



Doing Business in Tanzania: 2008 Country Commercial Guide for U.S. Companies

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Chapter 1: Doing Business In Tanzania

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Market Overview

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Since the 1990s, Tanzania has made major strides toward a free-market economy, emerging from its socialist past and adapting to a globalized market system. The government of Tanzania has instituted a comprehensive economic reform program including liberalization of agricultural marketing, lifting of foreign exchange controls, deregulation of price controls, privatization of state-owned enterprises, and implementation of a new investment code offering competitive incentives for foreign investment. These significant economic reforms have been coupled with impressive macroeconomic stability, leading to steady growth over the last ten years. Still, Tanzania remains one of the poorest countries in the world and is highly dependent on foreign aid.

Basic economic statistics (2006 figures):

- GDP: USD 11.977 billion
- Real GDP Growth rate: 6.2%
- GDP per capita: USD 319
- Inflation: 7.3 %
- Total Exports to the World: USD 1.723 billion
- Total Imports from the World: USD 3.864 billion
- Exports to the United States of America: USD 20.7 million
- Imports from the United States of America: USD 123.1 million
- Mean Exchange Rate: Tsh. 1,252 per USD 1

Source: Bank of Tanzania (BOT)

Primary destinations of exports in 2006: (\$ US millions)

- European Union (EU): 755.7
- SADC: 341.1
- Asia (China, Japan and India): 296.1
- East African Community (EAC): 117.7

Source: BOT

Primary origins of imports in 2006: (\$ US millions)

• European Union (EU):	833.5
• Asia (China, Japan and India):	808
• SADC	625.9
• U.A.E.:	500.6
• Asian (Tiger Countries):	402.8
• EAC:	174.4
• USA:	123.1

Source: BOT

Natural Resources:

Tanzania has abundant natural resources particularly for agriculture, mining, energy and tourism. The country has 44 million hectares of arable fertile land. Most of Tanzania's land mass consists of the inland plateau rising gently from the coastal belt and stretching 1,000 kilometers, with three major islands along the Indian Ocean- Unguja and Pemba (also known as Zanzibar and Mafia). The great East African lakes --Victoria, Tanganyika and Nyasa--are partly within Tanzania. The country has the African Rift Valley with impressive natural features including the Ngorongoro crater and Lake Manyara, Mount Kilimanjaro (the highest peak in Africa), several rivers and streams with clean water and hydroelectric potential, diamonds, gemstones, gold, coal, iron, nickel, forest products, domesticated livestock, wildlife, fisheries and marine products, natural gas and possibly oil.

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As in any emerging market, doing business in Tanzania has its challenges:

- Unreliable, high-cost power
- Underdeveloped transport system
- Bureaucratic "red tape" and widespread corruption, particularly in customs and tax authorities
- Limited availability of skilled labor

Market Opportunities

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Tanzania's emerging economy is full of opportunity, as evidenced by the steady rise of foreign direct investment since the 1990s. In 2006, the value of Foreign Direct Investment (FDI) was US\$ 474.5 million compared to US\$ 447.6 million recorded in 2005.

Leading sectors include:

- Mining of gold, diamonds, gemstones and other minerals
- Agribusiness and Food Processing
- Telecommunications and Information Technology
- Petroleum, Gas and Energy Infrastructure
- Tourism and natural resources

In addition, U.S. consumer goods and franchise concepts are increasingly attractive to the Tanzanian market. With an estimated population of 37 million (Mainland and Zanzibar) and an economic growth rate of more than 6 percent per year, Tanzania offers a sizeable market despite the low per capita income.

Tanzania's on-going privatization efforts including the divestiture of smaller state-owned enterprises and large utility and transport parastatals, also create opportunities for U.S. companies to supply goods and services or to invest directly. Major privatization success stories to date include Tanzania Breweries, Tanzania Cigarette Company, Tanga Cement, and the Dar es Salaam Airport Handling Company, all of which had foreign involvement and are listed on the Dar es Salaam Stock Exchange.

Among the public enterprises still to be privatized are the Tanzania Electric Supply Company (TANESCO), the National Insurance Company, the Tanzania Zambia Railway, and business units under the Tanzania Harbors Authority.

More information can be found at the websites of the [Tanzania Investment Center](#) and the [Presidential Parastatal Sector Reform Commission](#).

Market Entry Strategy

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To enter the Tanzanian market, personal relationships make a big difference. Successful U.S. companies have taken the time to visit Tanzania, in order to get to know the market and meet with potential partners. Marketing U.S. goods is generally through a local agent or distributor. Successful investing usually requires an American (or other expatriate) representative on the ground.

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Chapter 2: Political and Economic Environment

For background information on the political and economic environment of the country, please click on the link below to the U.S. Department of State Background Notes.

<http://www.state.gov/r/pa/ei/bgn/2843.htm>

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Using an Agent or Distributor

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The most effective way of moving goods and services from U.S. producers to industrial and consumer users in Tanzania is through an agent or distributor. Typically, agents or distributors will enter into a Distributor's Agreement with U.S. producers to operate as wholesalers to sell goods and services to local organizations or companies. Some distributors also operate as retailers and sell directly to final consumers.

Using an agent or distributor has three distinct advantages. First, it enables firms to maintain continuity. Second, it places the task of ensuring payment on the local partner and, as such, reduces risk and costs. Finally, it provides protection to American suppliers inexperienced in Tanzanian business practices.

In general, finding a reliable agent or distributor requires an on-the-ground visit to meet with local businesspeople in person. Through its Gold Key Services (GKS) and International Partner Search (IPS), the U.S. Embassy in Dar es Salaam can assist U.S. firms interested in a relationship with local partners (see [Chapter 10](#) for more information on Embassy services).

Establishing an Office

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In Tanzania, all business entities require legal registration and a business license to operate in the country. These licenses are issued by the relevant Ministries (depending on the nature of the business). In February 2007, a new Business Activities Registration Act (BARA) was enacted and replaced the former Business Licensing Act No. 25 of 1972 which dealt with issuance of business licenses. The new business registration system is implemented by the Business Registrations and Licensing Agency (BRELA) of the Ministry of Industry, Trade and Marketing. BRELA is the Authority for Business

Registration in the country thus managing the National Registry. However, the Tanzanian Investment Center (TIC), established by the Tanzanian Investment Act of 1997, is the focal point for all investors' inquiries and facilitates project start-ups.

U.S. companies that have been most successful at establishing themselves in Tanzania have used expatriate managers to oversee their operations and to help move the start-up process along.

The steps involved in establishing a local office are provided in the following links:

- www.brela-tz.org
- www.tic.co.tz

Foreign companies' offices in Tanzania are treated as branches of a foreign company. They are registered under part XII of the Companies Ordinance Cap.212.

Franchising

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Tanzanians are recognizing the great potential for U.S. franchising as Tanzanian consumers increasingly seek reliable, cost-effective and convenient American products. The number of franchised outlets in major cities like Dar es Salaam and Arusha is increasing. Well-known U.S. franchises in Tanzania include Holiday Inn, Subway, Sign-A-Rama, Federal Express, DHL, Clear Channel and Crestcom.

The sub-sectors with high prospects include information technology, hospitality (restaurants and hotels), logistics and advertising. Legal requirements for franchising in Tanzania reflect international norms.

Direct Marketing

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In recent years with the increasing use and development of information technology, more Tanzanian consumers have been able to buy products from non-store sources, particularly via the Internet. Still, direct marketing in Tanzania must be conducted with caution, particularly when it comes to the question of payment. The agreement must have built-in protection to ensure payment. Tanzania has a poor track record when it comes to direct marketing and U.S. firms interested in pursuing this type of venture should do so with caution.

Joint Ventures/Licensing

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With the advent of privatization and commercialization of state-owned enterprises opportunities abound for joint ventures and licensing arrangements. There are also extensive opportunities in commercial farming and agribusiness for investors who are prepared to provide start-up capital for existing proposals. The Tanzanian government encourages joint ventures between local firms and foreign investors. The recent revival of the East African Community (EAC) means an effort to ensure smooth flow of trade

between Kenya, Uganda and Tanzania, making Tanzania an attractive location for firms interested in establishing physical presence or partnerships in the East Africa region.

Selling to the Government

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Government procurement is based on the issuance of tenders either annually (at the beginning of each calendar year) or as needed for specific goods or services. Bidding is often open to international bidders, but sometimes requires local participation in the form of a voluntary joint venture. The central tender board controls procurement, but in some cases Ministerial Tender Boards oversee the tender process. At times, procurement is by direct solicitation and Ministers may exercise considerable influence in the procurement process. In the case of World Bank financed procurement (procurement under IBRD Loans and IDA credits), bidding is open to all bidders from eligible source countries as defined in the WB Guidelines.

The most significant opportunities for U.S. businesses include the Transportation, Agricultural, and Energy sectors.

Distribution and Sales Channels

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In Tanzania, nearly all goods are distributed through wholesalers and retailers. Wholesalers import goods from the manufacturers or other wholesalers abroad in bulk, transport the goods to bonded warehouses, and later distribute them to retailers in the local market. Retailers purchase the goods, pay the required duties, and sell in small shops, usually specializing in one type of product.

Some wholesalers choose to run both wholesale and retailing operations. These are usually operators of supermarket chains and shopping malls.

In the chain of distribution, imports come through ports of entries, are cleared and taken to bonded warehouses, unless customs duties are paid at the time of entry. Major sea ports include Dar es Salaam, Tanga and Zanzibar ports; major airports include the Dar es Salaam International Airport Terminal One, Kilimanjaro Airport, and Zanzibar Airport.

Selling Factors/Techniques

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Selling factors and techniques depend on the kind of customer, which can be broadly divided into three categories.

First, government departments and state-owned enterprises depend on the issuance of tenders under procurement regulations. When selling, a U.S. supplier has to meet the terms and conditions including the deadline of submission of the tender as stipulated in the tender document. A strategic joint venture with a local partner is the best to approach to use. This market segment is usually quality sensitive, rather than price

sensitive.

Second, private sector companies depend on direct solicitation, business-to-business agreements, and one-on-one negotiation. Establishment of distributorship agreements or strategic representation relationships are good ways to sell in the Tanzanian private sector market. This market segment is usually price sensitive.

Third, non-governmental organizations (NGOs) tend to utilize foreign sources, which are either associated with or based in their countries of origin. It is best for U.S. companies to target U.S.-based NGOs, often at the U.S. headquarters. This particular market segment can be both quality and price sensitive.

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E-Commerce is now widely used in the Tanzanian financial sector market. In the private sector, e-business is also growing, but it is still at an infancy stage. Very few private sector companies have established B2B websites, but buyers are increasingly using the Internet.

Trade Promotion and Advertising

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The following organizations are recommended by the Embassy for advertising:

Tanzania Chamber of Commerce, Industry and Agriculture, Commercial Newsletter:
<http://www.tccia.co.tz/>

The Board of External Trade, "Trade Currents" Journal: <http://www.bet.co.tz/>

Media Advertising Company Limited, (The Express): <http://www.theexpress.com>

Daily and Sunday News: <http://www.dailynews.co.tz>

Business Times: <http://www.bcstimes.com/btimes/index.shtml>

The Guardian: <http://www.ippmedia.com>

The Citizen: email news@thecitizen.co.tz

The East African <http://www.nationmedia.com/estafrican/current/>

Radio Tanzania: Tel. 255-22-2860760, Fax 255-22-2865577

Radio Tumaini <http://radiotumaini.tripod.com/>

Radio One: <http://www.ippmedia.com/>

Coastal Television Network (CTN), e-mail: ctn@cats-net.com

Independent Television (ITV), e-mail: itv@ipp.co.tz, web: www.itv.com

Televesheni ya Taifa (TVT), email: tvt-dg@africaonline.co.tz, web: <http://www.tvtrecords.com/about/>

Dar es Salaam Television Network, e-mail: dtv@raha.com

Television Zanzibar (TVZ): <http://www.zanzinet.org/journal/tvz.html>

Pricing

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In most cases, market forces determine the pricing technique to be adopted. The Tanzanian government has eliminated most price controls; however, the government still regulates the price of gasoline, diesel fuel and kerosene. Mark-up added to cost is the best pricing method for this market. The size of mark-up should be determined by the price of competitors and available substitutes. The 20% value-added tax charged in Tanzania must be factored into the price.

Sales Service/Customer Support

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After-sales service and customer support is increasingly important to marketing success in Tanzania. Many firms in Tanzania do not give high priority to customer support and suffer from the lack of customer loyalty. Foreign firms have been able to increase market share in part by providing higher levels of service, including professional advertising, training key personnel, distributing small gifts (calendars, pens, key rings) to customers, and maintaining a well-trained staff of servicing technicians capable of advising customers as well as servicing and repairing their equipment.

Protecting Your Intellectual Property

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The registration of intellectual property, patents and related instruments is managed by a government agency known as the Business Registrations and Licensing Agency (BRELA), part of the Ministry of Industry, Trade and Marketing. Statutes to protect trademarks, copyrights and patents are on the books and three means to enforce these laws are currently the Commercial Court of Tanzania, the Fair Competition Commission (FCC) and the Copyright Society of Tanzania (COSOTA). Still, the culture of protecting IPR is undeveloped, and widespread abuse continues. Further information on IPR is available in the Investment Climate Statement ([Chapter 6](#)).

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U.S. firms may use the Department of Commerce's program of International Company Profiles (ICP) or contact the Embassy to provide a report on the performance and credibility of firms in Tanzania. In general, the Embassy is able to prepare due diligence reports in approximately 3 weeks at a fee of \$600 in conformity with U.S. Department of Commerce –Foreign Commercial Service (FCS) standards. The services are coordinated between the Regional FCS presence in Nairobi and the U.S. Embassy in Dar es Salaam.

Due diligence is important at all times.

Local Professional Services

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The Embassy can assist in identifying qualified local professional services. In particular, the Embassy maintains a list of local attorneys for hire by U.S. firms. For more information please contact the Commercial Section, U.S. Embassy Dar es Salaam, Email: drscommercial@state.gov

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[Business Registrations and Licensing Agency](#)

[Tanzania Investment Center](#)

[Board of External Trade](#)

[US Commercial Service, East Africa](#)

[US Embassy Tanzania](#)

[Tanzania Gateway Business Support](#)

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Telecommunications

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In February 2005, Tanzania initiated liberalization of its telecommunications sector, ending the exclusivity of a government-owned telecommunications monopoly, TTCL. Licenses to operate various telecommunications services are made available to any investor. The state now only possesses 36% of the company, while the German-Dutch telecom Group MSIDetecon has purchased 35%. 14% is owned by national financial institutions, 10% by international banks and the remaining 5% by TTCL employees.

The TTCL has a unique license, allowing the company to offer services of fixed and mobile telephony, VSAT as well as internet services. The company intends to install a WCDMA network (Wide Code Division Multiple Access) in order to improve the standard of the fixed lines. TTCL also introduced a mobile service from the end of 2006 and so far it has attained 41,148 subscribers. The market share of TTCL is estimated at 3%. The demand for mobile telephony and internet has been constantly increasing, the teledensity has increased from 5% in 2004 to 10.5% in 2006. By September 30, 2007, about 7.7 millions Tanzanians owned telephone lines. This is an increase of about 12% from June 2007. The mobile telecommunication leads the market by having more subscriptions (98%) as compared to fixed line services (2%).

There are four major mobile-phone operators - Zantel, Celtel, Mobitel, Vodacom - with coverage in almost every part of Tanzania, including rural areas. Tanzania Communication Regulatory Authority (TCRA), has issued licences to five new operators and ten existing operators migrating to the new converged licensing framework,. Four firms – Datacom Africa Tanzania Limited, Cel Solutions Limited, Impaktel Limited and Benson Informatics – have been given concessions for national applications services, allowing them to offer facilities like earth stations, fixed links and cables payphone services. The license categories in the converged licensing framework include: network facility, network service and content service. The other licensed firms are Afsat Communications Tanzania Limited, Stacom Network Africa Limited, Allden Satellite Networks, Africa Online Tanzania Limited, Atma Electronics and Software Limited, CATS Net Limited, Jua Limited, Kicheko Limited and University Computing Centre.

The Tanzania Communication Regulatory Authority (TCRA) regulates Tanzania's telecommunications industry.

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Tanzania's telecommunication sector depends on imported equipment, largely from Germany, U.K., Malaysia, India, and the U.S. Potential for U.S. exports exist in the following areas:

- Landline services for both urban and rural areas
- Wireless services and equipment
- Mobile cellular operators

- Internet service and equipment
- Voice over Internet services
- Broadcasting stations
- Postal and courier services

Opportunities

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Liberalization has opened up opportunities to establish new telecommunications operations, particularly for mobile cellular operators, public data communication operators, closed user group data communication providers, radio paging service providers and Internet service businesses.

Opportunities also exist to provide modern technology and support services to the current industry players.

E-Commerce

A few local websites recently began offering limited e-business services. However these services are constrained by the lack of a national payment system, local credit cards, and a legislative framework appropriate for e-business. These constraints need to be addressed urgently. Most significantly, Tanzania's legal framework does not provide adequate safeguards to create an environment of trust for e-business transactions. Consequently, financial institutions are not able to set up provisions for supporting e-transactions neither for their own nor for other clients.

For information on specific opportunities please contact the Commercial Section, U.S. Embassy Dar es Salaam, Email: drscommercial@state.gov

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Tanzania Investment Center: www.tic.co.tz

Presidential Parastatal Sector Reform Commission (PSRC): www.psrctz.com

Tanzanian Communications Regulatory Authority: www.tcra.go.tz

Ministry of Communications and Transport: www.moct.go.tz

Food Processing and Packaging

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Tanzania's agricultural economy provides readily available raw materials for the agriculture-based industrial sector. A range of climates favors the production of a wide variety of products including coffee, tea, cashew nuts, sisal, cotton, tobacco, sugar, and others. There is also significant production of subtropical fruits and vegetables, meat, dairy products, groundnuts and cut flowers and, in recent years, non-traditional cash crops such as vanilla, black pepper and other spices.

Currently, the vast majority of Tanzania's agricultural produce is exported raw or unprocessed. Opportunities in processing and other value adding activities from agricultural raw materials are beginning to emerge as local and foreign investors increasingly recognize this sector's potential.

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Food processing investments rely on imported machinery and technologies. Machinery and equipment for the following processes are in greatest demand:

- Production of fruit concentrates and juices and all forms of fruit and vegetable canning
- Cashew nut processing
- Specialty coffee processing
- Fish processing and packaging for export
- Meat processing and packaging from both cattle and game meat
- Manufacturing of spirits from molasses produced from sugar processing factories in the towns of Kilimanjaro and Morogoro
- Production of processed dairy products such as sweetened condensed milk, milk powder, infant milk formula, butter, margarine, ice cream, yoghurt, cheese, etc.
- Horticultural packaging, including cut flowers and fresh vegetables.

In addition, the recently privatized cotton ginning factories are in need of renovation. The existence of an abundant supply of cotton provides significant opportunities for investment in the textile industry, which can benefit under the African Growth and Opportunity Act (AGOA).

Export markets for processed agricultural goods include the East African Community, the EU, the Gulf States, and Asia. Many goods also qualify for duty-free export to the U.S. under AGOA.

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- A number of investors are conducting feasibility studies on cashew processing plants and are looking for U.S. equipment and financing.
- Small-scale enterprises look to the U.S. to source machinery (including used machinery) and to market goods under AGOA.
- Several local companies are seeking capital for bring processing fruit juice and citrus products.

For information on specific opportunities please contact the Commercial Section, U.S. Embassy Dar es Salaam, Email: drscommercial@state.gov

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Ministry of Agriculture: www.kilimo.go.tz

Tanzania Investment Center: www.tic.go.tz

African Growth and Opportunity Act: www.agoa.gov

Energy

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Tanzania's energy sector remains underdeveloped, particularly the petroleum, gas and electricity sub-sectors. Although endowed with diverse energy sources including natural gas, hydropower, coal, wind power, solar power and renewable energies, Tanzania's energy sources are largely under explored and untapped. Tanzania has a per capita electricity consumption of between 85 and 90 KWh per annum. Only 10 percent of the population has access to electricity and the consumption is growing at the rate of 11 – 13 percent annually. 90 percent of Tanzanians are still depending on biomass energy sources such as charcoal and firewood both of which are not environmentally friendly. The government is continuing to promote renewable and alternative energy sources so as to make it more accessible as well as avail appropriate technology for rapid economic growth.

The main sources of energy in Tanzania include:

- Imported petroleum (consumption estimated at between 1.8 and 2.0 million metric tons);
- Natural gas from the Songo Songo processing plant (450 megawatts);
- Hydropower from TANESCO plants in three main stations and hydro-based electricity from isolated stations (261 megawatts)
- Thermal electricity diesel turbines IPTL in Dar es Salaam (100 megawatts)
- Coal at Kiwira coal mines with installed capacity for energy generation (4 megawatts);
- Imported electricity from Uganda and Zambia (8 megawatts; 5 megawatts)

Oil exploration in Tanzania has been intermittent for the last 40 years. Recently, however, Tanzania has seen an increase in oil exploration in southern Tanzania and in several off-shore sites as a result of the Tanzanian government signing key production and data sharing agreements which companies believe suggest hydrocarbon potential.

Extensive gas fields have already been identified off the coast at Songo Songo and Mnazi Bay which contain an estimated 44.02 billion cubic meters of natural gas. Songo Songo's natural gas resources are currently being exploited by Songas under a major gas-to-electricity project launched in 2004. Natural gas presently supplies about 30% of Tanzania's total electricity requirements. Natural gas resources at Mnazi Bay are still being developed.

The electricity sub-sector is largely dominated by a state-owned enterprise, Tanzania Electric Supply Company Limited (TANESCO), which has a vertically integrated monopoly in the generation and supply of electricity. In preparation for privatization, the Government of Tanzania began the process of unbundling TANESCO into separate generation, transmission and distribution businesses. The government has allowed Independent Power Producers (IPPs) to generate and sell power to TANESCO. In 2005, as a result of rising oil prices and severe drought affecting the supply hydropower, plans to completely privatize TANESCO stalled.

Hydroelectric energy continues to be the single most important indigenous source of commercial energy in the country. This source has a potential installed capacity of 4.7 GW of which only about 10% is developed. Coal reserves are estimated at about 1,200 million tons of which 304 million tons are proven.

Best Prospects/Services

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- High efficiency gas turbines, parts and service
- Wind turbines, parts and service
- Thermal power diesel turbines, parts and service
- Petroleum products: oil and lubricants
- Petroleum exploration services
- Coal power generating plants
- Electricity transmission equipment (transformers, cables, etc.)
- Electrical meters and installation equipment

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- Restructuring and privatization of TANESCO
- Rural energy projects, including solar, wind, and geothermal generation.

For information on specific advertised opportunities please contact the Commercial Section, U.S. Embassy Dar es Salaam, Email: drscommercial@state.gov

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Ministry of Energy and Minerals under the National Web site: www.tanzania.go.tz

Presidential Parastatal Sector Reform Commission (PSRC): www.psrc.tz

Tanzania Investment Center: www.tic.go.tz

Tanzania Electric Supply Company (TANESCO): www.tanESCO.com

Mining

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Mining is the fastest growing sector in Tanzania in terms of its contribution to GDP, its share of exports, and the generation of foreign exchange earnings. In 2006 Tanzania's mining sector grew to 16.4 percent, compared to 15.7 percent in 2005, and the contribution of the sector to the GDP increased to 3.8 percent, from 3.5 percent registered in 2005.

Tanzania's mining sector has grown steadily over the last decade and the investor-friendly mining regime has in no small measure contributed to this success. The country was weighing up the merits of increasing the mining royalties but has kept the rates competitive in order to keep Tanzania on the radar screen of prospective investors. Under the new legislation, firms would pay the existing corporate tax of 30% and a royalty of 3% for gold and 5% for diamonds.

The value of Tanzania's mineral exports increased from USD 711.3 million in 2005 to USD 823.9 million in 2006, an increase of 15.8 percent. The increase in the value of mineral exports was mainly attributed to an increase in the price of gold on the world market.

The three largest gold mines in Tanzania are:

- Tulawaka jointly owned by Barrick Gold Corp subsidiary, Pangea Goldfields Inc (70%) and Minière du Nord (30%), both of Canada.
<http://www.tanzaniagold.com/barrick.html>
- Resolute Mining Limited (RML) is an Australia-based company engaged in the engaged in gold mining, and prospecting and exploration for minerals.
www.rml.com.au/res_b/highlights.html
- GEITA Gold Mine owned by Ashanti Goldfields in joint venture with AngloGold;
<http://www.ame.com.au/Mines%5CAu/Geita.htm>

In addition to gold, Tanzania has production potential for other minerals including base metals, diamonds, industrial minerals are the country's main mineral resources (soda, kaolin, tin, gypsum, phosphate) and gemstones including tanzanite, which is unique to Tanzania. Tanzania is the third largest gold producer in Africa at about 50 tonnes per annum. In addition more than 200 kimberlite pipes are available.

In recent years, mineral exploration has increased in several parts of the country. The sector has attracted substantial new foreign investment in mineral development exploration, with local investment surpassing one billion US dollars.

Best Prospects/Services

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The mining sector depends on imported machinery and supplies, and investors can import capital goods at zero duty. There are significant opportunities for the export of U.S. technology, machinery, and services.

The following are areas that have attracted the most interest in recent years:

- Gold occurrences in the Archaean greenstone belts and banded iron formations in the Southern and Eastern parts of Lake Victoria
- Gold and base metals occurrences in the Proterozoic Ubendian system in Western Tanzania
- Nickel, cobalt, copper, tin and tungsten-bearing rock formations in the Karagwe - Ankolean system of Northwest Tanzania
- Major gemstone occurrences in the Proterozoic Usagaran and Ubendian geological systems
- Carbonatites associated with the Rift Valley system
- Iron ore hosted by anorthositic intrusives in the Proterozoic Ubendian system
- Coal resources found in the Karroo system
- Evaporites deposited in the Rift Valley and younger rock formations along the coastal belt
- A variety of industrial minerals such as kaolin, mica, phosphate, magnesite, beach sands and diatomites embedded in rock formations

Opportunities

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For specific information on current opportunities please contact the Commercial Section, U.S. Embassy Dar es Salaam, Email: drscommercial@state.gov

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Government of Tanzania website on mining: www.tanzania.go.tz/miningf.html

Tanzania Investment Center: www.tic.go.tz

Tanzania Chamber of Mines: www.chamberofmines.com

Tourism

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Tanzania is one of the fastest growing tourist destinations in the world. Tourism is one of Tanzania's largest foreign exchange earners. The tourism sector grew by 8.4 percent in 2006, compared to 8.2 percent in 2005. The contribution of the sector to GDP increased to 17.5 percent in 2006, from 17.2 percent in 2005. The earnings generated from tourism increased to USD 862.0 million in 2006, from USD 823.5 million in 2005, equivalent to an increase of 4.7 percent. The increase in the growth of the sector was mainly attributed to an increase in tourism activities in the country. In 2006, a total of 644,124 tourists visited the country, compared to 612,754 tourist in 2005, equivalent to an increase of 5.1 percent.

In terms of its natural resources, Tanzania is endowed with extensive tracts of wilderness and a rich diversity of scenery. One-seventh of the country is covered by 12 national parks and 15 game reserves, heavily stocked with a wide range of flora and fauna. With the exception of the "Northern Circuit" game parks, most parks and reserves remain relatively under-utilized.

In addition, Tanzania's Indian Ocean coast and the exotic islands of Zanzibar are lined with beautiful beaches, excellent diving and sport fishing, and interesting historical sites.

Best Prospects/Services

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Investment opportunities in the tourism sector include:

- Construction and management of hotels, lodges and restaurants;
- Infrastructure ventures;
- Aviation projects;
- Training institutions;
- Tour operations;
- Travel agencies; and
- Marketing organizations.

Opportunities

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For specific information on current opportunities please contact the Commercial Section, U.S. Embassy Dar es Salaam, Email: drscommercial@state.gov

Resources

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Tanzania Tourism Board: www.tanzania-web.com

Agricultural Sector

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Overview

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Agriculture remains the country's most important sector for growth and development of the Tanzanian economy. Agriculture sector contributed 44.7 percent to GDP in 2006, compared to 45.6 percent in 2005 and grew by 4.1 percent, and 5.1 percent in 2005. The decrease in the growth rate was caused by a drought which hit many parts of the country during the 2005/06 rainy season and affected production of various food and cash crops and pastures.

The agricultural sector is characterized predominantly by small producers operating on an average land size of two hectares, and fully dependant on rainfall. Most agricultural activities are performed with traditional and rudimentary technology with very low yields. Major agricultural export products include coffee, cotton, tea, tobacco, cloves, sisal, cashew nuts, livestock, sugar, pyrethrum and fish products.

There is great potential for mechanized commercial farming and irrigation technologies to increase Tanzania's agricultural productivity. Currently, about 70% of Tanzania's crop area is cultivated by hand hoe, 20% by ox plough, and 10% by tractor. The total land area that is suitable for irrigation is over one million hectares but currently only 279,266 hectares are developed under irrigation. The National Irrigation Master Plan Document of 2002 reported that a total of 29.4 million hectares are suitable for irrigation out of which 2.3 million hectares are high potential, 4.8 million hectares are medium potential and 22.3 million hectares are low potential. Lack of irrigation and recent drought conditions in many parts of the country have contributed to a decline in the sector's growth rate since 2002.

Tanzania is endowed with nearly 90 million hectares of land suitable for agricultural production, of which 60 million hectares are rangelands ideal for livestock production.. Only about 40 percent of this rangeland is currently being used for livestock production. Tanzania is estimated to have 18.8 million cattle, 13.5 million goats, 3.6 million sheep, 53 million poultry of which 33 million are indigenous local breeds and 20 exotic breeds, and 1.37 million pigs. Investment opportunities exist in developing modern production of meat and dairy livestock for the local and international markets.

Agricultural production levels have never surpassed domestic consumption requirements, resulting in acute food situations. For instance, domestic wheat production in Tanzania is estimated at just five percent of the total demand, with the balance being met through imports (Tanzania's annual wheat imports average 350,000 metric tons). Frequent shortages, a high price regime, and the necessity for food imports create opportunities for commodity trading, particularly in corn, wheat and pulses.

Best Products/Services

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The following products and services are in greatest demand:

- Farm machinery, including tractors and implements, hire services, and small-to-medium sized milling plants and equipment
- Irrigation technologies, including water pumps and overhead systems
- Veterinary drugs and livestock semen of exotic high-yielding dairy cow breeds
- Frozen poultry products
- Food commodities such as white corn, wheat, dry pulses (chick peas and lentils) and soy & soy-fortified foods
- Food ingredients

Opportunities

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Leading investment opportunities include:

- Commercial farming in various crops such as coffee, cotton, tobacco, sisal, cashew nuts, sugar, pyrethrum, cereals, oil seed, legumes, and horticultural products
- Privatization of several ranches under National Ranching Company (NARCO), covering a total 634,597 hectares
- Irrigation development

Food commodities are purchased by the government and by aid agencies through advertised tender.

For information on specific advertised opportunities please contact the Commercial Section, U.S. Embassy Dar es Salaam, Email: drscommercial@state.gov

Resources

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- Ministry of Agriculture: www.kilimo.go.tz
 - Presidential Parastatal Sector Reform Commission (PSRC): www.psrctz.com
 - Tanzania Investment Center: www.tic.go.tz
- Official National Website Agriculture Page: www.tanzania.go.tz/agriculturef.html

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Chapter 5: Trade Regulations and Standards

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- [Trade Barriers](#)
- [Import Requirements and Documentation](#)
- [U.S. Export Controls](#)
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Import Tariffs

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Detailed information on current taxes, including import tariff lists, can be found at the Tanzania Revenue Authority website: <http://www.tra.go.tz/index.htm>.

The operation of the East African Community [Customs Union](#) has been successfully implemented since its commencement on 1st January 2005. Under the East African Community (EAC) Customs Union, the Partner States adopted a program of eliminating import duties on some products from Kenya being exported to Tanzania and Uganda within five years.

Certain duty exemptions are made based on bilateral and multilateral trade agreements or investment incentive packages. A selected list of sensitive goods is rated at higher rates, up to 100 percent. In addition, Value Added Tax (VAT) of 20% is charged on all imports.

Trade Barriers

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All imports into mainland Tanzania are liable for payment of import duty and value added tax (VAT). Tax exemptions are granted for diplomatic and UN missions, some non-profit organizations, and certain investor projects under an investment incentive agreement. Import duties have been harmonized with Kenya and Uganda under the East African Customs Union.

Trade reforms have abolished import and export licenses, except for goods deemed sensitive for health and security reasons. Trade regulations and standards generally reflect normal expectations to protect consumers' health.

Despite the absence of non-tariff barriers, the customs department and the port authorities are the greatest hindrance to importers throughout Tanzania. Clearance delays and extra-legal levies are commonplace when dealing with the Tanzanian

Customs Department. These hindrances can cause unpredictable delays when importing goods into the country.

Import Requirements and Documentation

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- Obtain and fill out an Import Declaration Form (IDF) available on the Tanzanian Revenue Authority's (TRA's) website www.tra.gov.tz or at any Tanzanian Customs office.
- Effective 1st January 2004, the Government of the United Republic of Tanzania introduced a Destination Inspection Scheme. This decision represented a move away from Pre-shipment Inspection and contributed to the Customs modernization initiative by introducing Destination Inspection (DI). DI facilitates trade, protects revenues, can reduce the volume of physical inspections at entry points and offer capacity building for Customs through training and knowledge transfer. www.cotecna.com

U.S. Export Controls

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There are no export controls other than for protected wild animals. However, exporters of precious metals and gemstones must obtain export permits from the Commissioner for Minerals. Website: www.africaonline.co.tz/madini

Temporary Entry

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The Customs Department permits the temporary entry of machinery, equipment and vehicles. Prior permission must be obtained upon providing customs with a written request and a proof that the product in question will be taken out of the country, and that duty and tax will be paid in case the product is sold. Bonds and bank guarantees are required for most transit trade. www.tra.go.tz

Prohibited and Restricted Imports

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Narcotics and internationally prohibited drugs are prohibited. Live animals, plants, firearms and ammunitions require permits from relevant authorities.

Customs Regulations and Contact Information

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Customs and Excise Department
Tanzania Revenue Authority
PO Box 9053
Dar es Salaam, Tanzania
Phone: 255-22-2127783 or 2119269
Fax: 255-22-2124523
E-mail: customs@afsat.com
Website: www.tra.go.tz

For more information about ASYCUDA++ go to **Tax Information** Link in TRA website then go to information titled “**Trade Information**”. Information is also available at www.tiscan.co.tz.

Standards

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Overview

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The Tanzania Bureau of Standards (TBS) has jurisdiction over all standards issues in the country. TBS standards generally follow internationally accepted norms, and are rarely difficult for the international business to achieve. TBS has adopted stricter standards in order to harmonize with the other East African Community members (Kenya and Uganda) <http://www.tbstz.org/>

Standards Organizations

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The Tanzania Bureau of Standards (TBS) issues certification of standards (e.g. ISO 9000) mainly for manufactured products. TBS is a member of the International Organization for Standardization (ISO) and represents Tanzania in all international standards work. TBS is the National Enquiry Point for WTO-TBT/SPS Agreements in Tanzania.

The Food Microbiology Laboratory which becomes the second to be accredited in Tanzania, received the accreditation certificate **ISO 17025**, from South African National Accreditation System (SANAS)

TBS is also a member of the East African Community Bureau of Standards and the South African Development Community Committee of Experts for Standards, Quality Assurance, Accreditation and Metrology. TBS is a participating member to the Codex Alimentarius Commission of the Joint FAO and WHO and is fully represented on technical issues concerning standards and quality. <http://www.tbstz.org/>

NIST Notify U.S. Service

Member countries of the World Trade Organization (WTO) are required under the Agreement on Technical Barriers to Trade (TBT Agreement) to report to the WTO all proposed technical regulations that could affect trade with other Member countries. **Notify U.S.** is a free, web-based e-mail subscription service that offers an opportunity to review and comment on proposed foreign technical regulations

that can affect your access to international markets. Register online at Internet URL: <http://www.nist.gov/notifyus/>

Conformity Assessment

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The Testing and Calibration Department is composed of seven laboratories, the food and Micro-biology Laboratory, the Chemistry Laboratory, the Textile and Leather Laboratory, the Electrical Engineering Laboratory, the Mechanical Engineering Laboratory, the Building and Construction Laboratory, and the Metrology Laboratory. The Laboratories provides facilities for the testing of products to ensure their conformity to the requirements of relevant standards, and calibration of precision instruments and measuring and scientific equipment for various clients.

The laboratories are maintained at the highest possible operating level. They are well equipped in terms of staff, equipment and procedures and operate in compliance with ISO/IEC Guide 25. <http://www.tbstz.org/>

Product Certification

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One of the main functions of the Quality Department is the operation of four product certification schemes: the Standards Mark Scheme, the Batch Certification Scheme, and the Tested Product Certification Scheme and Management systems registration scheme.

TBS product certification schemes require that the products comply with the requirements and characteristics of the relevant standards. These requirements and characteristics are quality, material, composition, design, safety, durability and performance. <http://www.tbstz.org/>

Accreditation

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TBS produces a number of publications from time to time. These publications are meant to provide both information and education to its clientele. Currently these publications are grouped under four categories: Brochures, Standards Catalogue, TBS Announcer and Buyer Guide. <http://www.tbstz.org/>

Publication of Technical Regulations

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TBS produces a number of publications from time to time. These publications are meant to provide both information and education to its clientele. Currently these publications are grouped under four categories: Brochures, Standards Catalogue, TBS Announcer and Buyer Guide. <http://www.tbstz.org/>

Labeling and Marking

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Tanzania follows international (ISO) standards for labeling and marking of imports, and does not impose special requirements. For local goods, TBS maintains requirements for labeling and marking, which generally follow ISO guidelines.

Trade Agreements

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Tanzania is a member of the [East African Community](#) and the recently signed East African Customs Union agreement. Tanzania is also a member of the Southern Africa Development Community (SADC).

Tanzania is the beneficiary of trade arrangements such as the African Growth and Opportunity Act (AGOA) of the United States, and the Everything But Arms (EBA) program of the European Union. These arrangements allow Tanzanian goods duty-free access to US and EU markets.

Tanzania has also signed a number of bilateral investment agreements with countries, including the United Kingdom.

Web Resources

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Tanzania Bureau of Standards: <http://www.tbstz.org/>

Tanzania Revenue Authority: <http://www.tra.go.tz/index.htm>

African Growth and Opportunity Act: <http://www.agoa.gov>

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Chapter 6: Investment Climate

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Openness to Foreign Investment

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The Government of Tanzania (GOT) has a favorable attitude toward foreign direct investment (FDI) and made significant efforts to encourage foreign investments. According to the United Nations Conference on Trade and Development (UNCTAD) World Investment Report 2007, Tanzania had the highest inflows of FDI in the East Africa region in 2006. There is no restriction in foreign exchange and foreign investors are not denied national treatment. The GOT has lent its support to an open investment regime, mobilization of private capital initiatives (PCI), and further liberalization of the financial sector in line with the World Bank's recommendations. An increased number of privatized public enterprises have been awarded to foreign investors.

The Tanzanian Investment Center (TIC), established by the Tanzanian Investment Act of 1997, is the focal point for all investors' inquiries and facilitates project start-ups. TIC continues to improve investment facilitation services, provide joint venture opportunities between local and foreign investors, and disseminate investment information. The TIC received the highest positive scores on the UNIDO Africa Foreign Investor Survey 2005. Companies holding TIC certificates of incentive are allowed 100% foreign ownership; VAT and import duty exemptions; and repatriation of 100% of profits, dividends, and capital after tax and other obligations.

The GOT demonstrated its pro-investment attitude anew in September 2007 when President Jakaya Kikwete led a trade and investment mission to the United States to promote Tanzania's investment opportunities for the second year in a row. The mission included Government agencies and private sector investors from the manufacturing, tourism, transport, minerals and agriculture sectors. In 2007 the GOT also undertook

official investment promotion trips to Germany, China, Indonesia, the United Arab Emirates, India, Sweden, Italy, Japan, South Korea, the United Kingdom, Australia, Malaysia, Egypt, and Iran.

Among investment and trade opportunities in Tanzania that remain undeveloped are the energy sector, including coal reserves and natural gas deposits; and the transportation sector. The GOT accepts foreign investment in Built, Operate and Transfer (BOT) projects and has launched a concession system aimed at attracting foreign investors to build infrastructure. Investment Tax Incentives are stable and predictable.

Land ownership remains restrictive in Tanzania. Occupation of land by non-citizens is restricted to land for investment purposes regardless of the sector. Under the 1990 Land Act, however, a foreign investor may occupy land up to 99 years through derivatives rights.

In February 2005, the GOT established the Better Regulation Unit (BRU) to manage the implementation of the Business Environment Strengthening for Tanzania (BEST) program. In June 2006, Tanzanian Parliament passed a law to establish Special Economic Zones (SEZs) to augment investments in the light industry, agro-processing industry and agriculture sectors. Green field foreign direct investments are allowed through this SEZ legislation. The GOT continues to promote Export Processing Zones (EPZ) to attract investments in agribusiness, textiles and electronics and Spatial Development Initiatives (SDI). The EPZs are tax free zones.

Investments on the Dar es Salaam Stock Exchange (DSE) are open to foreign investors, but capped at 60 percent. Foreign investors are barred from participating in government securities. The financial sector has expanded with an increase in foreign-affiliated financial institutions and banks operating in Tanzania. As of August 2007, the Bank of Tanzania listed a total of 23 Commercial Banks licensed and operating in Tanzania, over half of which are foreign-affiliated banks. Competition among these foreign commercial banks has resulted in significant improvement in the efficiency and quality of financial services provisions.

Kenya, Tanzania, and Uganda signed a Customs Union Protocol in 2004, putting in place a three-tier tariff system paving the way for a common market within the East African Community (EAC). Rwanda and Burundi acceded to the EAC on June 18, 2007 and became full members on July 1, 2007. EAC member states agree to allow zero-rated entry of raw materials from other EAC members, levy a 10% duty on semi-processed goods, and levy a 25% duty on finished goods. Although the EAC member countries continue to discuss economic integration, non-tariff barriers--such as the administration of duties and other taxes, and corruption--remain a problem.

Conversion and Transfer Policies

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Regulations permit unconditional transfers through any authorized bank in freely convertible currency of net profits, repayment of foreign loans, royalties, fees charged for foreign technology and remittance of proceeds. The only official limit on transfers of foreign currency is on cash carried by individuals traveling abroad, which cannot exceed USD 10,000 over a period of forty days. Tanzania occasionally experiences shortages of foreign exchange, but this problem has been greatly eased by the growth of bureau

de changes returns. Bureaucratic hurdles continue to impact the length of time it takes to process and effect a transfer, which can range from days to weeks.

Expropriation and Compensation

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The GOT may expropriate property only for the purpose of national interest and after due process. The Tanzanian Investment Law guarantees:

- Payment of fair, adequate and prompt compensation;
- A right of access to the Court or a right to arbitration for the determination of the investor's interest or right and the amount of compensation;
- Any compensation payable under this section shall be paid promptly and authorization for its repatriation in convertible currency, where applicable, shall be issued.

GOT authorities do not discriminate against U.S. investments, companies or representatives in expropriation. Since 1985, the Government of Tanzania has not expropriated any foreign investments.

Dispute Settlement

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Tanzania is a member of both the International Center for the Settlement of Investment Disputes (ICSID) and the Multilateral Investment Guarantee Agency (MIGA). The ICSID was established under the auspices of the World Bank by the Convention on the Settlement of Investment Disputes Between States and Nationals of Other States. The MIGA is also World Bank-affiliated and issues guarantees against non-commercial risk to enterprises that invest in member countries. GOT regulations maintain that a dispute between a foreign investor and the Tanzanian Investment Center (TIC) which is not settled through negotiations may be submitted to arbitration. There are four options open to the parties:

- Arbitration in accordance with the rules and procedures of the International Center for Settlement of Investment Disputes,
- within the framework of the bilateral or multilateral agreement on investment protection to which the Government and the country of which the investor is a national are parties.
- Arbitration in accordance with the World Bank's Multilateral Investment Guarantee Agency (MIGA), in which Tanzania is a signatory,
- Or in accordance with any other international machinery for settlement of investment disputes agreed upon by the parties.

The Commercial Court of Tanzania was established in 1999 as a division of the High Court under the 1999 amendments of the Civil Procedure Code Act of 1966 and the Law Reform Commission of Tanzania Act of 1980.

Performance Requirements and Incentives

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The GOT uses Trade-related Investment Measures (TRIMs) to promote development objectives, encourage investments in line with national priorities 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 EPZ Act 2002 and are open to both domestic and foreign investors. In July 2006, Dr. Adelhelm Meru was appointed the first Director General of the Export Processing Zones Authority (EPZA), which is housed in the Ministry of Industry, Trade, and Marketing. The EPZA is charged with designating suitable areas for the location of EPZs throughout Tanzania. The EPZA also oversees incentive packages directed at increasing investment. The incentives include exemption of corporate tax; withholding taxes on rent, dividends and interest; the remission of customs duty, value-added tax (VAT) and other taxes on raw materials and goods of capital nature; as well as the exemption from VAT on utilities, wharf charges, and levies imposed by local authorities--all for a period of ten years.

Tanzania is still in transition from a largely public sector economy to one in which the private sector is taking the leading role. The Investment Code, as a trade policy instrument, seeks to compensate for distortions which impede the flow of foreign investments due to market imperfections. It is a necessary interim instrument for stimulating both foreign and domestic investments especially in agriculture and industry (where the level of domestic investments is still low) while initiating measures for strengthening the enabling the business environment and working for the emergence of a vibrant market economy. As part of the Investment Code, Tanzania offers a well-balanced package of investment benefits and incentives that are applied uniformly to all investors (domestic and foreign investors):

- Zero Custom Duty and deferred VAT on capital goods for investments in sectors such as mining, export processing zones, infrastructure, road construction, bridges, railways, airports, generation of electricity, telecommunications and water services.

- 100% Capital allowance deduction in the years of income for the above mentioned types of investments.

- No remittance restrictions. The GOT does not restrict the right of a foreign investor to repatriate returns from an investment.

- Investments in Tanzania are guaranteed against nationalization and expropriation. Any dispute arising between the Government and investors can be settled through negotiations or may be submitted for arbitration before the international organizations.

- Allowing interest deduction on capital loans; removal of the 5-year limit for carrying forward losses of investors.

- Five percent Customs Duty and VAT tax deferral on capital goods for priority sectors including livestock, aviation, commercial buildings, commercial development and micro finance banks, export oriented projects, geographical special development areas, human resources development, manufacturing, natural resources including fisheries,

rehabilitation and expansion projects, tourism and tour operators, transport, radio and television broadcasting.

The Zanzibar Investment Promotion Agency (ZIPA) and the Zanzibar Free Economic Zones Authority (ZAFREZA) offer roughly equivalent incentives as those offered by the Mainland's TIC and EPZ policies.

Right to Private Ownership and Establishment

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Tanzanian regulations allow foreign and domestic private entities to establish and own business enterprises and engage in legal forms of remunerative activity. The Business Registration and Licensing Act established licensing regulations for business operations. It provides the right to freely establish private entities, to own property both movable and immovable, and to acquire and dispose of property including interest in business enterprises and intellectual property.

Under Tanzanian law, occupation of land by non-citizens is restricted to lands for investment purposes under the Tanzania Investment Act 1997 and the revised new Land Act 1999. Land in Tanzania is government property and citizens or non-citizens only lease the land from the government for 33, 66, or 99 years depending on the nature of the investment. The law does not allow individual Tanzanians to sell land to foreigners. Foreigners can only lease land in Tanzania through the Tanzania Investment Center (TIC).

Protection of Property Rights

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Movable Property and Land Rights: Secured interests in property, both movable and real, are recognized and enforced under different laws in Tanzania. There is no one comprehensive law to secure property rights.

The concept of mortgage exists and the Ministry of Lands and Human Settlements Development handles registration of mortgages and rights of occupancies. The Office of the Registrar of Titles is responsible for issuing titles and registering mortgage deeds. Title deeds are recognized as mortgage for securing loans from banks and upon failure to pay back the loans the banks can sell an attached plot.

Intellectual Property Rights: Adherence to key international agreements on intellectual property rights in Tanzania began only in recent years. In 1999, Tanzania passed the Copyright and Neighboring Rights Act Number 7 of 1999, the current legislation in Tanzania addressing the protection of intellectual property rights (IPR) and protection for expressions of folklore. This legislation conforms to international copyright and property rights conventions and provides adequate protection for intellectual property, patents, copyrights, trademarks and trade secrets. This is one of the steps Tanzania has taken to implement and enforce the WTO Trade-Related aspects of Intellectual Property Rights (TRIPS). This law provides one of the means under which Tanzanians and foreign nationals may secure, exercise, and enforce exclusive intellectual property rights. The Act also establishes the Copyrights Society of Tanzania (COSOTA) which has the

duty and powers to promote and enforce these rights, collect and distribute royalties on behalf of its members, maintain registers of works, productions and association of its members, search to identify and publicize rights of owners and defend them.

The establishment of both the Commercial Court of Tanzania (in 1999) and a special Land Court (under section 167 of Lands Ordinance number 4 of 1999), as special divisions of the High Court, has been a positive step towards protection and effective enforcement of property rights.

The Commercial Court deals with efficient litigation of commercial cases including those related to infringements of IPR and trade in counterfeit and pirated goods. Several cases have already been heard and decisions rendered from these high court divisions. Although the GOT has made efforts to address the deficiencies in commercial cases, the Commercial Court still lacks expertise in commercial law, including intellectual property rights and international business or financial transactions.

The Tanzanian Fair Competition Commission (FCC) has initiated amendments to the outdated Merchandise Marks Act, which provides the legal framework for handling counterfeits. The amendments provide for the appointment by the Minister of Trade of a Chief Inspector to conduct investigations into suspected importers or shops. The FCC has taken positive steps towards combating counterfeits. In just one month (October 2007) the FCC confiscated and destroyed 303 cartons of counterfeit kiwi shoe polish worth about USD 20, 000; counterfeit Britmax fluorescence tube lights worth USD 18,000; and counterfeit electric extension cables worth over USD 48,000.

Tanzania has not yet signed or ratified the WIPO internet treaties.

Transparency of Regulatory System

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The GOT has made progress in formulating policies and effective laws to foster competition. Tanzania has enacted three laws to govern competition and regulate economic activity: the Fair Trade Practices Act 1994, the Energy and Water Utilities Regulatory Act (EWURA) 2001, and the Surface and Marine Transport Regulatory Act (SUMATRA) 2001. The GOT is expediting the implementation of a Competition Law under the coordination of the Fair Commission for Trade and related regulatory institutions and promotes consumer protection through broad-based public awareness on consumer's rights and obligations.

The current institutionalization of the public-private sector dialogue through various forums such as the Investors Round Table (IRT) process, ensures that the bureaucratic hurdles hindering private investments are addressed. Since the adoption of the IRT process in July 2002, Government Ministries, Departments and Agencies have broadened reforms. The IRT serves as an advisory board on best practices in trade and investment to the top national leadership.

Tanzania is implementing a taxpayer's charter that enables taxpayers to complain against problems or malpractice within the Tanzania Revenue Authority (TRA) officers. The tax policy reform agenda includes abolition of nuisance taxes, harmonization of regulatory framework, clear incentive regime and gradual reduction in rate structure. The GOT has broadened tax incentives and incorporated them in the relevant tax laws

to attract more investments. The current tax policy does not impede or distort investment.

The GOT established a Law Reform Commission (LRC) to take and keep under review laws and regulations, and to examine the legal and regulatory requirements relating to trade and investments. The GOT is also modernizing the business-licensing regime to reduce impediments to investment. The Tanzania Investment Center (TIC) has become a 'one-stop shop' that provides fast track assistance to obtain approvals and permits such as work permits, industrial license and trading licenses.

The judicial system continues to function slowly and imperfectly and is easily influenced by privileged individuals. These factors increase the cost and difficulty of doing business in Tanzania. In order to overcome shortfalls in the judicial system, the GOT is adopting anti-corruption measures and legal reforms to reduce bureaucratic snags and redundant laws and regulations.

Efficient Capital Markets and Portfolio Investment

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The Capital Markets and Securities Authority (CMSA) Act of 1994 facilitates the free flow of capital or financial resources to support the product and factor markets. The CMSA opened the Dar es Salaam Stock Exchange (DSE) to foreigners. The DSE improves access to medium and long-term capital, and concurrently promotes a wider ownership of stocks and other equities. Corporate enterprises can recapitalize and grow when listed on DSE. Individuals can invest in shares and gain profitable returns; the maximum limit for foreign participation is 60 percent. Foreigners are not allowed to participate in government securities.

Foreign investors can get credit on the local market for capital injection within the country and for importation of capital goods for use within the country. While credit is allocated on market terms, it has been uneconomical to borrow from local sources/commercial banks due to high interest rates. Bank lending rates range from 14 percent to 24 percent for ordinary borrowers. Corporate borrowers can negotiate lower rates. The Multilateral Investment Guarantee Agency (MIGA)'s Guarantees against political risk, International Finance Corporation (IFC) facilities, U.S. Exim Bank are available for financing projects.

The financial sector has expanded with a significant increase in the number of foreign-affiliated financial institutions and banks operating in Tanzania. By August 2007, there were a total of 23 Commercial Banks licensed and operating in Tanzania, of which more than half are foreign-affiliated banks. The private sector players have access to a variety of commercial credit instruments including documentary credits (letters of credits), overdrafts, term loans, and guarantees.

The Central Bank in Tanzania (the Bank of Tanzania or BoT) administers and provides special export credit guarantees from which joint venture initiatives between local and foreign investors can benefit. In November 2006, EXIM Bank (Tanzania) Ltd obtained a new credit line from PROPARCO, the private sector arm of the Agence Francaise De Development (AFD), the official French Development Institution. This line increased EXIM Bank's capacity to support long-term foreign currency lending both in Euros and

US dollars to SMEs and corporations. In Tanzania, PROPARCO's operations represent a total of USD 36 million, mainly to banks, the tea and manufacturing sectors.

Foreign investors can open accounts and make deposits in registered private commercial banks. Interest earned by non-residents or foreign investors from deposits in banks registered by the Central Bank of Tanzania is exempt from income tax, in accordance with the Income Tax Act 2004. Foreign exchange regulations have been eliminated to allow an enabling environment to attract investors and simplify international transactions. Profits, dividends, and capital can be readily repatriated. Several venture capitals have been established to meet the demand for equity injections into growing businesses.

The Banking and Financial Institution Act 2006 established a Credit Reference Bureau and permits banks and financial institutions to release information to licensed reference bureaus in accordance with regulations and allows credit reference bureaus to provide to any person, upon legitimate business request, a credit report. International reserves at the BoT stood at almost 2 billion US dollars in 2006, which is the highest for over 30 years and equivalent to almost seven months of imports. This has helped BoT to intervene whenever minor fluctuations have led to a slight depreciation of the Tanzanian Shilling.

Political Violence

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Tanzania is one of the most politically stable countries in Africa and the prospects for serious and sustained violence are very low. Since gaining independence, Tanzania has enjoyed a remarkable degree of peace and stability. In 1992, the constitution was amended to allow for multiple political parties; in 1995, the first multi-party election took place.

As the country underwent the transition from a socialist to a democratic entity beginning in 1992, occasional conflicts took place, particularly during election campaigns. In 2001, demonstrators clashed with police on Pemba (Zanzibar) and several persons were killed. However, the 2005 general elections were primarily peaceful and marked by an absence of major violence. In January 2007, the two main political parties on Zanzibar opened a dialogue and most observers expect that further clashes on Zanzibar are unlikely; the chance for conflict on the Mainland remains remote.

Corruption

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Corruption is one of the areas of major concern encountered by foreign investors. The administration of President Kikwete, who took office in December 2005, has made the fight against corruption one of its priority areas. While giving or receiving a bribe (including bribes to a foreign official) is a criminal offense in Tanzania, the enforcement of laws, regulations and penalties to combat corruption has overall been largely ineffective. Areas where corruption persists include government procurement, privatization, taxation, ports, and customs clearance.

The Customs Department, the Port Authority, and the Tanzania Revenue Authority (TRA) remain a great hindrance to importers throughout Tanzania. Unpredictable and lengthy clearance delays and bribes to expedite service are commonplace. In late December 2007, amidst the elections crisis in Kenya which closed Kenyan ports and caused many businesses to consider Dar es Salaam Port as an alternative, the TRA announced new plans to reduce delays by fully automating the customs system and hastening cargo clearances.

While Transparency International (TI) has consistently rated Tanzania as one of the worst countries in the world for corrupt business practices, TI's 2007 Corruption Perceptions Index (CPI) again showed a slight improvement in Tanzania's anti-bribery activities. (Note: The CPI score tracks perceptions of corruption seen by business and country analysts, ranging from zero as highly corrupt, to 10, not corrupt). The CPI showed Tanzania edging up from 1.9 points in 1999 to 2.5 in 2006, and 3.2 in 2007.

The GOT launched the National Anti-Corruption Strategy (NACS) and sector-specific action plans for all ministries, independent government departments, executive agencies and local authorities on December 10, 2006. The Anti-Corruption Bill was passed on April 17, 2007 and became operational on July 1, 2007. It is commonly referred to as the Prevention and Combating of Corruption Bureau (PCCB) Act. On January 9, 2008, Tanzanian President Jakaya Kikwete ousted the Governor of the Bank of Tanzania (BoT) in response to a special audit report on the BoT's repayment of Tanzania's external debts. In what will be the first major corruption case for the PCCB, Kikwete directed the Attorney General, the Inspector General of Police and the Director of the PCCB to investigate all companies and individuals who were involved in the scandal, and to take appropriate action.

Bilateral Investment Agreements

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Currently, the United States of America and Tanzania do not have a bilateral investment agreement.

On November 27, 2007, the East African Community (EAC) member states--including Tanzania--signed an interim economic partnership agreement (EPA) with the European Union. Tanzania is also a member of the Southern Africa Development Community (SADC), and the GOT has said it will consider economic partnerships with both the EAC and SADC. Tanzania quit the Common Market for Eastern and Southern Africa (COMESA) in 2000.

OPIC and Other Investment Insurance Programs

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The U.S. Overseas Private Investment Corporation's (OPIC) program is available to citizens of the United States; corporations, partnerships, or other associations created under the laws of the United States; foreign corporations at least 95 percent owned by U.S. investors; and foreign entities that are 100 percent U.S.-owned.

OPIC signed an incentive agreement with the GOT in December 1996. While the number of U.S. subsidiaries and affiliated companies that could qualify for OPIC financing remains small, a few companies have used OPIC programs in Tanzania. OPIC insurance products cover three political risks:

-- Currency Inconvertibility - deterioration in the investor's ability to convert profits, debt service and other investment returns from local currency into U.S. Dollars and to transfer those U.S. Dollars out of host country.

-- Expropriation - loss of an investment due to expropriation, nationalization or confiscation by the host government; and

-- Political Violence - loss of assets or income due to war, revolution, insurrection or politically motivated civil strife, terrorism and sabotage.

Tanzania is an active member of the Multilateral Investment Guarantee Agency (MIGA), a member of the World Bank Group, that promotes foreign direct investment in developing countries by offering political risk insurance (guarantees) to investors and lenders, and by providing technical assistance to help developing countries attract and retain foreign investment.

The Export-Import Bank (Ex-Im Bank) of the United States, the official export credit agency of the United States, supports the purchases of U.S. goods and services by creditworthy Tanzanian buyers that cannot obtain credit through traditional trade finance sources. The agency offers export credit insurance and guarantees of commercial loans. The Ex-Im Bank helps U.S. companies sustain and create jobs by financing U.S. exports. The Ex-Im Bank has established a cooperative agreement with the EXIM Bank of Tanzania Limited to facilitate access to guarantees by investors within Tanzania.

Tanzania is also a member of the International Center for Settlement of Investment Disputes (ICSID). Investments in Tanzania are guaranteed against nationalization and expropriation.

Labor

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Private companies can hire or fire employees whose performance is not desirable. The limited availability of skilled labor remains a major problem for businesses in Tanzania. There are no legal requirements to use specific employment agencies for recruitment and no imposed conditions on employment of host country nationals. The applicable labor laws are the Employment Ordinance Act CAP.366; Security of Employment Act CAP 574 No. 62; Workmen's Compensation Ordinance CAP 263; and Severance Allowance Act CAP 487 No.47 of 1962.

The labor and immigration formalities allow foreign investors to recruit up to 5 expatriates; more work permits can be granted on meeting specified conditions. As an incentive under the EPZ Act, the GOT can provide work permits for management and technical staff when these skills are unavailable locally. The number of such personnel is determined in consultation with the Ministry of Labor.

The Ministry of Labor published a government order on November 16, 2007 establishing new minimum wage requirements. The new law, which went into effect January 1, 2008, divides the labor force into eight sectors: health services; agricultural services; trade industries, and commercial services; transport and communication services; mining services; fishing and marine services; domestic and hospitality services; and private security services. The law, which sets a different minimum wage for each subsector, was ordered by the Minister of Labor under recommendation by the newly-formed Minimum Wage Board.

Partly in response to objections filed by the Confederation of Tanzania Industries (CTI), in December 2007 the Ministry of Labor issued an amendment to the order, lowering the minimum wage for companies employing 300 plus workers and exporting 25 percent or more of its products to 80,000 Tsh from the 150,000 Tsh originally established in the order. Companies in the Export Processing Zones (EPZs) and Special Economic Zones (SECs) and labor-intensive industries such as textiles, will benefit from this amendment--although the established rate is still a 40% increase over the previous universal minimum wage of 48,000 Tsh.

While there continues to be a deficit of skilled labor, the number of university graduates in Tanzania, especially in business management and IT, is growing. However, many foreign investors still find that local labor is not sufficient to fill management and administrative positions.

Foreign-Trade Zones/Free Ports

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Refer to EPZ information above. Efforts are progressing to make Zanzibar Port a free port. In addition, free economic zones have been established in three areas of Pemba and Zanzibar. Tanga and Kigoma ports will also soon become free trade zones.

Foreign Direct Investment Statistics

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The Bank of Tanzania (BOT) reported Foreign Direct Investment (FDI) trends in Tanzania as follows:

Year	2000	2001	2002	2003	2004	2005	2006
Value of FDI (USD\$ million)	463.4	467.2	430	526.8	469.9	325	501.5

Source: Bank of Tanzania (BOT)

FDI into Tanzania has been principally in the mining, manufacturing, tourism, construction and transportation sectors. In 2006, the value of FDI increased to USD 501.5 million from USD 325 million in 2005. The increase was mainly due to investment for expansion in the mining sector.

Tanzanian Investment Center: <http://www.tic.co.tz>

Public Procurement Regulatory Authority: <http://www.ppra.go.tz>

Presidential Parastatal Sector Reform Commission: <http://www.pscrtz.tz>.

Doing Business in Tanzania (World Bank Report): <http://www.doingbusiness.org>

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Chapter 7: Trade and Project Financing

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- [How Does the Banking System Operate](#)
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How Do I Get Paid (Methods of Payment)

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Tanzania is largely a cash economy. Direct cash settlement is the most popular and most common way for individuals doing business domestically. Cash payments take the lead due to a low degree of trust the seller has in the buyer's ability and willingness to pay.

In business-to-business transactions, most companies (both local and foreign) choose to make payments through checks. Banks take 7-14 days to clear checks and collect funds through the central bank's national payment system electronic clearing-house. Companies prefer to make payments by check for both internal and external management and control of funds. Companies tend to prefer direct payment in cash for petty transactions. For parties in different cities, or regions, direct payments through commercial bank accounts in the form of wire transfers are very common.

In international trade transactions, documentary credits such as letters of credit (LCs), documentary collections and drafts are widely used. Prepayment, cash with order and cash-in-advance, are the most desirable terms by local sellers.

Factoring and open account or credit terms are not common in Tanzania, despite understanding by Tanzanian companies that some of the largest U.S. firms will make purchases only on an open account basis.

How Does the Banking System Operate

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The Tanzanian banking sector was liberalized in June 1999 and is now increasingly competitive. Local state-owned banks have been privatized. Currently, about 30 local and foreign private commercial banks are registered with the central bank (Bank of Tanzania) and are operating. International banks include CitiBank/Citigroup, Standard Chartered Bank, Barclays Bank and Stanbic Bank. As the experience with emerging markets indicates, foreign banks are typically more efficient than local banks. The influx of foreign banks has helped to improve the availability of financial services and the quality and pricing of existing services, either directly as providers of such services or indirectly through competitive pressures on domestic banks. In general terms, Tanzania has a growing market-driven financial sector.

Commercial banks credit to the private sector, as proportional to GDP, was 9.2 per cent in June 2006. By the end of December 2006, the proportion increased to 11.2 percent. The increase of credit to the private sector was attributed to an increase in demand for credit to finance increased economic activities and competition in the financial sector. However, the average lending interest rate charged by commercial banks on Tanzania Shillings is relatively high. The average discount rate on Tanzania Shillings was 13.4 percent and the average lending rate charged by commercial banks was 15.44 percent in June 2006. Despite the increase in competition between commercial banks, trends in interest rates still show a wide spread between lending and deposit rates. Statistics from the Central Bank of Tanzania have shown that commercial banks invest more money in Treasury Bills than in other sectors. The lending by sector figures in 2006 indicated that mining and construction sectors were leading followed by trade.

Foreign-Exchange Controls

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Import and export trade has been facilitated by the abolishment of import and export licenses and foreign exchange controls. Exporters are now allowed to utilize or repatriate all export earnings.

U.S. Banks and Local Correspondent Banks

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Citibank (Tz) Ltd. is the only U.S. bank currently operating in Tanzania. The National Bank of Commerce (NBC) has correspondent arrangements with Chase Manhattan Bank, Morgan Trust Guarantee and Citibank. Foreign banks like Trust Bank (T) Ltd. and Citibank have similar correspondent arrangements with U.S. banks. Tanzania Postal Bank has a money transfer arrangement with Western Union International of the U.S.

Project Financing

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Project financing is available from Tanzania Development Finance Co. Ltd., Tanzania Investment Bank (TIB), Aureos, East African Development Bank, African Development Bank, International Finance Corporation (IFC) and PTA Bank.

Multilateral development banks also provide project financing in Tanzania. The International Bank for Reconstruction and Development (IBRD), a member of the World Bank group, makes long-term loans at market-related rates primarily to developing nations. The International Development Agency (IDA), the soft loan window of the World Bank, lends to the poorest of the developing countries. Both the IBRD and IDA work to promote broadly based economic growth and frequently focus on structural adjustment, sectoral reform and individual project lending. Typically the World Bank does not finance the entire cost of a project. Rather, it finances the components of a project purchased with foreign exchange, which on average is about 40 per cent of the total project cost. Each project may cover a wide variety of sectors and can involve anywhere

from one to hundreds of separate contracts providing export business opportunities for suppliers worldwide.

The African Development Bank (AFDB), headquartered in Abidjan, Cote d'Ivoire, is an international financial institution created by Africans in 1963 to promote the economic and social development of its member African countries. Founded with initial capital resources of USD 250 million, it has authorized capital today of over USD 22.3 billion. The bank belongs to the African Development Fund (ADF) and the Nigerian Trust Fund (NTF). The AFDB makes loans to development projects in 51 countries in Africa. The ADFB has 21 non-regional members. The United States joined in 1982.

Web Resources

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Export-Import Bank of the United States: <http://www.exim.gov>

Country Limitation Schedule: http://www.exim.gov/tools/country/country_limits.html

OPIC: <http://www.opic.gov>

Trade and Development Agency: <http://www.tda.gov/>

SBA's Office of International Trade: <http://www.sba.gov/oit/>

USDA Commodity Credit Corporation: <http://www.fsa.usda.gov/cc/default.htm>

U.S. Agency for International Development: <http://www.usaid.gov>

Bank of Tanzania: <http://www.bot-tz.org>

PTA Bank: <http://www.ptabank.org>

CRDB Bank Ltd: <http://www.crdb.com>

Standard Chartered Bank Tanzania Ltd: <http://www.standardchartered.com/tz>

Stanbic Bank Tanzania Ltd: <http://www.stanbic.com>

Exim Bank Tanzania Ltd: <http://www.eximbank-tz.com>

Citibank Tanzania Ltd (Citigroup): <http://www.citigroup.net>

Tanzania Investment Bank (TIB): <http://www.tib.co.tz>

Barclays Bank Tanzania Ltd: <http://www.barclays.com>

Aureos Tanzania Managers Ltd: <http://www.aureos.com>

Federal Bank of the Middle East: <http://www.fbme.com>

National Microfinance Bank (NMB): <http://www.nmbtz.com>

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Business Customs

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Tanzanians are generally polite, helpful and warm-hearted. The private sector has matured significantly since privatization reforms began a decade ago and a culture of market economics has developed. Generally, international business customs apply. Tanzanians strongly value face-to-face meetings and personal relationships. Patience and flexibility are essential for success in Tanzania.

Travel Advisory

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Please see the Department of State's [Consular Information Sheet for Tanzania](#).

For current information on travel warnings and advisories, please see the Department of State's [Travel website](#).

Visa Requirements

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Tourist Visas

- **Single Entry Tourist Visa** is available with validity of one year from the date of issue.
- **Multiple Entry Tourist Visa** is available for one year. For more details contact the visa section at Tanzanian missions abroad.

Business Visas

- **Single Entry Business Visa** for Business applicants only. Application should be accompanied by an Official Letter outlining the nature of such Business visit. Valid for (one year) from the date of Issue.

- **Multiple Entry Business Visa** can be granted for up to one year. A letter from an established company in the country of application will be required to introduce the applicant, the nature of the trip and the business contact in Tanzania. For more details contact the visa section at Tanzanian missions abroad.

U.S. Companies that require travel of foreign businesspersons to the United States should be advised that security options are handled via an interagency process. Visa applicants should go to the following links.

State Department Visa Website: <http://travel.state.gov/visa/index.html>

United States Visas.gov: <http://www.unitedstatesvisas.gov/>

US Embassy Visa Section: <http://usembassy.state.gov/tanzania/wwwhconsaffairs.html>

Telecommunications

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The national telephone network and several mobile telephone networks reach most parts of the country including all major towns. Most business travelers rent a cell phone or bring their own and purchase a pre-paid SIM card. Major hotels have business centers with Internet access, and Internet cafes of varying quality can be found in most cities.

Transportation

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Tanzania has three international airports in Dar es Salaam, Kilimanjaro and Zanzibar. In addition there are airstrips spread all over the country. (website: Tanzania Airport Authority www.taa.go.tz)

Air Tanzania, Precision air provides domestic air travel linking all major towns in the country, and offers flights within Africa and to the Middle East. Private companies, including several charter services, also operate in the country. International airlines operate flights in and out of Tanzania with daily flights to Europe, India, the Middle East and Southern Africa.

Public ground transportation is unreliable and unsafe for business travelers. Hiring a car and driver through a reliable company is generally the best way to get around town.

The Tanzania Harbours Authority (THA) operates the ports of Dar es Salaam, Tanga, Mtwara, and minor ports of Kilwa, Lindi and Mafia on the Indian Ocean. Dar es Salaam is the main port with a dry break bulk cargo capacity of 3.1 million tons of containerized cargo and 6.0 million tons of bulk liquid. (Website: Tanzania Harbors Authority): www.tanzaniaports.com/

Lake transport is managed by the Marine Division of the Tanzania Railway Corporation (TRC), including freight cargo and passenger transport services on Lake Victoria (linking Tanzania, Kenya, Uganda), Lake Tanganyika (linking Tanzania, Burundi, Democratic

Republic of Congo and Zambia), and Lake Nyasa (linking Tanzania, Malawi and Mozambique). Website: Tanzania Railway Corporation www.trctz.com

Language

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Swahili and English are official languages in Tanzania. Over 100 tribal languages are also spoken in various parts of the country. Swahili is the most widely used language, but English is the official language of education, government administration and business. In general, business can be easily conducted in English.

Health

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Food and waterborne diseases are the number one cause of illness in travelers. **Travelers' diarrhea** can be caused by viruses, bacteria, or parasites, which are found throughout the region and can contaminate food or water. Infections may cause diarrhea and vomiting (*E. coli*, *Salmonella*, **cholera**, and parasites), fever (**typhoid fever** and toxoplasmosis), or liver damage (hepatitis). Make sure your food and drinking water are safe. ([See below.](#))

Malaria is a serious, but preventable infection that can be fatal. Your risk of malaria may be high in Tanzania, including in cities. ([see guidance](#)). Most travelers to East Africa, including infants, children, and former residents of East Africa, are at risk for malaria. For detailed information on malaria-risk areas and anti-malarial drugs, see the following links to the Center for Disease Control: www.cdc.gov

[Malaria Information for Travelers to East Africa](#)

[Preventing Malaria in the Pregnant Woman \(Information for the Public\)](#)

[Preventing Malaria in Infants and Children \(Information for the Public\)](#)

Local Time, Business Hours, and Holidays

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Tanzania is on East Africa Time, GMT + 3 hours. Tanzania does not observe Daylight Savings Time.

Government offices are generally open 7:30 am to 3:30 pm, Monday – Friday. Businesses often remain open later, up to 5:00 pm.

In Zanzibar, business and government are closed Friday afternoons.

The American Embassy is open 7:30 am to 5:00 pm Monday – Thursday, and 7:30 am to 11:30 am on Friday.

National Holidays (2008)

DATE	OCCASION
1 January	New Year's Day
12 January	Zanzibar Revolution Day
7 April	Karume Day
21 March	Good Friday
24 March	Easter Monday
26 April	Union Day
1 May	Labor Day
7 July	International Trade Fair (Saba Saba)
8 August	Farmers' Day
14 October	Mwalimu Nyerere Day
2 -3 October	Idd-El Fitr (subject to lunar calendar)
9 December	Tanzanian Independence Day
25 December	Christmas Day
26 December	Boxing Day

Temporary Entry of Materials and Personal Belongings

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Rebate of customs duty may be given to a traveler on certain imports in their baggage. You may be given a rebate on goods that are not meant for resale if you satisfy the following conditions:

- The value of the goods should not exceed Tanzania shillings equivalent to US\$500 and you must make full declarations of your goods.
- You are allowed a full rebate (concession) on the following:
 - Portable spirits one (1) litre
 - Perfumed spirits not exceeding one (1) litre
 - Tobacco not exceeding 250 grams
 - Cigarettes not exceeding 200 sticks
 - Microbuses of seating capacity not exceeding capacity ten (10) passengers.

If you are a resident person leaving Tanzania with some domestic articles such as cameras, binoculars, music systems, video, TVs, radios etc you must register them with the customs office at your point of exit. The registration is done on the Entry for

Exportations of Domestic Goods (Form No. C.31). This will facilitate their clearance upon re-importation on your return.

Web Resources

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State Department Travel Site: <http://travel.state.gov/travel>

State Department Visa Website: <http://travel.state.gov/visa/index.html>

Center for Disease Control Travel Site: <http://www.cdc.gov/travel/eafrica.htm>

Tanzanian Customs: <http://www.tra.go.tz>

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Chapter 9: Contacts, Market Research, and Trade Events

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Contacts

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Commercial Officer
U.S. Embassy in Tanzania
PO Box 9123, Dar es Salaam
Tel: 255-22-2668001
Fax: 255-22-2668296

American Business Association in Dar es Salaam
Mr. Tim Piper - Chairperson
C/o Commercial Officer, American Embassy
PO Box 9123, Dar es Salaam

American Business Persons Group
Arusha, Tanzania
abpg@habari.co.tz

Tanzania Private Sector Foundation (TPSF)
P. O. Box 11313, Dar es Salaam
Tel: 255 22 2129433
Fax: 255 22 2129433
Email: tpsf@cats-net.com

Tanzania Chamber of Mines (TCM)
P.O. Box 13369, Dar es Salaam
Tel: 255 22 2137865
Fax: 255 22 2137868
Email: tcm@twiga.com

Tanzania Chamber of Agriculture and Livestock
P.O. Box 3010, Arusha
Tel: 255 27 2503041 / 2508736 / 2504297
Fax: 255 27 250 8213
Email: tfa@habari.co.tz

Confederation of Tanzania Industries (CTI)
P.O. Box 71783, Dar es Salaam
Tel. 255 22 2114954 / 2130327 / 2123802
Fax. 255 22 2115414
Email: cti@cats-net.com
Website: www.ctitz.com

Tanzania Chamber of Commerce, Industry and Agriculture (TCCIA)
P.O. Box 9713, Dar es Salaam
Tel. 255 22 2131659/2123372-3
Fax. 255 22 2119437
Email: tccia.hq@cats-net.com
Website: www.tccia.co.tz

Tanzania National Business Council (TNBC)
P. O. Box 11313, Dar es Salaam
Tel: 255 22 2129433
Fax: 255 22 2129433
Email: tpsf@cats-net.com

Dar es Salaam Stock Exchange
Twiga House, Samora Ave
P.O. Box 70081, Dar es Salaam
Tel: 255 22 212 8522 / 212 3983
Fax: 255 22 213 3849
E-mail: dse@cats-net.com

Dar es Salaam Merchant Chamber
P.O. Box 12, Dar es Salaam
Tel. 255 22 2122267
Fax: 255 22 2110268 / 2117722

Immigration Services Dept
Ministry of Home Affairs
Ghana Ave/ Ohio Street
P.O. Box 512, Dar es Salaam
Tel: 255 22 211 8636-46
Fax: 255 22 211 1090/211 2174
E-mail: uhamiaji@intafrika.com
www.moha.go.tz/links.html
http://www.passportsplus.com/visa_tanzania.

Permanent Secretary
Ministry of Foreign Affairs and International Cooperation.
Kivukoni Front
P.O. Box 9000, Dar es Salaam
Tel. 255 22 211 4583
Fax: 255 22 211 6600
Email: foreign@newafrica.com
Website: www.foreign-tanzania.go.tz

Permanent Secretary
Ministry of Energy and Minerals
Mkwepu Street / Sokoine Drive
P.O. Box 2000, Dar es Salaam.
Tel. 255 22 211 7156-9
Fax: 255 22 211 6719

Email: madini@africaonline.co.tz
Website: <http://www.mem.go.tz/>

Permanent Secretary
Ministry of Industry and Trade
Lumumba St.
P.O. Box 9503, Dar es Salaam.
Tel. 255 22 218 0075
Fax: 255 22 218 0371
Email: mic@intafrica.com
www.tanzania.go.tz/industries.htm

Permanent Secretary
Ministry of Agriculture and Food Security
Mandela Road
P.O. Box 9192, Dar es Salaam
Tel. 255 22 286 2073
Fax: 255 22 286 2077
Email: psk@kilimo.go.tz
www.agriculture.go.tz/

Permanent Secretary
Ministry of Finance
Treasury Bldg, Madaraka Ave
P.O. Box 9111, Dar es Salaam.
Tel. 255 22 211 1174-6
Fax: 255 22 211 0326
Email: mof@mof.go.tz
Website: www.mof.go.tz

Permanent Secretary
Ministry of Natural Resources and Tourism
Samora Ave/ Mission Street
P.O. Box 9372, Dar es Salaam.
Tel. 255 22 211 1061-4/211 6682
Fax: 255 22 212 3158
Email: nature.tourism@mnrt.org
www.tourismtanzania.go.tz/

Governor
Bank of Tanzania (BoT)
Mirambo Street
P.O. Box 2939, Dar es Salaam
Tel: 255 22 211 0945-52
Fax: 255 22 211 7342 /211 9345
E-mail: info@hq.bot-tz.org
Website: www.bot-tz.org

Permanent Secretary
Ministry of Infrastructure
Tancot Hse, Sokoine Drive
P.O. Box 9144, Dar es Salaam
Tel. 255 22 211 4426
Fax: 255 22 211 2751
www.moct.go.tz/

Market Research

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To view market research reports produced by the U.S. Commercial Service please go to the following website: <http://www.export.gov/marketresearch.html> and click on Country and Industry Market Reports.

Please note that these reports are only available to U.S. citizens and U.S. companies. Registration to the site is required, but free of charge.

Trade Events

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Please click on the links below for information on upcoming trade events.

Worldwide trade events: <http://www.export.gov/tradeevents.html>

East Africa trade events: <http://www.buyusa.gov/kenya/en/33.html>

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Chapter 10: Guide to Our Services

The U.S. Commercial Service offers customized solutions to help your business enter and succeed in markets worldwide. Our global network of trade specialists will work one-on-one with you through every step of the exporting process, helping you to:

- Target the best markets with our world-class research
- Promote your products and services to qualified buyers
- Meet the best distributors and agents for your products and services
- Overcome potential challenges or trade barriers

For more information on the services the U.S. Commercial Service offers U.S. businesses, please click on the link below.

<http://www.buyusa.gov/kenya/en/>

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U.S. exporters seeking general export information/assistance or country-specific commercial information should consult with their nearest **Export Assistance Center** or the **U.S. Department of Commerce's Trade Information Center** at **(800) USA-TRADE**, or go to the following website: <http://www.export.gov>

To the best of our knowledge, the information contained in this report is accurate as of the date published. However, **The Department of Commerce** does not take responsibility for actions readers may take based on the information contained herein. Readers should always conduct their own due diligence before entering into business ventures or other commercial arrangements. **The Department of Commerce** can assist companies in these endeavors.