga	+255 27 2644530/3	info@tangacc.go.tz

6.2.4 Town Councils

Office	Town Director		E-mail
	Post Office Box	Telephone/Mobile Phone	
Korogwe Town Council	615 Korogwe	+255 27 2650050	info@korogwetc.go.tz
Handeni Town Council	51, Handeni	+255 27 2641807	td@handenitc.go.tz

6.2.5 District Councils

LGA	District Executive Director		E-mail
	Post Office Box	Telephone/Mobile Phone	
Muheza District Council	20 Muheza	+255 272641105	ded@muhezadc.go.tz
Mkinga District Council	6005 Tanga	+255 272977200	info@mkingadc.go.tz
Kilindi District Council	18 Songe - Kilindi	+255 272977306	ded@kilindidc.go.tz
Lushoto District Council	32 Lushoto	+255 272640029 +255 272940110	ded@lushotodc.go.tz
Bumbuli District Council	111 Bumbuli	+255 272640342	ded@bumbulidc.go.tz
Pangani District Council	89 Pangani	+255 272630058	ded@panganidc.go.tz
Korogwe District Council	584 Korogwe	+255 272650017	ded@korogwedc.go.tz
Handeni District Council	355 Handeni	+255 272977402	ded@handenidc.go.tz

INVESTORS IN SISAL BUSINESS

<p>SISAL PROCESSOR & MANUFACTURER Sisalana (T) Company Limited P.O. Box 342, Tanga Tel: +255 626 283977 E-mail: info@sisalana.co.tz elizabeth.kalambo@gmail.com ekalambo@sisalana.co.tz Website: https://www.sisalana.co.tz</p> 	<p>SISAL GROWER, PROCESSOR & MANUFACTURER D. D. Ruhinda & Company Limited P.O. Box 1987, Tanga Fax: (027) 264201146579 E-mail: deo@sisaltz.com Website: www.sisaltz.co.tz</p>  <p style="text-align: right;">D D RUHINDA & CO LTD</p>
<p>SISAL GROWER, PROCESSOR & MANUFACTURER Mohamed Enterprises Ltd P.O. Box 239, Tanga Tel: (023)2604860 (022)2118930/21211866 Fax: (023)2604779, (022) 2121866/2113183 E-mail: agriculture@metl.net</p> 	<p>SISAL GROWER & PROCESSOR Sagera Estates Limited and Usambara Spinning Mill P.O. Box 117, Tanga Fax: (027) 2644076 Tel: (027) 2646847 E-mail: bopiah@gmail.com; mshanothman@gmail.com</p>
<p>SISAL MANUFACTURER Amboni Spinning Mill P.O.Box 5023, Tanga E-mail mills@amboni.org E-Mail semwiko@amboni.org</p>	<p>SISAL GROWER & PROCESSOR Gomba Agricultural Industries Limited P.O. Box 4142, Dar es Salaam Fax: (022) 2118960 E-mail: gombaltd@gmail.com</p>
<p>SISAL GROWER & PROCESSOR Kauzeni (1988) Plantations Ltd P.O. Box 5802, Tanga</p>	<p>SISAL GROWER & PROCESSOR Kumburu Sisal Estate P. O. Box 2294, Tanga Tel: (027) 2647438</p>
<p>SISAL GROWER & PROCESSOR Liamba Sisal Estate</p>	<p>SISAL GROWER & PROCESSOR Mizinga Plantations Limited P.O. Box 4, Pangani, Tanga E-mail: mizingaplantationsltd@gmail.com</p>
<p>SISAL GROWER & PROCESSOR Amboni Sisal Properties Limited P.O.Box 5040, Tanga</p>	<p>SISAL GROWER & PROCESSOR Marungu Sisal Plantations Ltd Tel +255 713 329931 or +255 713 510474</p>
<p>SISAL GROWER & PROCESSOR SFI Tanzania Limited Box 57, Korogwe E-mail: tg@sfitanzania.com brownjoseph991@yahoo.com</p>	<p>SISAL GROWER & PROCESSOR Amboni Plantations Limited P.O. Box 5023, Tanga Fax: (027) 2647660 Tel: 2646795 E-mail: hugo@reaviping.co.ke</p>
<p>SISAL GROWER & PROCESSOR New Kwashemshi Sisal Estate P.O. Box 518, Tanga E-mail: mnkande@yahoo.com</p>	<p>SISAL GROWER & PROCESSOR Ago Tanga P.O. Box 3978, Dar es Salaam</p>
<p>SISAL GROWER & PROCESSOR UNICORD (T) Limited (Toronto) P.O. Box 397, Tanga E-mail: inumulla@gmail.com</p>	<p>SISAL GROWER & PROCESSOR New Mrazi Fibres Limited P.O.Box 51, Mombi E-mail: gm@kimamba.co.tz</p>



**SAADANI
NATIONAL PARK**

English



"Where the Bush meets the Beach"

2019/1

Welcome to Saadani National Park!

We are delighted that you have selected to visit this amazing National Park where the bush meets the beach. One gets to relish the palm trees as they sway in a cooling ocean breeze. White sand and blue water sparkle alluring beneath the tropical sun makes Saadani a splendid place to visit.

It is a place where you will encounter large and small mammals, birds and reptiles including Roosevelt's sable antelope; the mangrove forests around the winding Wami river, ocean, clumps of palm trees, coral reefs and the beaches along the shores of Indian ocean forming one and only breeding sites for green turtles in Tanzania national parks' system.

We are forever grateful for sparing your time to come and visit us. Enjoy your stay!




For further information, please contact:

Commanding Officer
Saadani National Park
P. O. Box 133, Pangani
Tel: + 255 232 955 036
Hotline: + 255 689 062 346
Email: saadani.tourism@tanzaniaparks.go.tz
saadani@tanzaniaparks.go.tz
Instagram: [saadani_nationalpark](https://www.instagram.com/saadani_nationalpark)
Website: www.tanzaniaparks.go.tz



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info@sscs.co.tz



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Tanga Terminals
Empty Container Depot

STORAGE SERVICES

Handling
Repackaging
Tallying

CUSTOMS CLEARING

Local
Transit

TRANSPORT SOLUTIONS

Dedicated Inhouse Fleet
Subcontracting
Bulk Cargo
Mixed Cargo

RAIL OPERATIONS

Central Corridor
Dar es Salaam Corridors

MORE INFO AT WWW.SSCS.CO.TZ



MAGILA FALLS ECO RESORT

The resort is located on eastern side of the Usambara Mountain ranges, Tanga. We are located in the Village of Magila, around 7 kilometres from Mahara, Tanga, Tanzania. The Magila Falls Resort is an eco-resort with guest accommodations consisting of rustic cottages, tented rooms and campgrounds. We focus on the essentials: comfort, Good food, Peace and Tranquility. Visit us to let the area speak for its self. We have two exceptional sites: Riverside View Resort and the Usambara Mountain View Resort. Magila Falls also offers interesting activities from a wide range of influences that are refreshingly different. The terraced restaurants and bars overlook the gardens and mountain ranges and forested hillside and beyond. The resort and its surrounding attributes are the perfect in providing a relaxing environment. Visit us today to Play, Enjoy and Relax. Eat and Drink, Sleep and Rest, Reflect and Explore and Discover!

THINGS TO DO AT MAGILA FALLS

- Walking safaris
- Swimming gaded falls in the East Usambara Mountain Ranges
- Mountain climbing (East Usambara Mountain Ranges)
- Photographic tourism
- Relaxing around the hot springs
- Camping and Picnicking
- Bird watching
- Sports fishing (catch and release)
- Cultural and historical tours
- Magila Methodist church tour (Oldest church in Tanzania)
- Discovery tours (Rara river features - pot holes)
- Golf course nearby
- 12 Drama Mimepage Music Times - Dance with the locals around the bonfire
- Discover the art of making palm oil
- Research and educational tours
- Coconut Park of extraction
- Swimming Pool, will be available soon

ATTRACTIONS

- Seven distinct waterfalls (not different portions of the same waterfall)
- Series of flower bed patches
- East Usambara Mountain Ranges
- Oldest Church in Tanzania (Magila Malabari)
- Historical caves
- Old School in Tanganyika
- Swimming pool on the mountain
- Tented Mountain Guest (Mkazi) that can take you for a tour of Magila Falls

DINING AND DRINKING

- Riverside View Lodge Bar and Restaurant
- East Usambara Mountain View Lodge Bar and Restaurant

ACCOMMODATIONS

- Cottages
- Tented Decks
- Campgrounds

For more information:
+255 676 522 988 | +255 748 095 319 | magilafalls_resort
+255 241 9855 | MagilaFalls_Resort
www.magilafallsresort.com | www.magilafallsresort.com

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MKOMAZI NATIONAL PARK

"Home of Black Rhinos"

2019/21



Visit and Support

Visit the park and experience the real side of an African culture where locals can share their traditions and cultural values and where you can contribute by improving their livelihood in this ever changing world! Thank you!

Park Rules and Regulations

Please do not:

- Enter the park without a valid permit.
- Block other visitors access or disturb animals they are watching.
- Exceed the speed limit of 50k.p.h.
- Enter the park with pets, plant seeds or firearms.
- Uproot, pick, cut damage or be in a possession of any part of the plant from the park.
- Feed animals.
- Light or cause any wildfire.
- Litter
- Stay in undersignated accommodation facility

N.B:
The Park's entrance/exit gate opens at 06:00 a.m. and closes at 6:00 p.m.



For more information please contact:

Commanding Officer,
Mkomazi National Park,
P.O. Box 41,
Same - Tanzania.
Tel: +255 27 297 4365
Hotline: +255 748 000 711
E-mail: mkomazi@tanzaniaparks.go.tz
Instagram: mkomazi_national_park
Web: www.tanzaniaparks.go.tz

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SISALANA (T) CO LTD
SISALANA TANZANIA COMPANY LIMITED

PRODUCTS CATALOGUE

ABOUT US

Sisalana Tanzania Company Limited is owned by the National Social Security Fund (NSSF) of Tanzania with 100% of shareholding & has registered its offices in Tanga City which has the main processing plants in Tanzania.

Our company owns eight state-of-the-art facilities and one steel spinning and weaving factory which is the largest factory in East and Central Africa.

A state-of-the-art modern mill and a fleet of 100% sisal harvesting equipment, state-of-the-art machinery, farm operations machinery and transport trucks, it is located at Kilombero, Kilimo in Nguzunzi village, 5km from Tanga city (Dar es Salaam).

MANUFACTURED BY:
SISALANA COMBINE FACTORY

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