

PRESIDENT'S OFFICE
TANZANIA INVESTMENT CENTRE

AN OVERVIEW OF INVESTMENT OPPORTUNITIES IN TANZANIA





AGENDA



Introduction



Institutions which provide support to Investment



Tanzania Investment Centre



Why Invest in Tanzania



Investment Incentives



Investment Opportunities



Conclusion

TANZANIA VISION



Tanzania aims to become an industrialized economy and logistics hub for Africa.



To be a semi-industrialized country by 2025



TIC is mandated by the Government to champion the industrialization vision of the country by facilitating Investors to establish manufacturing projects.



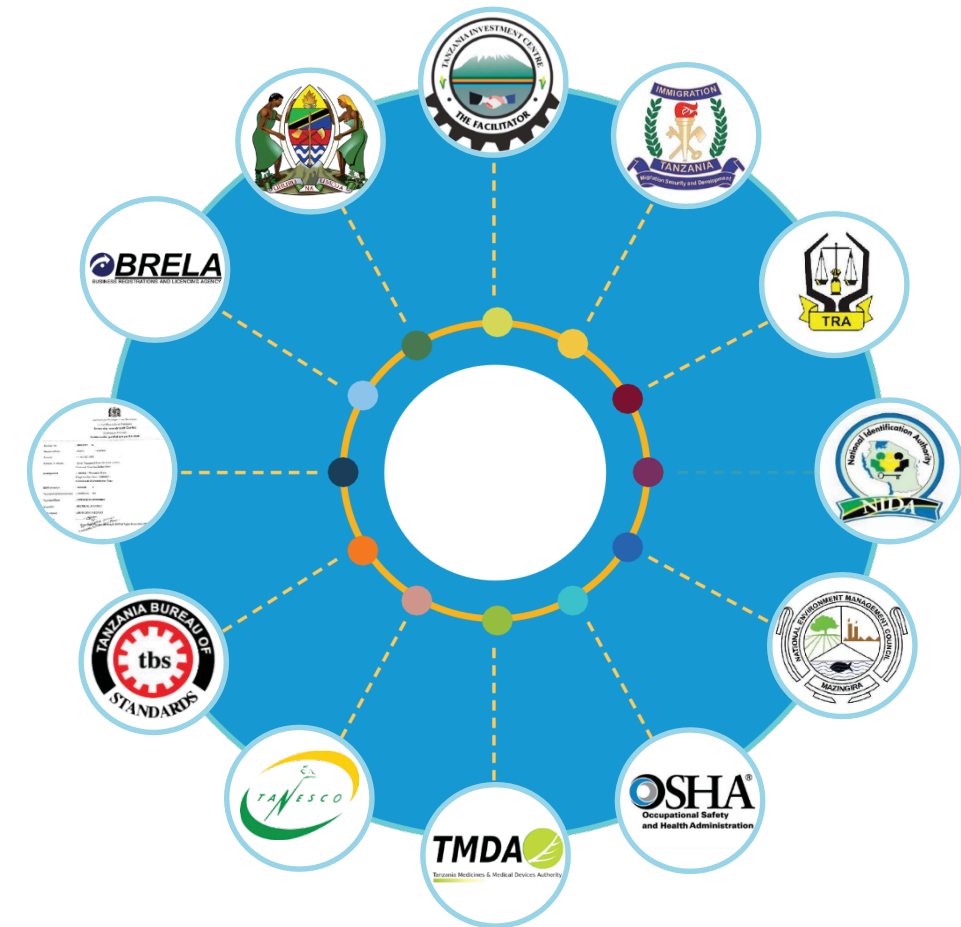
TIC is the main focal point for investors

Tanzania Investment Centre

The Tanzania Investment Centre (TIC) is the lead government agency **coordinating, promoting and facilitating investments** in Tanzania, as well as advising the Government on investment related policy matters

One-Stop Facilitation Centre

- TIC serves as a one-stop-shop facilitation centre, connecting investors to 12 public institutions under one roof
- The Government has established the Tanzania Electronic Investment Window (TeIW). This digital platform seeks to streamline the registration process for investors by integrating various authorities such as TRA, BRELA, NIDA, TIC, Labour, Immigration and Lands.



WHY INVEST IN TANZANIA?



THE MOST FAVOURABLE ECOSYSTEM/ INHERENT ADVANTAGES:



Peace & Political Stability

- ✓ Multiparty Democracy
- ✓ Good governance
- ✓ Stable post-election
- ✓ No civil wars



Economic Stability

High growth-7%
Low inflation-3%
Resilient-7% Ave
economy



Rich Natural Resources

Arable Land,
Natural gas
57.54Tcf,
Extractives,
Tourist attractions,
Labour force



Investment Guarantees

BIT' s
BTA' s
MIGA
ATIA
ICSID



Strategic Location

1,424Km Coastline
*Gateway to 7 EAC,
SADC and COMESA
*Serves 6 LLC through
***3 Deep Sea Ports**
***3 Int Airports**
3 Rail lines



Access to Markets FTA

EAC: 288.2 mil.
SADC: 327 mil
AfCTA:
Trade partners
AGOA: US (6,000 items)
EBA: EU
China (4,000 Items)
Canada
Japan

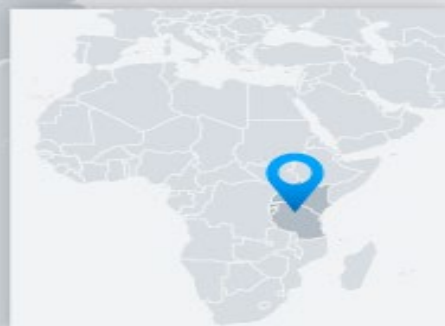




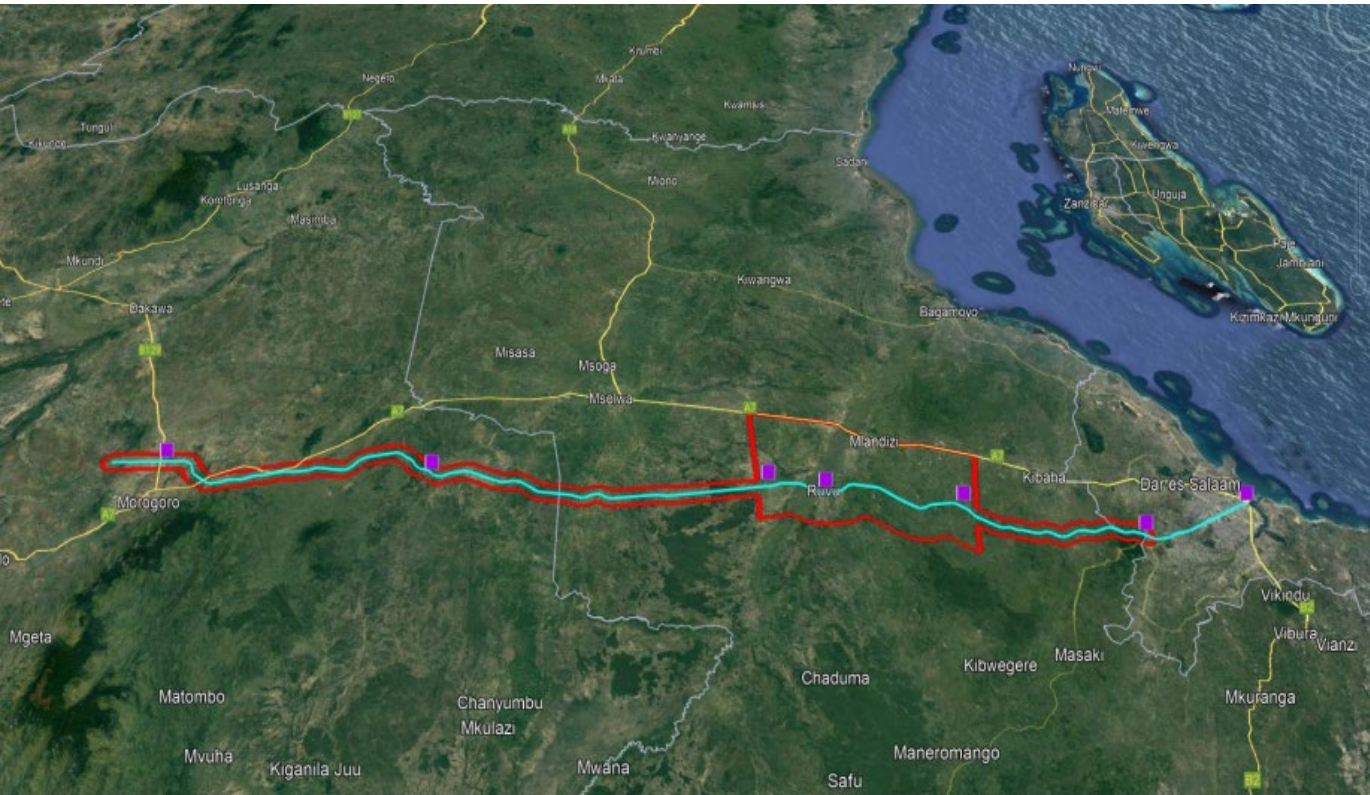
STANDARD GAUGE RAILWAY ACROSS EAST AFRICA



- existing line, narrow gauge
- existing line, standard gauge
- ⋯ under construction, standard gauge
- ⋯ planned, standard gauge



CONNECTIVITY & COST EFFICIENCY



	TZ	ZNZ	KENYA	UGANDA	RWANDA	BURUNDI
	US¢/kWh	US¢/kWh	US¢/kWh	US¢/kWh	US¢/kWh	US¢/kWh
D1	4.35	6.79	13.62	6.88	9.70	4.7
T1	15.33	12.24	18.69	20.87	23.10	23.8
T2	12.79	10.57	18.48	15.98	14.60	17.3
T3MV	8.54	9.0	14.96	12.09	11.20	18.20
T3HV	6.65	9.0	13.78	9.77	10.20	12.40
ST. Light	-	-	11.35	10.18	20.6	-

INVESTMENT CATEGORIES



A

Normal Investors

Minimum capital requirement
Foreign investors - **USD 500,000**
Local investors – **USD 50,000**



B

Strategic Investors

Minimum capital requirement
Foreign investors - **USD 50,000,000**
Local investors – **USD 20,000,000**



C

Special Strategic Investors

300,000,000 Minimum capital requirement - USD



CRITERIA FOR STRATEGIC INVESTMENT

01

The amount of capital to be invested (normally above **US\$ 50 million**)

02

The contribution of the project in terms of creating employment opportunities

03

New and innovative technology to be introduced by the Prospective strategic investment project

04

The extent to which the Project brings capacity to manufacture products for export and the earning of foreign exchange

05

Whether the Investment is in the Special Economic Zone or Geographically disadvantaged regions

FISCAL INCENTIVES



Exemption on Project Capital goods

- ❖ *Zero Import Duty on capital goods.*
- ❖ *Zero Import Duty on raw materials*

Tax Relief on Deemed Capital Goods

- ❖ *Import Duty exempted by 75%*

Manufacturing of pharmaceuticals, Textile or leather products

- ❖ *Reduced corporate tax to 20% for the first 5 consecutive years*

Capital Allowance

1. *Agriculture – 100%*
2. *Mining - 20% (first 5 years)*
3. *Hotels - 50%*
4. *Fish farming – 50%*
5. *Tourist services – 50%*

Depreciation Allowance

- ❖ *37.5% - 5% depending on the class of the depreciable asset*

Assembly of motor vehicles, tractors, fishing boats or out boat engine

- ❖ *Reduced corporate tax to 10% for the First 5consecutive years*



OTHER NON FISCAL INCENTIVES

01

AUTOMATIC IMMIGRATION QUOTA

Initially 10 expatriates during project implementation
Additional based on project size and other factors

02

LAND DERIVATIVE RIGHT

Foreigners have security of tenure under TIC DR for 98 years

03

ACCESS TO SERVICES UNDER THE ONE STOP FACILITATION CENTRE

04

UNCONDITIONAL (FREE REPATRIATION) TRANSFERABILITY OF FUNDS

Transfer of funds is allowed through any authorized bank in freely convertible currency of:

- Net profits,
- Repayment of foreign loans,
- Royalties,
- Fees charges in respect of foreign technology,
- Remittance of proceeds and
- Payment of emoluments, etc.

TIC REGISTERED INVESTMENTS FROM JAPAN



SUMMARY OF JAPAN REGISTERED PROJECTS 1997 - APRIL 2024

Sector	No. of Projects	Jobs	Value in Miln US\$
Agriculture	3	15	11.40
Commercial Building /Construction	5	695	5.05
Services	1	11	2.07
Manufacturing	10	315	17.031
Tourism	3	73	4.85
Transport	2	73	2.30
TOTAL	24	1,182	42.70



Modernization



Data driven promotion: Monthly Bulletin



Leveraging technology: TZ eInvestment Window



Personalized investor sessions: eBriefings



Targeted outreach: Select markets with pivot to Asia



Unique incentives provision regime: NISC with Prime Minister



Elevation of Investment portfolio to President's Office



Institutional quality improvement



AGRICULTURE AND AGRO - PROCESSING

Agriculture & Agro - Processing
(Fruits & Vegetable, Tea, Cashew nut, Floriculture, Pulses, Cassava, farming & processing)

Opportunities

- ❖ Rehabilitation and expansion of existing processing Industries.
- ❖ Joint Venture with existing Processors.
- ❖ Construction and operation of New Processing Industries.
- ❖ Construction of Industrial Parks



EDIBLE OIL



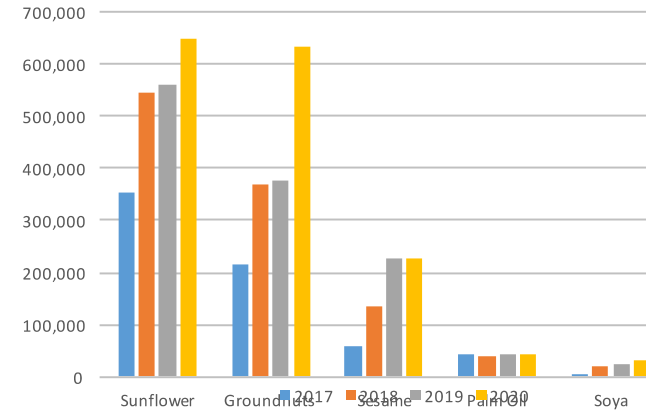
Key facts

- ❖ Imports: US\$83.19 million (2018)
- ❖ Annual Demand: 600,000 tones
- ❖ Annual Supply: 180,000 tones
- ❖ Current Gap: 420,000 tones
- ❖ Demand forecast: 700,000 tones (2030)
- ❖ Imports between 55 and 70 per cent

Opportunities

- Tanzania ranks 10th & 2nd on sunflower production in the world and Africa respectively
- Large scale farming of oil seeds to address supply gap
- Establishment of oil seeds processing facilities
- Establishment of refineries.

**OIL SEEDS PRODUCTION PER SEED TYPES
(TONS) FROM 2017-2020**



Source: Min of Agric.



COTTON AND TEXTILE



Key facts

- ❖ Seed cotton yield: 283,600 (five years average).
- ❖ 80% of produced cotton exported in raw form.
- ❖ Low cost labour.

Opportunities

- Value addition from field to factory
- Ginning, spinning and weaving
- Textile
- Garments





SUGAR PRODUCTION

- ❖ Current Sugar Demand- 655000Mt per year
- ❖ Industrial sugar DD- 165000Mt
- ❖ Total local sugar production - 370000Mt
- ❖ Highest average cane yields in the world, at 120 tons/ha (good soils and climate).
- ❖ Rainfall and generous rivers and best irrigation potential.
- ❖ Suitable Soil and topography.
- ❖ Per capita consumption to increase
- ❖ High increase in demand relative to supply capacity





LIVESTOCK AND LEATHER INDUSTRY

Key Facts

- ❖ 2nd largest livestock in Africa (2020)
- ❖ Potential for 4.0Mil hides and 6.1Mil skins, annually.

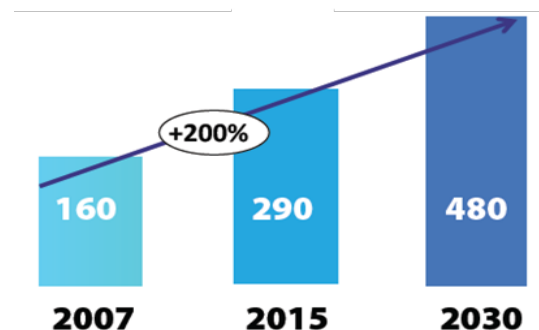
LIVESTOCK	PROJECTED BASELINE POPULATION (Mil.in 2022)
Cattle	36.6
Goats	26.6
Sheep	9.1
Pig	3.7
Poultry	97.9

Source: Economic Survey 2022

Opportunities



Projected Demand for Local Meat (,000Tons)





FISHING AND AQUACULTURE

Key facts

- ❖ Freshwater coverage: 54,337sq.km (6.1 % of surface area)
- ❖ Territorial Sea: 64,000 sq.km.
- ❖ Exclusive Economic Zone (EEZ): 242,000sq.km
- ❖ Coastline: 1,424 km along Indian Ocean.

Investment Opportunities

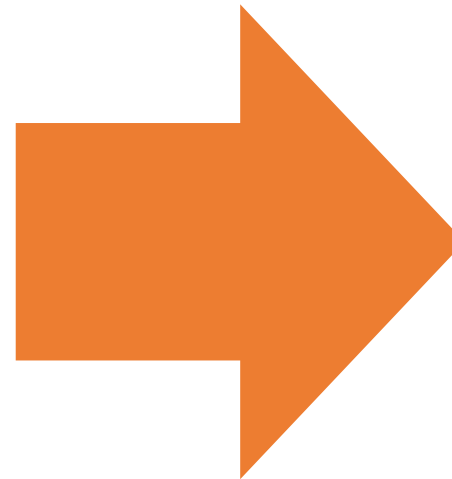
- ❖ Fishing ports and fishing in the EEZ.
- ❖ Fish processing and fishing boat building yards.
- ❖ Commercial fish farms in marine and freshwater areas.





ENGINEERED WOOD PRODUCTS

- ❖ Laminated Veneer Lumber (LVL) ...
- ❖ Laminated Strand Lumber (LSL) ...
- ❖ Oriented strand board (OSB) ...
- ❖ Plywood. ...
- ❖ Medium density fiberboard (MDF) ...
- ❖ Composite board. ...
- ❖ Cross-laminated timber (CLT)



MINING AND METALS

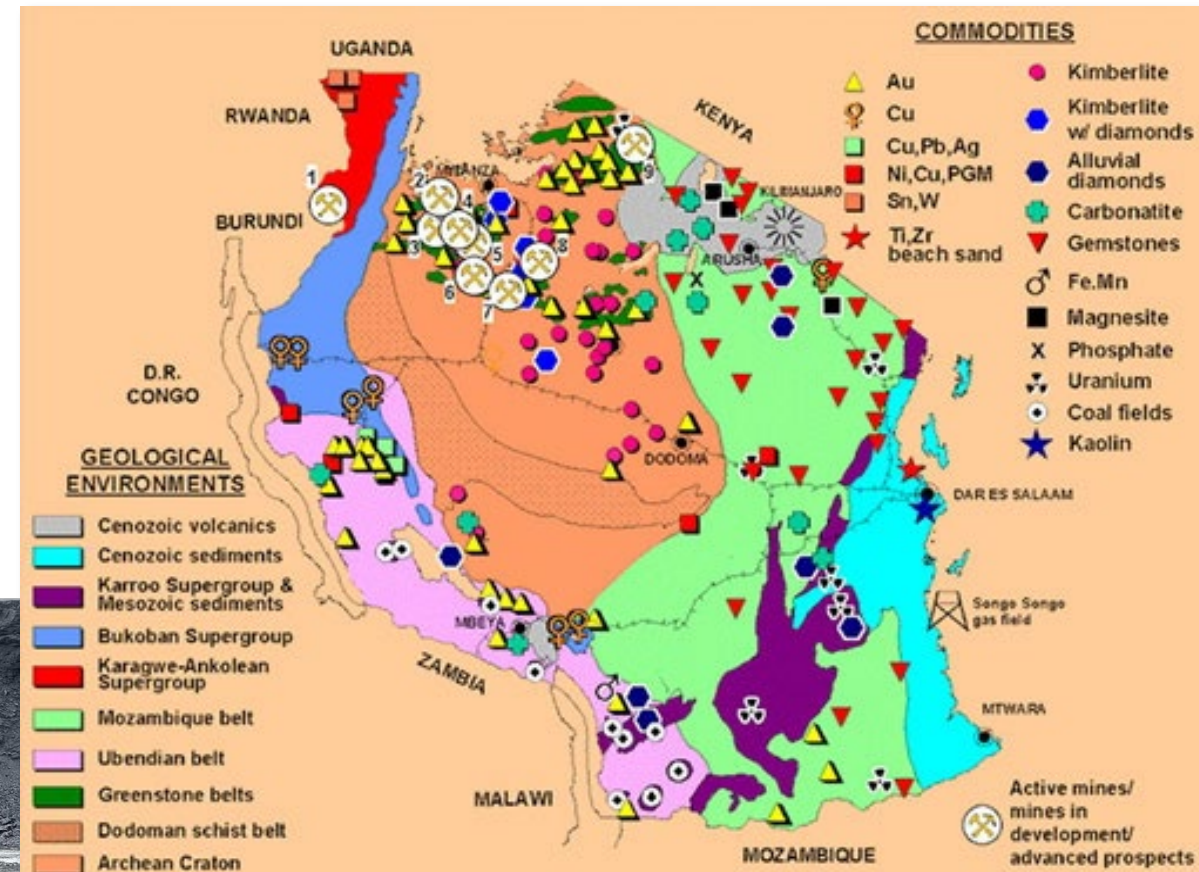
Key facts and Figures

- ❖ Sector growth rate: 12.2% in 3rd qtr 2021 (growth was mainly due to an increase in production of gold, coal and gypsum)
- ❖ Gold production attributed to the growth rate that increased to 14,915 kg in the third quarter in 2021 from 13,698 kg in the corresponding quarter in 2020.

Source : National Bureau of statistics.



Geological Map of Tanzania



ENERGY SECTOR



Key facts

Abundant non-renewable energy resources such as 57,54tcf Natural gas reserves and 3.9 tcf Oil reserves in ZNZ, Coal, Uranium,

Renewable sources -Hydro, Solar, Wind, Biomass, Geothermal, Solar, Tidal & Waves resources;

Installed capacity is 1,605.86 MW (2021);

New Mega Hydro-JNHPP 2,115Mw on Progress;

Electricity generation most by Natural Gas (48%), Hydro (31%), Fossil Fuel (18%), Solar (1%) and Biofuels (1%)



Investment Opportunities

- Natural Gas Up-Stream Investment
- Natural Gas Mid Stream
- CNG Stations and Distribution
- LNG Plant and Logistics

PHARMACEUTICALS AND MEDICAL EQUIPMENT



Key facts

- ❖ Population 61,741,120mil. (NBS 2022 Census) with growth rate of 3.2%
- ❖ 26.3% of the population <15 years
- ❖ 53.2% between 15-64 years old
- ❖ 3.1% of the population is aged 65 years and above. (The Economic Survey 2019)
- ❖ Pharmaceutical & Medical devices Imports: Btwn 85% - 94%
- ❖ Foreign currency spent Annually: US \$0.8bn – 1bn
- ❖ Local Market (Through MSD as well as directly to private health facilities)
- ❖ EAC and SADC market

Investment Opportunities

- ❖ Manufacturing of medicines, medical supplies, laboratory/supplies
- ❖ Institutions for training industrial pharmacists





REAL ESTATE AND COMMERCIAL BUILDING

Key facts

- ❖ **Population:** 61,741,120mil (NBS 2022 Census.)
- ❖ Demand for modern housing is increasing
- ❖ Growth rate of 4.6 percent in the third quarter in 2021 (NBS).
- ❖ Growth was attributed due to demand for accommodation especially in urban areas.

Investment Opportunities

- ❖ Housing estates
- ❖ Residential apartments
- ❖ Office buildings
- ❖ Conference and banquet facilities
- ❖ Shopping malls
- ❖ Movie theatres and entertainment facilities
- ❖ Real estate properties
- ❖ Industrial Parks





INFRASTRUCTURE NETWORK

Key Facts

- ❖ Tanzania Railway Limited (TRL) with 2,706km and Tanzania-Zambia Railway Authority (TAZARA) with 970 km.
- ❖ Power generation grows at 10–15% per year, with only 24% coverage and total installed capacity of 1,300 MW.
- ❖ The Government plans to generate more than 10,000 MW in 2025. Medium Target is 5,000MW by 2020.



Opportunities

- ❖ Airport, Rail and Port construction/rehabilitation projects in PPP model.
- ❖ Power generation sector using hydro, natural gas, coal, uranium and renewable resources.
- ❖ Inland container depots and extended railway lines.





AUTOMOTIVE INDUSTRY

- ❖ Assembly plants for Motor vehicles, tractors, passenger cars, light commercial vehicles, heavy trucks, buses, vans, and motor cycles.
- ❖ Installation of manufacturing facilities for spare parts.
- ❖ Commercialization of Tanzania Automotive Technology Centre (Nyumbu).
- ❖ Revamping General Tyre Company-Arusha





TOURISM AND LEISURE INDUSTRY

Average length of stay: 10-11 days. Average Expenditure per tourist: US\$355 (package tours) and US\$247 (non package tours)

Key facts

- ❖ 22 National Parks,
- ❖ 32 Game Reserves,
- ❖ 44 Game Controlled Areas,
- ❖ 4 Ramsar/Wetland Sites,
- ❖ 33 Wildlife Management Areas,
- ❖ 20 Nature Reserves

Investment Opportunities

- ❖ Tourist Hotels, Beach tourism, cultural and historical sites
- ❖ Golf courses and eco-tourism facilities
- ❖ Leisure parks
- ❖ Conference tourism facilities
- ❖ Air/ground transport
- ❖ Tour operations
- ❖ Trophy hunting and Photographic



NGORONGORO CRATER



SERENGETI NATIONAL PARK WITH ANIMAL MIGRATION





CONCLUSION
JAPANESE INVESTORS
ARE CORDIALLY WELCOME
TO INVEST IN TANZANIA

THANK YOU FOR YOUR ATTENTION!
ARIGATO



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