



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

# **RUKWA REGION INVESTMENT GUIDE**



**2020**





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PRESIDENT'S OFFICE  
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# **RUKWA REGION INVESTMENT GUIDE**

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*Empowered lives.  
Resilient nations.*



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## ABBREVIATIONS AND ACRONYMS

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

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

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

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TRIMs	Trade-related Investment Measures
TZS	Tanzanian Shillings
UNCTAD	United Nations Conference on Trade and Development
UNDP	United Nations Development Programme
UNIDO	United Nations Industrial Development Organisation
VAT	Value-Added Tax
VETA	Vocational Education and Training Authority
WB	World Bank
WTO	World Trade Organisation
WWF	World Wildlife Fund



## DEMONSTRATION OF COMMITMENT FROM THE HIGHEST LEVEL OF GOVERNMENT



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

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



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

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



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

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

# FOREWORD



Welcome to invest in Rukwa Region, one of the most economically promising regions of the United Republic of Tanzania. The region is blessed with investment potentials in both economic and social sectors.

Rukwa Region has prepared this investment guide to expose priority investment opportunities that are available in the region. The guide is in line with the vision and mission of the region and the associated Rukwa Regional and Local Government Authorities (LGAs) Development Plans.

It is also aligned with the national investment policy and national development frameworks, particularly the National Development Vision 2025, the Long-Term Perspective Plan and its derivative the Second Five Year Development Plan (FYDP II) 2016 - 2021, the Integrated Industrial Development Strategy 1996-2015, Sustainable Development Goals and the Ruling Party Election Manifesto. The region's priorities are consistent with national strategies and goals for transforming the economy into a middle-income and semi-industrialised economy by year 2025.

The information contained in the guide is valuable for prospective local and foreign organisations as well as groups and individuals interested in investing in the region. I believe that the understanding of available resources and investment potentials as detailed in this guide will attract investors to effectively utilise the untapped resources and investment opportunities in Rukwa Region. The expected outcome of the investments will not only accelerate economic growth and improvement in quality of life and well-being of the people in the region and the nation at large, but will also benefit investors.

Rukwa Region has a rich agriculture-based economy. Maize, beans, sunflower and paddy are the most dominating as both food and cash crops. This being the case, the Regional Secretariat and local government authorities are now implementing the strategies to diversify the economy by increasing

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production of sunflower and wheat, as well as re-establishing coffee production as cash crops to increase income and provide raw materials for industries.

The region's administration will assure maximum support and cooperation to interested potential and real investors. Satisfactory security, regulatory and business environment will be provided by the Regional Secretariat and local government authorities.

More details on the identified strategic and viable opportunities will be provided by this guide and regional authorities. We wish to invite innovative domestic and foreign investors to join hands with us in exploiting the region's opportunities on the basis of mutual benefit in various areas.

This guide has five parts: part one gives reasons for investors to choose Rukwa Region as an investment destination; part two presents the socio-economic profile of Rukwa so as to equip potential investors with adequate information about the region which can be essential in making investment decisions; part three presents priority investment opportunities in the region; part four pinpoints specific issues related to facilitation, processes, requirements, and incentives for investment in Tanzania in general and in Rukwa Region in particular; and part five provides important contacts in Rukwa Region that will help potential investors in making follow up for opportunities in which they want to invest.

The ESRF team that assisted in preparing this guide received full cooperation from the regional team under the Regional Administrative Secretary (RAS), Mr Bernard Makali, and from district teams under district executive directors, municipal director and district commissioners. I am grateful for their commitment to this important task.

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

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

**Hon. Joachim Leonard Wangabo**  
**Regional Commissioner**  
**Rukwa Region**

## EXECUTIVE SUMMARY

Rukwa Region, which is located in the south-western part of Tanzania Mainland, is one of 31 regions of the United Republic of Tanzania. The region has a total area of 27,765 square kilometres of which 4,921 square kilometres (17.7%) are covered with water bodies. Administratively, the region has three (3) districts namely Sumbawanga, Nkasi and Kalambo; administratively, the region is comprised of four (4) local government authorities (LGAs), namely Sumbawanga Municipal Council, Sumbawanga District Council, Nkasi District Council and Kalambo District Council.

The region has an estimated population of 1.27 million people (year 2020 estimation) growing at the rate of 3.2 percent. This provides satisfactory labour force and potential market for goods produced from investments in the region. The regional gross domestic product (GDP) at current market prices was about TZS 4.5 trillion and per capita of TZS 2,325,640 in 2018.

The region is rich in natural resources, including land (about 1,660,600 hectares of arable land suitable for crop cultivation and livestock keeping), forestry resources, game reserves and minerals such as coal, zinc etc. Due to its geographical position, Rukwa Region is a natural trading gateway for neighbouring countries of Democratic Republic of Congo (DRC), Burundi and Zambia as well as Songwe and Katavi regions. There is high sustainable economic growth potential in the region with gross domestic product (GDP) that has been growing consistently at an average of 15 percent from year 2011 to 2015 (BOT, Consolidated Zonal Economic Performance Report, 2016) due to agricultural expansion and other social economic activities.

There is a well improved economic infrastructure, including good road networks, Sumbawanga Airport, Marine transport to other countries (Zambia, and DRC) through Lake Tanganyika, and a reliable supply of electricity to support investments in the region.

The regional economy depends mainly on agriculture sector, which is facilitated by tropical climate. The region experiences unimodal rainfall pattern with an annual rainfall of between 850 and 928 mm and a mean temperature ranging from 11.9oC to 25oC. Both food and cash crops are produced in the

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region, with maize, beans, sunflower and paddy dominating. Other sectors contributing to the regional economy include livestock, mining, tourism, industry and commerce.

Rukwa Region has several investment opportunities favourable for domestic and foreign investors. Interested parties are invited to invest in meat processing; milk processing; leather and leather goods making; animal and fish feeds manufacturing; wheat processing; manufacturing of packaging materials for both primary and secondary processing industries; sugar production; modern fish processing; assembling and repairing farm implements; fruit processing; coffee processing; maize processing; edible oil processing; paddy processing, packaging and branding; construction of irrigation infrastructure for paddy and other crops; smart farming (screen/green house, hydroponic vegetable, fodder and azolla etc.); avocado farming; sugarcane plantation; beekeeping; dairy farming; artificial insemination; construction of cattle dips, abattoir and warehouses at the border with Zambia; pasture production; intensive fish farming and ornamental fish harvesting; supplying modern fishing equipment; construction of storage and transport facilities for fish, international agriculture markets, shopping malls, modern markets, and modern bus stands; developing a field for golf sports; real estate development; soils laboratory; mining; tourism and hospitality infrastructure and services (hotels, recreation centres, conference facilities, camping sites, tour companies etc.); establishment of skills development training institutes; and provision of transport services (marine & land).

This investment guide has been prepared to provide prospective investors and other interested parties with insightful information about investing in the region. In order to ease provision of information and services regarding investment, the central and local government authorities have been collaborating to improve conditions to facilitate investment in the region.

## DISCLAIMER

This guidebook was published to provide potential investors with access to essential information regarding investments and investing in Rukwa Region. It does not in any way give exhaustive information or detailed practical instructions, but it points out sources of other information in both private and public sectors. Most of or all information contained in this guidebook was derived from consultations with regional and district government officials, the private sector, and other agencies. Depending on the nature of investment, potential investors are expected to conduct feasibility studies and/or environmental impact assessment for detailed information.

Materials in this guidebook should therefore be used only for the intended purposes and not for defence in a legal dispute or any matter of that nature.

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







## **REASONS FOR INVESTING IN RUKWA REGION**

### **1.1 Rukwa Region in the Broader Tanzanian Context**

Rukwa Region is part of Tanzania, and it therefore benefits from, and depends on the country's conducive investment and trade policies, political stability and well-prepared development frameworks based on the National Development Vision 2025. Tanzania, with its large and growing domestic population, strategic location, abundance of natural resources and internal political stability, presents a uniquely attractive investment opportunity. The country has a population of about 58 million people and a population growth rate of 2.7 percent.

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

Several measures have been taken to create a business-conducive environment to encourage local and foreign investments. The country has created a stable and attractive macro- and micro-economic climate with single-digit inflation; there are on-going reforms in fiscal and monetary policies, and improvement in the business climate through legal and regulatory reforms aimed at streamlining procedures and freeing business from unnecessary bureaucracy.

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

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and debt relief. In 2017, the International Monetary Fund (IMF) reported that Tanzania's macro-economic performance remains strong, economic growth is projected at about 7 percent, and inflation is expected to remain close to the Government of Tanzania's 5 percent target.

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

## **1.2 Investment Climate and Trade Policy in Tanzania**

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

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

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

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There are three categories of licences issued by EPZA:

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

EPZA also oversees incentive packages such as exemptions from corporate tax and withholding tax on rent; dividends and interest; remission of customs duty, value-added tax (VAT) and other taxes on raw materials and capital goods; and exemption from VAT on utilities and levies imposed by local authorities. In addition, it can also provide working permits for foreign staff. More information can be found on the website [www.epza.go.tz](http://www.epza.go.tz) and through email address [info@epza.go.tz](mailto:info@epza.go.tz). All the above factors, plus the country's well formulated development-cum-strategic frameworks, have contributed to a continuous growth of real GDP at about seven percent (7%) for over a decade and it is now a member of what the World Bank has dubbed the "7 percent Club", a group of countries forecast to achieving 7 percent or more real GDP growth for the next decade.

Investments in Tanzania are guaranteed against nationalisation and expropriation through various agreements of protection and promotion of investments, such as the Multilateral Investment Guarantee Agency (MIGA), of which Tanzania is a member. Tanzania also offers access to major markets of the world, such as America (through Africa Growth Opportunity Act - AGOA); Europe (through Everything But Arms - EBA); Asia (e.g. India); Middle East; and China; all done through special bilateral trade and investment agreements and arrangements.

Tanzania is also a member of two major regional economic communities (RECs), namely the Southern African Development Community (SADC) and the East African Community (EAC). Both communities are growing

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stronger, and so investors in Tanzania will have the advantage to access both domestic and regional markets as well as export markets in the European Union, the United States, the growing Asian economies of China and India, and in the Middle East, to mention only the leading ones. The domestic market is significant, given Tanzania's population of about 58 million people, growing at a rate of 2.7 percent per annum as well as a growing middle class.

Briefly, the following are among the reasons why one would want to invest in Tanzania:

- i). There is a high degree of investment security because of unparalleled political stability that is strife-free of ethnic or religious divisions, democratic rule that respects diversity of opinion and a strong tradition of constitution and rule of law
- ii). The country has maintained business-friendly macro-economic stability with low single-digit inflation, and stable exchange rates supported by unrestricted and unconditional transfers of profits, loan repayments, emoluments, royalties, fees and charges
- iii). There is a commitment to ensuring simplified bureaucracy, streamlined through the acclaimed services of Tanzania Investment Centre (TIC), which is a one-stop facilitation agency of Government that registers projects and serves registered investment projects
- iv). The Government of Tanzania is committed to, and has successfully undertaken economic liberalisation measures commended by both the World Bank and IMF with business-supportive legislation continually being improved through genuine dialogue between the Government and the private sector
- v). There is a well-balanced package of incentives to investors, with additional negotiated benefits to strategic investors
- vi). The economy is rapidly emerging as the most effective entry point and gateway for trade into eastern, southern and central Africa
- vii). There are lucrative investment opportunities in infrastructure, and value-adding facilities that are among the fastest growing segments of the economy
- viii). The Government is committed to ensuring investment guarantees and settlement of disputes. Investments in Tanzania are guaranteed against political risks, nationalisation and expropriation

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- ix). Foreign business operating in Tanzania may obtain credit from domestic financial institutions up to the limits established by the Bank of Tanzania (BoT). Major international banks like Barclays, Citibank, Exim, Stanbic, and Standard Chartered have invested in Tanzania. Among the banks with branches in Rukwa Region are CRDB Bank, NBC Limited, National Microfinance Bank Limited, TPB Bank, and several other banks.

## 1.3 Reasons to Invest in Rukwa Region

Rukwa Region welcomes private investors as key players in promoting development and diversifying the economy. The region has a variety of investment opportunities and incomparable social services for investors.

More information about the region can be accessed at [www.rukwa.go.tz](http://www.rukwa.go.tz). Below is just a brief as to why an investor would choose Rukwa Region as an investment destination.

### a) Strategic geographical location

Rukwa Region is bordering two countries, namely Zambia and Democratic Republic of Congo (DRC), which makes it potential for cross-border trade. The region is also linked to Songwe and Katavi regions through water ways and roads. All these are the nearest potential markets for industrial and agricultural products.



### b) Population and markets

The region has a potential market of about 1.27 million people (2020 population projections). The region also benefits from the population of the rest of Tanzania, as well EAC and SADC populations, which provide a huge market potential. This provides a satisfactory market for goods produced in the Rukwa Region.

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### c) Economic strength

Rukwa Region has a mixed economy dominated by agriculture. Other sources of income include fisheries, livestock, general trade; construction, manufacturing and mining. The region is one the 7 giant maize producers in Tanzania (ranked second in year 2019).

### d) Infrastructure

The region's economic infrastructure has been tremendously improved and strategic investments are being made to further improve the infrastructure. There are three transport modes serving Rukwa Region: (i) roads; (ii) marin; and (iii) air. The current transport system has been improved so as to meet the demand of the region and has contributed a lot to fast development in the region. Other infrastructure developments within the region include the Internet, telecommunication services, radio and television stations, as well as energy and water supply.



### e) Natural resources

Rukwa Region is endowed with a number of natural resources; these include lakes Tanganyika and Rukwa, ornamental fish in Lake Tanganyika, waterfalls at Kalambo (Kalambo Falls), Namkali, Lwanji and Ntembwa rivers, natural forests (Mbizi and Mbuzi) that are habitat for a rare species of Ashy Red Colobus monkey (*Procolobus rufomitratus tephrosceles*). The species is found in the southern highland part of the country after Uganda in East Africa. Other natural resources include minerals deposits such as coal and the newly discovered rare gas, Helium.

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## **f) Land for investments**

Rukwa Region has large tracts of land suitable for agriculture, irrigation, forestry and industrial development. Each council has earmarked various plots of land of various sizes for specific targeted investments. Specific details are given in Part Three of this guide.

## **g) Good climate**

The region has a favourable tropical climate for crop production, livestock, fish farming and other socio-economic activities.

## **h) Peace and security**

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

## **i) Commitments by Rukwa Regional Secretariat and local government authorities**

Rukwa Regional Secretariat and local government authorities are positioned to facilitate the process of investment in the region, particularly in collaboration with investors and key partners.

This will include the establishment of facilitation desks at the Regional Secretariat and local government authorities for providing correct information to potential investors.

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

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## **1.4 Suggested Priority Investment Opportunities in Rukwa Region**

Interested parties are invited to invest in the following recommended priority areas:

### **1.4.1 Regional Level Priority Investment Opportunities**

- i). Meat processing
- ii). Milk processing
- iii). Leather and leather goods making
- iv). Animal and fish feeds manufacturing
- v). Wheat processing
- vi). Manufacturing of packaging materials for both primary and secondary processing industries
- vii). Modern fish processing and industrial fishing
- viii). Assembling, supplying and repairing farm implements
- ix). Processing fruits and other horticulture products
- x). Marine transport services on Lake Tanganyika.

### **1.4.2 Council Level Priority Investment Opportunities**

- i). Maize processing
- ii). Edible oil seeds processing (sunflower, groundnuts, and sesame)
- iii). Paddy processing, packaging and branding
- iv). Construction of irrigation infrastructure for paddy and other crops
- v). Smart farming (screen/green-house farming, hydroponic vegetable, fodder and azolla, etc.)
- vi). Avocado farming
- vii). Sugarcane planting and sugar production
- viii). Beekeeping
- ix). Dairy farming
- x). Artificial insemination for cattle
- xi). Construction of cattle dips
- xii). Construction of abattoir at the border with Zambia
- xiii). Pasture production
- xiv). Intensive fish farming and ornamental fish harvesting
- xv). Supplying modern fishing equipment



- 
- xvi). Storage and transport facilities for fish
  - xvii). International agricultural market
  - xviii). Shopping malls and modern markets
  - xix). Modern bus stand
  - xx). Developing a golf course
  - xxi). Real estate development
  - xxii). Soils laboratory
  - xxiii). Mining
  - xxiv). Tourism and hospitality infrastructure and services (hotels, recreation centres, conference facilities, camping sites, tour operating companies etc.)
  - xxv). Skills development training institute
  - xxvi). Land transportation services.

## 1.5 The Guide's Target Groups

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

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

- Investors, business owners and stakeholders, agriculture crop estates and medium-to-large farms, and value-adding and marketing entities intending to invest in designated industry and business areas in Rukwa
- Ministry of Industry and Trade
- Prime Minister's Office (Investment)
- Primary stakeholders across value chains, including individual entrepreneurs, importers and exporters of input, output, and agriculture crops, as well as livestock keepers and fisher folks
- Government ministries, agencies, local government authorities, EPZA, and state-owned enterprises (e.g. those responsible for agriculture, industries, trade, finance, and international cooperation)

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

## PART TWO

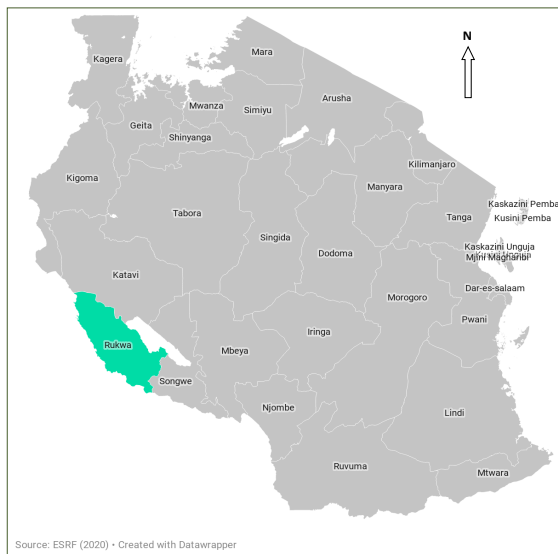
# SOCIO-ECONOMIC PROFILE OF RUKWA REGION

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

## 2.1 Geographic Location

Rukwa Region is located in the south-western part of Tanzania between 07° – 09° latitude S and 30° – 32° longitude E. The region borders Zambia to the southwest, the Democratic Republic of Congo (DRC) to the west across Lake Tanganyika, Katavi Region in the north and Songwe region to the southeast.

*Figure 1: Location of Rukwa Region in Tanzania<sup>1</sup>*



<sup>1</sup> Published by ESRF on 20th June 2020 at <https://datawrapper.dwcdn.net/RRk3S/1/>

Rukwa Region is divided into three (3) districts, namely Sumbawanga, Nkasi and Kalambo, and four (4) local government authorities (LGAs), which are Sumbawanga Municipal Council, Sumbawanga District Council, Nkasi District Council and Kalambo District Council. The region's capital is Sumbawanga Municipality.

District	Council	Area (sq. km)	Division	Wards	Villages	Mitaa
Sumbawanga	Sumbawanga Municipal Council	1,329	2	19	24	165
	Sumbawanga District Council	8,871	4	27	114	0
Nkasi	Nkasi District Council	13,124	5	28	90	0
Kalambo	Kalambo District Council	4,441	5	23	111	0
<b>TOTAL</b>		<b>27,765</b>	<b>16</b>	<b>97</b>	<b>339</b>	<b>165</b>

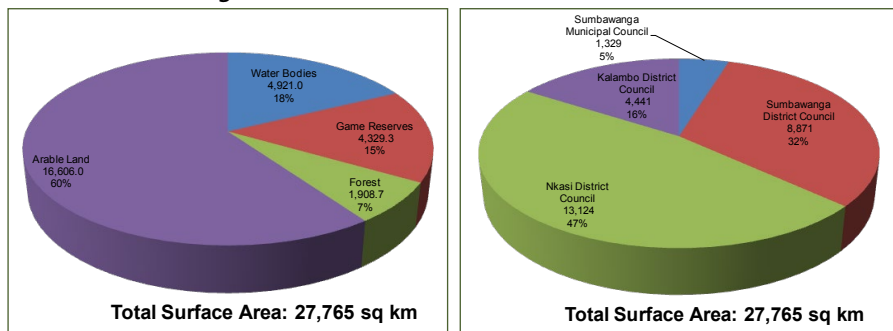
Figure 2: Map of Rukwa Region



## 2.3 Surface Area and Land Use Pattern

Rukwa Region has a total area of 27,765 square kilometres out of which 22,844 square kilometres (82.3%) are land area and the remaining 4,921 square kilometres (17.7%) are covered with water bodies.

*Figure 3: Surface Area and Land Use Pattern*



## 2.4 Population, People and Culture

According to the 2012 Population and Housing Census and previous censuses, Rukwa Region had a population of 1,004,539 with a sex ratio of 94. Out the total population 487,311 (48.5%) were males and 517,228 (51.5%) were females.

The 2002-2012 inter-censal population growth rate of Rukwa was 3.2 percent, while rural population growth rate was 2.6 percent and 5.6 percent for the urban population.

The average annual growth rate of Rukwa increased from 0.3 percent during the 1988-2002 inter-censal period to 3.2 percent during the 2002-2012 inter-censal period.

Given this growth trend, the population of Rukwa Region is expected to double in the next 21 years, based on year 2012 as a benchmark. Data from National Bureau of Statistics (NBS) shows that the regional population is estimated to be 1,270,049 people in 2020.

The average family size in 2012 was 5 persons per household (5.1 persons per household in rural areas and 4.7 persons per household in urban centres).

The data depicted a young population age structure in 2012, with fifty-one percent (51%) of the population in Rukwa Region aged below 15 years and three percent (3%) aged 65 years and above.

**Table 2.2: Population for Rukwa Region**

Council	Actual Population - 2012 Population and Housing Census			Projected Population for Year 2020		
	Male	Female	Total	Male	Female	Total
Kalambo District Council	100,474	107,226	207,700	127,072	133,785	260,857
Sumbawanga District Council	149,062	156,784	305,846	187,407	194,047	381,454
Nkasi District Council	137,041	144,159	281,200	174,355	181,498	355,853
Sumbawanga Municipal Council	100,734	109,059	209,793	131,354	140,531	271,885
<b>Total</b>	<b>487,311</b>	<b>517,228</b>	<b>1,004,539</b>	<b>620,188</b>	<b>649,861</b>	<b>1,270,049</b>

**Source:** NBS (2019): *Sub-national Population Projection from Year 2013 to 2021*  
Based on 2012 Population and Housing Census

Major languages spoken in the region include Kiswahili, Kifipa, Kimambwe, Kilungu and Kinyamwanga. English is also spoken but by a very limited number of people.

## 2.5 Climate

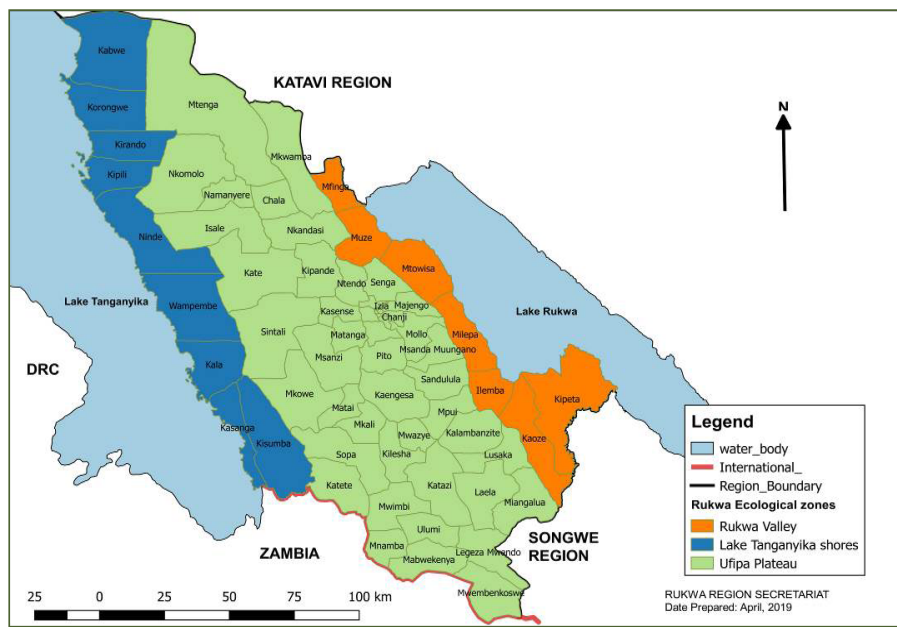
Rukwa Region is dominated by tropical climate with mean temperatures ranging from 11.9°C in some places for the months of June and July to 25°C in the hottest months of October to December.

The region has a unimodal rainfall pattern which starts in November and ends in April, with a mean annual rainfall of 850 mm but can go up to 928 mm in some seasons.

## 2.6 Agro-Ecological Zones and Livelihood Zones

Rukwa Region has three (3) major agro-ecological zones: Rukwa Valley, Lake Tanganyika Shores and Ufipa Plateau.

Figure 4: Rukwa Map showing Main Agro-Ecological Zones



Features of agro-ecological zones are also presented in Table 2.3

Table 2.3: Agro-ecological zones

Zones	Area (sq. km)	General Morphology	Altitude Range (m)	Climatic condition	Dominant soil	Economic activity	Investment opportunities
Rukwa Valley	6,500	Flat plain	810 - 1,200	Rainfall 800 - 1000 mm	Fertile sandy, loam	<b>Agriculture:</b> Paddy, maize, sorghum, cassava, sweet potatoes, sunflower, sesame, pulses.	<ul style="list-style-type: none"><li>▪ <b>Agriculture:</b> Crop production, inputs and agro processing/value-addition industries and marketing (paddy, maize, sorghum, cassava, sweet potatoes, sunflower, sesame, pulses, fruits and vegetables).</li></ul>
							<ul style="list-style-type: none"><li>▪ <b>Livestock:</b> Production, inputs and livestock products value-addition industries and marketing (cattle, goats, sheep, pigs, donkey and poultry; meat, milk, hides and skin, leather goods).</li></ul>
							<ul style="list-style-type: none"><li>▪ <b>Fisheries:</b> Inputs/fishing gear, fishing, fish farming, fisheries products, production of fish feeds and fish fingerlings value-addition industries</li></ul>
							<ul style="list-style-type: none"><li>▪ Other manufacturing industries</li><li>▪ Environmental conservation</li><li>▪ Forestry and beekeeping</li><li>▪ Education and skills development services</li><li>▪ Health services</li></ul>
							<ul style="list-style-type: none"><li>▪ <b>Transport:</b> Road and marine transportation services</li><li>▪ Tourism</li><li>▪ Mining</li><li>▪ Financial services</li></ul>



Zones	Area (sq. km)	General Morphology	Altitude Range (m)	Climatic condition	Dominant soil	Economic activity	Investment opportunities
Lake Tanganyika Shores	4,500	Steep hills with gentle plateaus and plains covered with miombo woodlands	773 - 1,631	Rainfall 800 - 1200 mm	Shallow sand, loam, scattered clay lacustrine	<b>Agriculture:</b> Paddy, maize, sorghum, cassava, sweet potatoes, sunflower, pulses.  <b>Livestock:</b> Cattle, goats, pigs and poultry.  <b>Fishing</b>	<ul style="list-style-type: none"> <li>▪ <b>Agriculture:</b> Crop production, inputs and agro processing/value-addition industries and marketing (paddy, maize, sorghum, cassava, sweet potatoes, sunflower, pulses, fruits and vegetables).</li> <li>▪ <b>Livestock:</b> Production, inputs and livestock products value-addition industries and marketing (cattle, goats, sheep, pigs and poultry; meat, milk, hides and skin, and leather goods).</li> <li>▪ <b>Fisheries:</b> Inputs/fishing gear, fishing, fish farming, fisheries products, production of fish feeds and fish fingerlings value-addition industries.</li> <li>▪ Other manufacturing industries               <ul style="list-style-type: none"> <li>• Environmental conservation, forestry and beekeeping</li> <li>• Education and skills development services</li> <li>• Health services</li> </ul> </li> <li>▪ <b>Tourism:</b> associated infrastructure and services</li> <li>▪ <b>Transport:</b> marine, road and air transportation services</li> <li>▪ Financial services               <ul style="list-style-type: none"> <li>• Mining</li> </ul> </li> </ul>

Zones	Area (sq. km)	General Morphology	Altitude Range (m)	Climatic condition	Dominant soil	Economic activity	Investment opportunities
Ufipa Plateau	11,800	Gentle plains with moderately sloping hills and plateaus, covered with open grassland and miombo woodlands	1,000 - 2,461	Rainfall 800 – 1200 mm	Fertile	<b>Agriculture:</b> Maize, sunflower, wheat, sugarcane, groundnuts, finger millet, Irish and sweet potatoes, cassava, pulses and coffee.	<ul style="list-style-type: none"> <li>▪ <b>Agriculture:</b> Crop production, inputs and agro processing/ value addition industries and marketing (Maize, sunflower, wheat, sugarcane, groundnuts, finger millet, Irish and sweet potatoes, cassava, pulses, coffee, fruits and vegetables).</li> </ul>
							<ul style="list-style-type: none"> <li>▪ <b>Livestock:</b> Production, inputs and livestock products value-addition industries and marketing (cattle, goats, sheep, pigs and poultry; meat, milk, hides and skin, leather goods).</li> </ul>
							<ul style="list-style-type: none"> <li>▪ <b>Fisheries:</b> Fish farming and fisheries products value-addition industries</li> </ul>
						<b>Livestock:</b> Cattle, goats, sheep, pigs and poultry.	<ul style="list-style-type: none"> <li>▪ Other manufacturing industries               <ul style="list-style-type: none"> <li>• Environmental conservation</li> <li>• Forestry and beekeeping</li> <li>• Education and skills development services</li> <li>• Health services</li> <li>• Tourism</li> </ul> </li> </ul>
						<b>Fish farming</b>	<ul style="list-style-type: none"> <li>▪ <b>Transport:</b> Road and air transportation services</li> <li>▪ Financial services</li> <li>▪ Mining</li> </ul>

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## 2.7 Status and Progress of Human Development and Economic Transformation

According to the 2012 Population and Housing Census (NBS, 2016), literacy rate, in general, increased from fifty-three per cent (53%) in 2002 to fifty-nine per cent (59%) in 2012, while adult literacy increased from sixty-four per cent (64%) in 2002 to seventy per cent (70%) in 2012. Primary education was the most dominant level with about 87.9 per cent, followed by secondary education (9.9%), post-primary/secondary education training (1.2%) and university and others (1.0%).

Tanzania Human Development Report (THDR 2014 and 2017) showed that expected years of schooling (EYS<sup>2</sup>) for a child in Rukwa Region has increased from 6.92 years in 2012 to 7.43 years 2015.

According to Tanzania Human Development Report (THDR) 2014, Human Development Index (HDI) trend showed slight increase from 0.51 in 2008 to 0.57 in 2012. In THDR 2017, Rukwa Region ranked 14th out of 26 regions of Tanzania Mainland in terms of socio-economic indicators. In the case of Multi-dimensional Poverty Index (MPI), the score was 0.33 in year 2015, which was slightly lower than the score of 0.37 in year 2012, implying that Rukwa Region is doing better based on HDI and MPI.

Tanzania Human Development Report (2017) indicated that the proportion of households with consumption expenditure below the basic needs poverty line in the region was low (27.1%) compared to the national status, which was 28.8 per cent in 2012.

## 2.8 Regional Economy

The region's Gross Domestic Product (GDP) was about TZS 4.5 Trillion in 2018, contributing 3.5 per cent to the national GDP. Per capita income for the region has been increasing steadily over the last decade to TZS 2,325,640 in 2018 from TZS 1,429,327 in 2012 (Table 2.4).

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<sup>2</sup> **Expected Years of Schooling (EYS):** Number of years of schooling that a school-age child is expected to receive if the prevailing patterns of age-specific enrolment rates persist throughout the child's life. EYS is also known as schooling life expectancy.

**Table 2.4: Regional Share Contribution to GDP and Per Capita Income since 2012 to 2018**

Year	GDP at Current Market Prices (TZS)			Per Capita Income at Current Market Prices (TZS)	
	Tanzania Mainland (Million)	Rukwa Region (Million)	(%) Share Contribution	Tanzania Mainland	Rukwa Region
2012	62,318,659	2,131,221	3.4	1,429,327	1,358,997
2013	72,977,200	2,483,395	3.4	1,628,955	1,533,513
2014	82,603,388	2,816,776	3.4	1,793,387	1,683,634
2015	94,349,316	3,302,887	3.5	1,990,492	1,909,371
2016	108,362,324	3,901,802	3.6	2,225,099	2,185,425
2017	118,744,498	4,156,902	3.5	2,327,395	2,226,467
2018	129,364,353	4,497,293	3.5	2,458,496	2,325,640

**Source:** NBS (2019), Regional GDP

## 2.9 Productive Sectors

### 2.9.1 Agriculture

The major economic activity in Rukwa Region is agriculture (crop farming), which is dominated by subsistence farming by peasants. According to the regional profile, crop farming activities were done by 82 percent of private households in the region (NBS, 2016). The region has an area of 1,660,600 hectares of arable land out of which an average of 562,503.97 hectares, which are equivalent to 33.9 percent of the total arable land, are used for agriculture production. The rest of arable land is used for other human activities such as residential areas and range lands for livestock grazing.

Land tillage for crop farming is seventy-five per cent (75%) done by using draught animal power and twenty-two per cent (22%) by hand hoe. The use of tractors in farming operations is only three per cent (3%) and is done by a few farmers, mainly on maize and wheat farms.

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Agriculture sector faces several challenges, including inadequate delivery of extension services, supply of agricultural inputs, which become more expensive and not timely delivered, limited number of and improperly managed agricultural storage and marketing infrastructure, inadequate value-addition/agro-processing industries and limited market absorption capacities.

### **a) Crop production**

Commonly grown food crops in the region are maize, paddy, cassava, wheat, beans, sorghum, finger millet, sweet potatoes, Irish potatoes and banana. Together, these crops occupied an average of 452,949 hectares of land in a five-year agriculture season (2013/2014 - 2017/2018).



Maize was the predominant crop, occupying 224,831 hectares (equivalent to 50%), followed by beans (105,603 ha; 23%), paddy (31,105 ha; 6.9%) and cassava (33,250 ha; 7.3%).

The rest of the food crops occupied 58,160 hectares (12.8%). The food crops surplus is also used as a cash crop. The last three years' surplus had an average of 737,374 tonnes (Table 2.5). Common cash crops in the region are sunflower, simsim, groundnuts and sugarcane.

Farming of cash crops occupied an average area of 109,555 hectares, out of which sunflower occupied 63 per cent, groundnuts 29 per cent, simsim 6 per cent and sugarcane 2 per cent in the same crop seasons of 2013/2014 - 2017/2018.

Meanwhile, the region and its local government authorities are strategically re-establishing production of coffee and improving production of sunflower, wheat and fruits in order to diversify sources of income and economic growth. The production trend for three years is shown below in Table 2.5.

**Table 2.5: Crop Production Trend from 2015/2016 to 2017/2018**

FOOD CROPS	2015/2016		2016/2017		2017/2018	
	Ha.	Tonnes	Ha.	Tonnes	Ha.	Tonnes
Maize	236,674	566,206	264,554	710,602	222,829	463,305
Paddy	38,808	111,697	28,778	55,631	44,032	135,991
Sorghum	14,687	19,505	6,306	9,858	9,396	11,229
Finger millet	17,445	18,278	18,130	23,868	24,009	30,292
Wheat	6,207	7,042	6,271	10,648	4,865	9,004
Banana	657	9,149	521	2,418	414	4,728
Cassava	25,666	251,647	31,599	86,260	24,832	243,523
Sweet potatoes	16,418	118,864	17,450	46,008	19,059	207,086
Irish potatoes	3,514	23,886	4,105	9,062	4,549	29,716
Beans	106,329	134,693	109,726	131,838	122,709	140,114
<b>Total</b>	<b>466,405</b>	<b>1,260,967</b>	<b>487,440</b>	<b>1,086,194</b>	<b>476,692</b>	<b>1,274,988</b>
<b>SURPLUS</b>		<b>584,893</b>		<b>727,497</b>		<b>899,731</b>
<b>CASH CROPS</b>	2015/2016		2016/2017		2017/2018	
	Ha.	Tonnes	Ha.	Tonnes	Ha.	Tonnes
Sunflower	47,309	51,096	47,862	53,471	58,125	76,948
Simsim	11,218	11,218	3,035	3,706	4,405	3,491
Groundnuts	18,666	19,582	67,470	20,476	25,009	34,278
Sugarcane	1,065	21,424	1,779	26,727	3,092	56,656
<b>Total</b>	<b>78,258</b>	<b>103,321</b>	<b>120,146</b>	<b>104,380</b>	<b>90,631</b>	<b>171,373</b>

### **i). Horticulture production**

Horticulture production is not well developed, despite its available potentials and climatic condition supporting production of a variety of horticulture crops. Commonly grown fruits and vegetables include watermelons, pawpaw,



passion, tomatoes, onions, cabbages, spinach, pumpkins, carrots, guavas, mangoes and, to a less extent, avocados.

## **ii). Irrigation farming**

According to the National Irrigation Commission, Rukwa Region has a total area of 67,401 hectares potential for irrigation, out of which only 3,920 hectares, equivalent to 5.8 percent, are now irrigated using constructed irrigation infrastructure. The region has a total of 57 potential areas for irrigation schemes; among these 6 schemes have been developed by constructing primary irrigation infrastructure.



## **iii). Agro-processing and marketing of agriculture commodities**

Agriculture supports livelihoods of the majority of people in the region; in spite of high production of crops and availability of a huge potential of local and outside markets, there is lack of value-addition/agro-processing industries. Most of the crops are sold raw mainly due to weak agro-processing industrial base. As of now, the region has a total of 721 agro-processing industries (2 large scale, 3 medium scale and 716 small and micro scale).

## **b) Livestock**

Rukwa Region has outstanding natural resources for livestock development, including resilient livestock breeds and diverse natural vegetation in the rangelands. Most of the region's livestock is grazed in un-surveyed communal rangelands.



The land that is demarcated, surveyed and owned individually for livestock grazing is 78,684.63 hectares. Livestock keeping is the second economic activity after crop farming. The 2012 Population and Housing Census results revealed that about 51 per cent of households in the region (83.7% in rural areas and 16.3% in urban centres) keep at least one type of livestock. According to the Regional Livestock

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Development Report 2019, the region had a stock of 691, 258 cattle, 196,800 goats and 56,291 sheep; others were 40,711 pigs, 11,541 donkeys and 513,467 chickens.

Major livestock feed resources include natural grass and crop residues, mainly maize stoves and beans haulms that are not yet fully utilised. Despite availability of these types of feed, the region is rich of agro-industrial by-products (cereal bran and seed oil cakes). These are used to formulate concentrate feed for cattle, poultry, pigs and fish.

### ***i). The role of livestock in the regional economy***

At the household level, livestock keeping is important and an integral part of agriculture-based livelihoods for the region's population. Livestock contributes directly to households' and the region's source of income, employment, raw material for industries and food supply and security in the form of meat, milk, eggs and hides/skins. It also indirectly improves output of the crop sector in agro-pastoral production systems by providing animal power, manure and incomes with which agro-inputs, cereals, legumes, roots and tubers can be purchased, particularly during crop failure/shortage.

Livestock keeping is also linked to social status through accumulation of wealth and savings and provides a variety of benefits to communities, such as food security and improved nutrition, risk mitigation, and social functions, for example marriages and funerals, etc.

### ***ii). Livestock products from 2014/2015 to 2017/2018 production years***

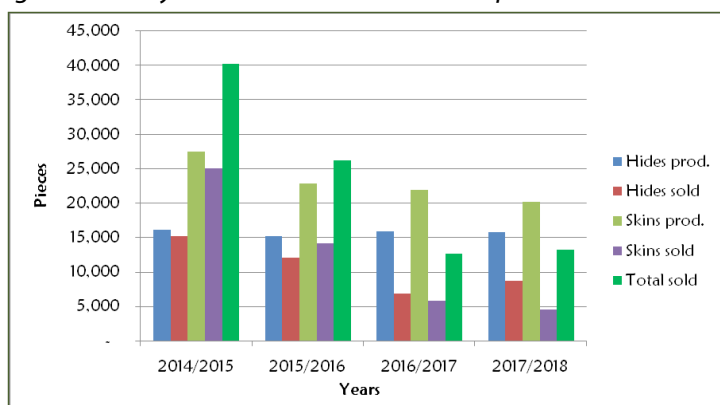
A total of 201,837 livestock were slaughtered for domestic consumption (62,891 cattle; 12,870 sheep; 79,537 goats and 46,539 pigs). From these slaughtered animals, a total of 15,117,111 kilograms of meat was produced (10,676,344 cattle; 1,942,975 sheep and goats; and 2,497,975 pigs). There is an opportunity to sell (export) meat/carcass to neighbouring countries.





From the slaughtered animals, a total of 155,298 pieces of hide and skins was produced, whereby 62,891 pieces were hides from cattle and 92,407 were skins from sheep and goats. Out of 155,298 pieces of hides and skins produced within 2014/2015 to 2017/2018 financial years, only 92,352 pieces (59.5%) were sold raw. This is an indication of a big challenge in processing and marketing hides and skins products not only in the region but also in the country as a whole. The four-year trend of hides and skins production and sales is shown in Figure 5. Investment in leather and leather products industries is of paramount importance.

**Figure 5: Four-year trend of hides and skins production and sales**



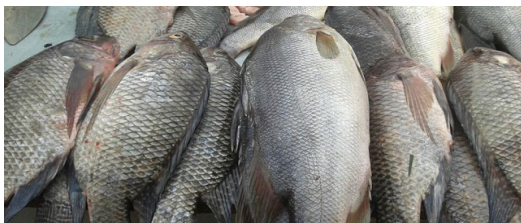
### iii). Milk sales

Milk sold from 2014/2015 to 2017/2018 financial years amounted to 16,631,321 litres, of which 9,068,195 litres were from traditional herds and 7,563,126 litres were from the improved herds. The sold amount does not reflect actual production because some cows owned by farmers with large herds of cattle are not milked at all due to shortage of milk collection centres and lack of processing industries in the region's districts. The single small-scale milk-processing plant in Sumbawanga Municipality has not performed as per expectations due to poor management. Interested parties are therefore highly encouraged to invest in milk collection and processing (value addition) facilities in the region.



## c) Fisheries

The region is endowed with fresh water bodies that cover 4,921 square kilometres, which is equivalent to 17.7 percent of the total region's surface area. This include Lake Tanganyika and Lake Rukwa,



rivers, natural (Kwela and Sundu) and manmade ponds, all with reliable fish population. Fisheries is, therefore, among the important economic activities in Rukwa Region. There are several types of fish available in the region, which include sardines, tilapia, Nile perch, mudfish, English fish, *Luciolates*, *Strapessil* "Migebuka" and various ornamental fish species.

The sub-sector employs about 14,094 full time fishermen and about 1,021 residents earn their livelihoods from the business related to fisheries sub-sector (*Lake Tanganyika Fisheries Frame Survey Report, 2013*). A total of 3,566.3 tonnes of fish worth TZS 17.7 billion were sold between 2015/2016 and 2017/2018 production years in the region for domestic use and for export to Zambia, Burundi and DRC. Lake Rukwa, River Momba and River Kavuu are also rich in crocodiles, which provide stock for establishment of crocodile farms. The fisheries sub-sector has not been fully exploited due to some challenges including the use of outdated fishing gear, lack of a structured and reliable fish market, shortage of processing and storage facilities, lack of proper transportation facilities, low technical knowhow of fishermen, illegal fishing, inadequate capital to afford modern fishing equipment and shortage of extension services.

### 2.9.2 Natural Resources



The region is endowed with a number of natural resources, including lakes Tanganyika and Rukwa, ornamental fish in Lake Tanganyika, waterfalls of Kalambo (Kalambo Falls), Namkali, Lwanji and Ntembwa rivers, natural forests (Mbizi and Mbuzi), which are habitat to a rare species

of Ashy Red Colobus monkey (*procolobus rufomitratu tephrosceles*). This species of monkey is also found in the Southern Highlands part of Tanzania, as well as in Uganda in East Africa. Other natural resources include minerals deposits, such as coal and the newly discovered rare gas of Helium.

### i). **Forestry and beekeeping**



Forest reserves occupy seven per cent (7%) of the region's total area (Table 2.6). The dominant tree species in the region is *Miombo*, which include natural commercially valuable trees such as *Mninga* (*Pterocarpus angolensis*), *Mkulungu* (*Pterocarpus tinctorius*) and

*Mputu*. Forest products include timber, fuel wood, charcoal, herbs, honey and beeswax.

**Table 2.6: Area covered by forests in the region**

Council	Total Area (Ha.)	Forest (Ha.)	%
Sumbawanga District Council	887,100	45,066	5
Sumbawanga Municipal Council	132,900	26,344	20
Kalambo District Council	444,100	45,626	10
Nkasi District Council	1,312,400	73,834	6
<b>Total</b>	<b>2,776,500</b>	<b>190,870</b>	<b>7</b>

Forests and beekeeping contribute to the socio-economic development and environmental conservation in the region. The growing demand and marketing for forest products create investment opportunities.

### ii). **Wildlife**

Rukwa Region has also various wild animals, such as buffaloes, elephants, gazelle, giraffes, hyenas, leopard found in Lwafi Game Reserve; elephants, hyenas, crocodiles, hippopotamus and species of



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migratory birds (Marabou Stock, African Spoonbill, Kingfisher, White Pelican, Yellow Billed Stock and Southern Ground Hornbill) found in Uwanda Game Reserve.

### **iii). Tourism**

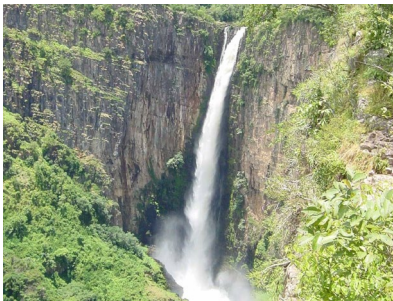
The region has natural tourism assets that form part of Tanzania's heritage, which are ideal vehicles for propelling job creation, foreign exchange earnings, economic growth and poverty reduction. The features that should be optimized for full utilisation of the potentials of tourist attractions present in the region include strengthening linkages and marketing strategies: opportunities for advertising agencies; development of non-wildlife tourist attractions such as cleaning of lakeside beaches, preservation of historical sites, construction of conference facilities and quality hotels, as well as development of cultural tourism packages and establishment of man-made entertainment groups and facilities; and block hunting.

Meanwhile, the Government has ambitious plans to improve infrastructure facilities such as airports and marine ports and is inviting investors to establish tourism training institutions so as to fill the gap in qualified and skilled human resource in customer care, marketing, safety and hygiene standards. Investment in these areas is highly encouraged to fill gaps, thus making full utilisation of tourism sector for the benefit of the surrounding communities, the region and the country at large.

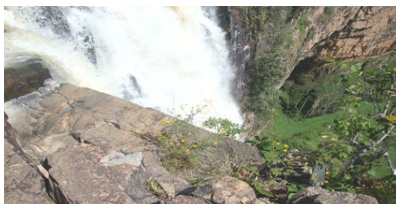
Some of the tourist attractions abounding in the region include the following:

- **Kalambo Falls**, which are the Africa's second tallest free-leaping or single-drop waterfall at 235m (second after Tugela Falls in South Africa) located at Kapozwa Village in Kalambo District Council at the Tanzania - Zambia border. Spectacular view of the Falls is perfect only on the side of Tanzania.
- **Ntembwa Falls**, at China Village, Nkasi Kalambo District Council





- **Lwanji Falls** at Kachele Village, Kalambo Kalambo District Council



- **Ashy Red Colobus Monkeys** (*Procolobus rufomitratus tephrosceles*) are a rare species of monkey found in Mbizi Forest in Sumbawanga Municipality and Mbuzi Forest in Nkasi District Council.



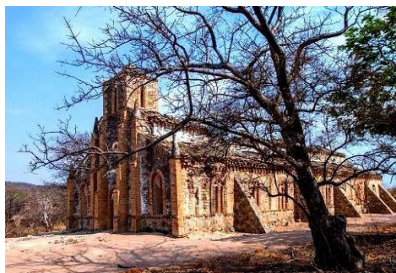
- **Evergreen Mbizi Natural Forest**, Sumbawanga Municipality; It is potential for eco-tourism.



- **Lake Tanganyika Beaches** are an attractive and potential site for beach tourism, lake cruising, wakeboarding, underwater diving, sport fishing, canoeing, and for developing tourist hotels and conference tourism facilities.

- **Old Bismarck Fort Ruins** at Kasanga in Kalambo District Council, is a historical site which was built in 1888 for the purpose of security and protection of the region's western border.

- **Old Kipili Mission**, which was built between 1890 and 1895; potential for historical and cultural tourism.



- **Uwanda and Lwafi game reserves** have wildlife potential for tour operations, photographing, trophy hunting and eco-tourism.



#### ▪ **Lake Rukwa Scenery**

When viewed from Ufipa Escarpment in Sumbawanga District Council, it has potential for photo tourism

#### ▪ **Kizombwe Hot Springs**

in Kalambo District Council have very clear water, whose temperature ranges from 45°C to 50°C.

### **iv). Mining**

Rukwa is among the regions in Tanzania that have unexploited mineral deposits of various kinds, including metallic minerals, industrial minerals, energy source minerals, construction minerals and gemstones, as shown in Table 2.7. a company known as Edenville Energy PLC is currently conducting large-scale mining of coal along



coalfields at Nkomolo in Nkasi District Council and Namwele in Sumbawanga Municipality. The mining company is producing up to 4,000 tonnes of coal per month, and sells it to Burundi, Rwanda, Kenya and Uganda. Mining of construction materials is conducted in different areas in the region.

There are opportunities for investing in mining, supply of mining equipment, transportation facilities, production of carbonized coal briquettes and their packaging materials that could be used as cooking fuel at households and institutions levels.

**Table 2.7: Minerals Found in Rukwa Region**

S/N	Type of Mineral	Location	Local Government Authority
1.	Coal	Nkomolo, Namwele, Muze	Nkasi District Council, Sumbawanga Municipality and Sumbawanga District Council
2.	Zinc	Kasanga and Kirando	Kalambo and Nkasi District Councils
3.	Burma Ruby	Katuka, Chala and Kantawa	Kalambo and Nkasi District Councils
4.	Copper	Kirando and Msipazi (China)	Nkasi District Council
5.	Gold	Kizi and Msipazi (China)	Nkasi District Council
6.	Titanium	Mtenga and Mkwamba	Nkasi District Council

S/N	Type of Mineral	Location	Local Government Authority
7.	Zircon	Mtenga and Mkwamba	Nkasi District Council
8.	Piezoelectric Quartz	Matala	Nkasi District Council
9.	Moonstone	Mkombe	Nkasi District Council
10.	Green tourmaline	Chala, Swaila, Lyele, Tambaruka	Nkasi District Council
11.	Amethyst	Mkwamba, Chala, Mtenga, Mpwapwa and Mponda	Nkasi District Council, Sumbawanga Municipality and Sumbawanga District Council
12.	Garnets	Kantawa	Nkasi District Council
13.	Emerald	Mponda	Sumbawanga Municipality
14.	Limonite	Namwele	Sumbawanga Municipality
15.	Aquamarine	Mlombo, Mponda	Sumbawanga District Council and Sumbawanga Municipality
16.	Kaolin	Along Sumbawanga - Kasanga Road	Sumbawanga Municipality and Kalambo District Council

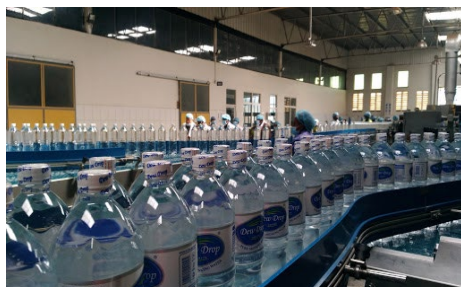
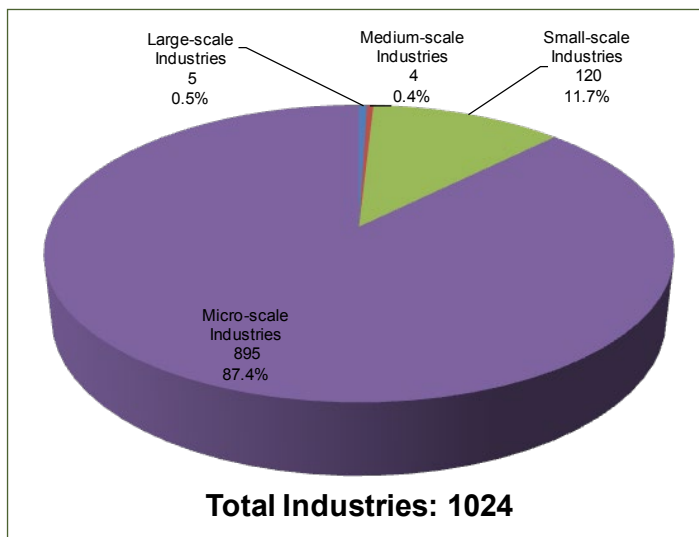
### 2.9.3 Industrial Development

The Small and Medium Enterprise Development Policy, 2003 has grouped industries into four categories according to capital invested and number of people employed:

- i). Micro industries are those employing 1 - 4 people, with a capital of up to TZS 5 million
- ii). Small-scale industries are those employing 5 – 49 people, with a capital of between TZS 5 million and TZS 200 million
- iii). Medium-scale industries are those with less than 100 employees and a capital of more than TZS 200 million shillings but less than TZS 800 million
- iv). Large-scale industries are those with capital of more than TZS 800 million and employing more than 100 people.

The region has 5 large-scale industries, 4 medium-scale industries, 120 small-scale industries, and 895 micro-scale industries (service industries). This makes a total of 1024 industries in the region as of June 2019. Most of the industries engage in agro-processing.

*Figure 6: Proportion share of industries by categories in Rukwa Region, 2019*



Small Industrial Development Organisation (SIDO) in Rukwa Region is progressively engaged in supporting micro business to create, develop promote and sustain, individual or groups entrepreneurial base in the small-scale industries and micro businesses. This is done through providing technical

assistance, loans, and management and consultancy services, promote training for persons engaged in or employed or to be employed in micro/small industries and assistance and coordination of products exhibition activities conducted seasonally in different areas within the country.

## 2.10 Economic Infrastructure

It is the Government's commitment at national and local governments levels together with the private sector to continue with its obligation of investing in the improvement of provision of public goods and services: infrastructure (electricity, roads, railways, marine ports and airports); social services (water



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supply, health care, extension services and research); and putting in place facilitating policies, laws and institutions.

### 2.10.1 Transport System

Transport is an important sector in the whole process of development and poverty alleviation. Its effectiveness, appropriateness and adequacy contribute a lot to the successful implementation of socio-economic activities. The impact of having an effective and efficient transport system is lowering of domestic production cost through timely delivery, enhancing economies of scale in the production process and creating economic opportunities.

These opportunities include easing market access; strengthening competition; promoting trade, tourism and foreign investment; contributing to Government revenue and generating a large number of employment opportunities. There are three transport modes serving Rukwa Region: (i) roads; (ii) marine; and (iii) air.

There are a number of ongoing initiatives by national and regional authorities which aim at improving the transport system in the region so as to meet the region's demand. These efforts have contributed a lot to the fast development in the region.

#### a) Road transport

Road transport is the most used mode that accounts for more than ninety per cent (90%) of transportation of goods and passengers in the region. Rukwa Region has a network of 3,549.78 kilometres of roads of various classes in 2020 as shown in the table below.

*Table 2.8: Road Classes and Lengths in Rukwa Region*

Classes	Tarmac (Km)	Gravel/Earth (Km)	Total Road length (Km)
Trunk Roads	286.29	121.65	407.94
Regional Roads	76.53	761.13	837.66
District Roads	36.22	2,267.96	2,304.18
<b>Total</b>	<b>399.04</b>	<b>3,150.74</b>	<b>3,549.78</b>

*Source: Regional Commissioner's Office, 2020*

Out of the total road network of 3,549.78 kilometres, about 399.04 kilometres were paved and the remaining 3,150.74 kilometres were gravelled or earth roads.

Trunk and regional roads are managed by TANROADS and the remaining network is under local government authorities. The table below shows the road density in the region.

*Table 2.9: Road Density in Various Districts*

Land Area (sq km)	Total road length	Road density (km per 100 sq km)
22,844	3,549.78	15.54

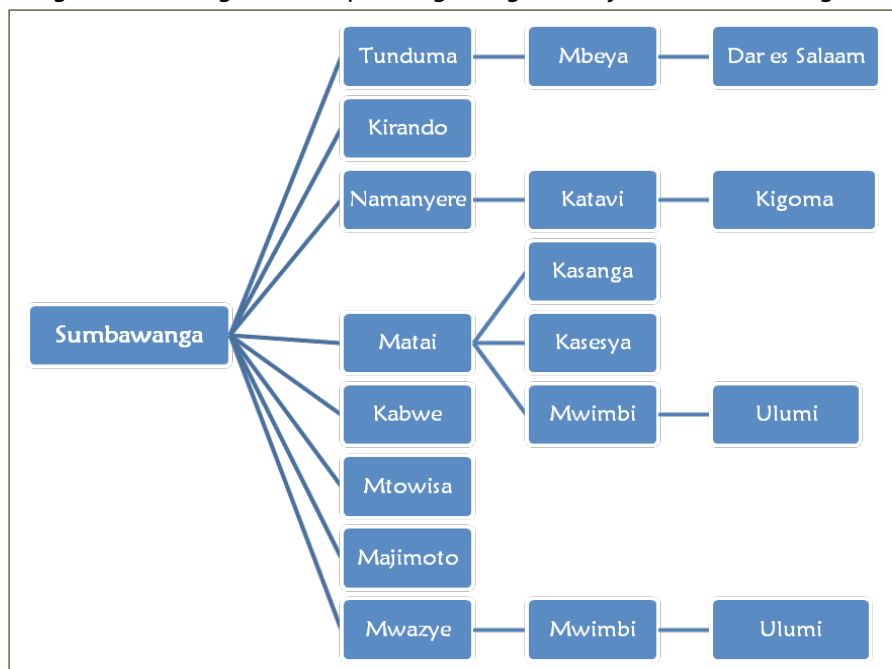
**Source:** *Regional Commissioner's Office, 2020*

There is a reliable road network from the commercial city of Dar es Salaam via Coast Region, Morogoro, Iringa, Njombe, Mbeya, and Songwe regions. There are also roads linking Rukwa Region to Katavi Region and others linking to other towns of bordering countries of Zambia and DRC via Lake Tanganyika.

The region is also linked to the national Capital City of Dodoma via Songwe, Mbeya, Njombe and Iringa regions. All these roads are passable throughout the year, thus giving room to invest in transportation of passengers and goods (cargo).

The ongoing road construction projects in Rukwa Region that will connect it to other neighbouring countries include the Sumbawanga–Matai–Kasanga Port road (112 km) connection to DRC, and the Matai–Kasesya road (50 km) which will be constructed so as to connect Tanzania to Zambia.

*Figure 7: Passenger buses operating along the major routes of the region*



All trunk and regional roads are passable throughout the year; most of the district and feeder roads are seasonal.

## b) Marine Transport

Marine transport plays a significant role in transporting passengers and cargo along the shores of Lake Tanganyika and Lake Rukwa. The region has three major ports along Lake Tanganyika shores, namely Kasanga, Kipili and Kabwe ports.



There are ongoing improvement projects of these ports through funds that were allocated during the 2016/2017 to 2018/2019 financial years for that purpose. Port services link Rukwa Region with neighbouring countries (Zambia, Burundi and DRC) as well as with Katavi and Kigoma regions.

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There are still opportunities to develop minor ports in villages like Kirando, Korongwe, Ninde, Wampembe, Msamba and Kala along the lake shore to improve marine transport services on Lake Tanganyika. To date, ships anchor some kilometres away from the shore due to shallow depth and lack of important infrastructure at these minor ports. Water transport on Lake Tanganyika is therefore not reliable, as the most available transport are small boats. In that case, investment on transportation and supply of goods and services in this area is encouraged.

### **c) Air transport**

Air transportation is an open investment opportunity in Rukwa Region. The region has a public airport in Sumbawanga Municipality, which is under improvement constructions, and three airstrips: one at Kipili near Lake Tanganyika and two air strips in Lake Rukwa Valley (one at Kapenta Village and the other one at Muze Village).



The planned renovations will cover several areas including terminal building, control tower and runway that will be lengthened to 1,800 metres from the present 1,600 metres to allow aircraft with a capacity of carrying up to 75 passengers (like Bombardier DH8 Q400) to land and take off. These airports may also serve in transporting industrial and perishable goods from Rukwa to other regions and outside the country. The region has demarcated an area of 1,671.39 hectares for future construction of public airport at Kisumba in Sumbawanga Municipality.

The private airstrips at Kipili, Kapenta and Muze have the capacity to hold 4-tonne aircrafts, such as Caravan Cessna 208. Rukwa Region is also close to Songwe International Airport located in Mbeya Region and Mpanda Airport in Katavi Region. Songwe International Airport is 306 kilometres away by road to Sumbawanga Municipality, while Mpanda Airport is 240 kilometres away.

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## 2.10.2 Telecommunication Services

Rukwa Region enjoys Internet connectivity, telephone services (both cellular and land line), radios and postal services. There are adequate telephone services in all urban centres and in most parts of the rural areas in the region. The table below shows companies that provide telephone services, the type of services provided and the plans for expansion of their services in the region.

*Table 2.10: Providers of Telephone Services in Rukwa Region*

Service provider	Type of service provided	Areas covered at present	Future expansion program
TTCL	Landline telephone and internet	Telephone and internet services in most parts of the region	Long-term plans are to rollout TTCL mobile services in the region and, in particular, opening up the rural areas with CDMA wireless network
TIGO	Mobile phone	Most parts of the region	To cover the whole region.
VODACOM	Mobile phone	Most parts of the region	To cover the whole region
AIRTEL	Mobile phone	Most parts of the region	To cover the whole region
ZANTEL	Mobile phone	Most parts of the region	To cover the whole region
HALOTEL	Mobile phone	Most parts of the region	To cover the whole region

There are twelve (12) radio stations that can be accessed in Rukwa Region; these are TBC FM, TBC Taifa, Radio Free Africa (RFA), Radio Chemchem, Radio One, Kiss FM, Radio Maria, Clouds FM, Nkasi FM, and Ndingala FM, as well as two (2) radio stations from DRC and Zambia.

Television stations can be accessed through satellite dishes. Some of the local stations that can be accessed include TBC 1, ITV, Capital, Star TV, Channel 10, AZAM Tv, EATV etc depending on the type of the antenna used. International stations, such as CNN, BBC, CFI and many others can also be accessed in Rukwa.

## 2.10.3 Energy

Rukwa Region uses various sources of energy for domestic, transportation and industrial purposes. These sources include electricity, fossil fuels (coal, petrol, diesel, kerosene and liquefied petroleum gas), firewood and solar power. According to THDR 2017, most households (75.4%) rely on firewood

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as the main source of domestic energy followed by charcoal (23.3%) and electricity (0.2%) for cooking in 2015.

Electricity is mainly through hydropower supplied by TANESCO from Zambia and also thermo-electricity generated at the power station in Sumbawanga Municipality. The present supply of electricity to Rukwa Region is 10 megawatts, while consumption is 7 megawatts but, with the current industrialisation agenda in the region, demand for electricity is increasing. The present power supply will not be enough in the near future; therefore, the Government, through TANESCO, has planned what is known as the North West Grid 400Kv Project, which will enable Rukwa, Katavi and Kigoma regions to have reliable power supply which is a very crucial input for industrial development.

Another potential source of energy in Rukwa Region is coal. Efforts are taken by the regional administration to make sure that the abundant coal deposits in the region is not only used for industrial purposes but also processed to carbonised coal briquettes for domestic use such as cooking, therefore minimising dependence on forest products. Investment in coal processing is among the potential opportunities in the region.

## **2.11 Social Services**

### **2.11.1 Health Care Services**

Development of the health sector in Rukwa Region is influenced by the private sector, Government and community participation. The 2020 data shows that there are 3 hospitals, 20 health centres, 201 dispensaries and 1 maternity/nursing home in the region.

The distribution and ownership of health care facilities is shown in Table 2.11.



The region has several pharmacies offering a wide range of essential and non-essential drugs located mostly in urban centres. Apart from the above services, the health sector is supported by health insurance schemes from Government (NHIF and CHF) and the private sector.

**Table 2.11: Distribution and Ownership of Health Care Facilities by Council, Rukwa Region 2020**

Council	Hospitals			Health Centres			Dispensaries					Maternity/ Nursing Home		Grand Total
	Ministry	FBO	Total	LGA	FBO	Total	LGA	Private	FBO	Parastatal	Total	Private	Total	Health Facilities
Sumbawanga Municipal Council	1	1	2	1	2	3	23	8	2	3	36	1	1	42
Sumbawanga District Council			0	5	2	7	53	5	1		59		0	66
Kalambo District Council			0	3		3	56		5		61		0	64
Nkasi District Council		1	1	3	4	7	41	1	3		45		0	53
<b>Total</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>12</b>	<b>8</b>	<b>20</b>	<b>173</b>	<b>14</b>	<b>11</b>	<b>3</b>	<b>201</b>	<b>1</b>	<b>1</b>	<b>225</b>
Percent	33.3	66.7	100.0	60.0	40.0	100.0	86.1	7.0	5.5	1.5	100.0	100.0	100.0	

**Source:** Regional Commissioner's Office (Regional Medical Office), Rukwa Region 2020

## 2.11.2 Education Services

Table 2.12 shows that in 2020, ninety-seven percent (97%) of all 376 primary schools in Rukwa Region were publicly owned. On the other hand, the private sector owned 12 primary schools in 2020. In the same period, 76 percent of all 95 secondary schools in Rukwa Region were publicly owned and the private sector owned 23 secondary schools.

**Table 2.12: Number of Schools by Ownership and by Council in Rukwa Region in 2020**

Council	Primary Schools				Secondary Schools			
	Public	Percent Public	Private	Total	Public	Percent Public	Private	Total
Sumbawanga Municipal Council	58	84	11	69	17	61	11	28
Sumbawanga District Council	104	100	0	104	17	74	6	23
Kalambo District Council	98	100	0	98	15	79	4	19
Nkasi District Council	104	99	1	105	23	92	2	25
<b>Total</b>	<b>364</b>	<b>97</b>	<b>12</b>	<b>376</b>	<b>72</b>	<b>76</b>	<b>23</b>	<b>95</b>

**Source:** Regional Commissioner's Office (Education Department), Rukwa Region, 2020



Two universities have physical presence in Rukwa Region, namely Mbeya University of Science and Technology (MUST)-Rukwa Campus and the Open University of Tanzania (OUT). These institutions are capable of offering services in training, research and consultancy to various clients.

**Table 2.13: Number of Technical Colleges and Higher Learning Institutions in Rukwa Region, 2020**

Type of College	2020				Percent of Total
	Public	Percent Public	Private	Total	
Universities	2	100	0	2	20
Technical Colleges	1	100	0	1	10
Teachers' Colleges	1	50	1	2	20
VETA	2	40	3	5	50
<b>Total</b>	<b>6</b>	<b>60</b>	<b>4</b>	<b>10</b>	<b>100</b>

**Source:** Regional Commissioner's Office (Education Department), Rukwa Region, 2020

### 2.11.3 Water Supply

Rukwa Region has various water schemes in rural and urban areas, which include gravity, hand- pumped boreholes, powered boreholes, shallow wells and protected springs. Up to December 2019 the region had 53 gravity projects, 429 hand-pumped boreholes, 32 powered boreholes/submersible





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pumps, 231 shallow wells and 38 protected springs that are functioning. The region is making sure that water sources are well protected, developed and managed so as to scale up quality water supply services in rural and urban areas and have reliable sources of water for investment projects.

There is also a Rural Water Supply and Sanitation Programme (RWSSP) aimed at improving water supply coverage to 85 percent of rural population by the year 2020. A total of 52 projects have been implemented and completed under Water Sector Development Programme (WSDP), which increase the percentage of water availability in rural areas up to December 2019.

## PART THREE

# PRIORITY INVESTMENT OPPORTUNITIES IN RUKWA REGION

This part presents priority investment opportunities identified by the region. The investment opportunities identified by Rukwa Region are grouped into regional level and council level.

*Table 3.1: Summary of Strategic Investment Opportunities by Sector*

SN	Strategic Investment Area	Investment Opportunities	Location and Land Allocated
1.	Construction Sector	International agriculture market	Sumbawanga Municipality: 2.94 hectares Kalambo District Council: 5 hectares
		Shopping malls	Sumbawanga Municipality: 0.98 hectares
		Modern markets	Kalambo District Council: 5 hectares
		Modern bus stand	Land allocated at Laela in Sumbawanga District Council
		Establishing a golf course	Sumbawanga Municipality: 53.9 hectares
		Real estate development	Sumbawanga Municipality: 405.72 hectares Nkasi District Council: 6.36615 hectares
		Agriculture (soils) laboratory	Sumbawanga District Council: 0.8 hectares

2.	Crop Farming and Forestry	Construction of irrigation infrastructure for production of paddy and other crops	Sumbawanga District Council: 7,000 hectares Kalambo District Council: 5,352 hectares Nkasi District Council: 1,200 hectares
		Smart farming (screen/ green house, hydroponic vegetable etc.)	Sumbawanga Municipality: 250 hectares
		Avocado farming	Sumbawanga District Council: 2,800 hectares Nkasi District Council: 1,184 hectares
		Sugarcane production	Kalambo District Council: 40,000 hectares Kate, Chala, Kipande, Nkandasi, Sintali, Myula and Mtenga in Nkasi District Council
		Beekeeping	Sumbawanga District Council: 45,066 hectares of natural forest Nkasi District Council: 73,834 hectares of natural forest Kalambo District Council: 45,626 hectares of natural forest
3.	Livestock	Dairy farming	Mbuluma, Mkowe, Kileshe, Mkali, Katazi, Legezamwendo, Mambwenkoswe and Sundu wards in Kalambo District Council
		Artificial insemination for cattle	Nkasi District Council: 5,018 hectares
		Cattle dips	Katete Ward in Kalambo District Council Kipande, Tambaruka, Msilihofu, Mtenga, Paramawe, Miombo, Isale and Nkata villages in Nkasi District Council
		Abattoir at the border with Zambia	Kalambo District Council: 20 hectares
		Pasture production	Nkasi District Council: 16,300 hectares

4.	Fisheries	Fish farming and ornamental fish harvesting	Kalambo District Council Nkasi District Council Sumbawanga Municipal Council
		Supplying modern fishing equipment	Kalambo District Council Nkasi District Council
		Storage and transport facilities for fish	Nkasi District Council: 1.6187 hectares Kalambo District Council: 5 hectares
5.	Industries	Meat processing	Kalambo District Council: 20 hectares
		Milk processing	Kalambo District Council: 20 hectares
		Leather processing and leather goods making	Part of 75 hectares in Sumbawanga Municipality
		Animal and fish feeds	Kalambo District Council: 15 hectares
		Wheat processing	Part of 75 hectares in Sumbawanga Municipality
		Manufacturing of packaging materials for both primary and secondary processing industries	Part of 75 hectares in Sumbawanga Municipality
		Modern fish processing	Kalambo District Council: 15 hectares
		Assembling, supplying and repairing farm implements	Part of 75 hectares in Sumbawanga Municipality
		Fruits and other horticulture crops processing	Part of 30 hectares in Kalambo District Council Part of 3,612 hectares in Nkasi District Council
		Coffee processing	Kalambo District Council: 30 hectares
		Maize processing	Part of 67.796 hectares in Sumbawanga Municipal Council Part of 10 hectares in Sumbawanga District Council Part of 800 hectares in Nkasi District Council Part of 40 hectares in Kalambo District Council

		Edible oil seeds processing	Part of 75 hectares in Sumbawanga Municipal Council Part of 10 hectares in Sumbawanga District Council Part of 25.6 hectares in Nkasi District Council
		Paddy processing, packaging and branding	Part of 75 hectares in Sumbawanga Municipal Council Part of 10 hectares in Sumbawanga District Council
		Sugar Industry	Twenty hectares (20 ha) in Kalambo District Council Nkasi District Council: 15.65 hectares
6.	Mining	Coal mining and building materials	Sumbawanga District Council and Nkasi District Council
7.	Tourism	Tourism and hospitality (hotels, recreation centres, conference facilities, camping sites, tour companies etc.)	Sumbawanga Municipality: 8.34 hectares Sumbawanga District: 6.6 hectares Nkasi District: 25.213 hectares Kalambo District: 4.9 hectares
8.	Transport	Land transport services	Namanyere in Nkasi District Council
		Marine transport services on Lake Tanganyika	Kalambo District Council
9.	Education	Skills development training institutes	Sumbawanga District Council: 4 hectares Nkasi District Council: 16 hectares Kalambo District Council: 12 hectares

### 3.1 Regional Level Priority Investment Opportunities

Based on available raw materials and on required infrastructure for some of the investment opportunities, Rukwa Region has identified key investment opportunities at the regional level, based on two main attributes: first, it is the scale and scope of investments, which transcend beyond those of individual local government authorities; second, is that the opportunities are large enough to serve all local government authorities. Regional-level

priority investment opportunities include meat processing; milk processing; leather processing and leather goods manufacturing; animal and fish feeds manufacturing; wheat processing; manufacturing of packaging materials for both primary and secondary processing industries; modern fish processing and industrial fishing; assembling and repairing farm implements; fruits and other horticulture crops processing; coffee processing; and transport services on Lake Tanganyika. Specific details for each opportunity are given below:

## A. Industrial sector

### 1. Meat processing

Overview of the Opportunity	
<b>Key features</b> 	<ul style="list-style-type: none"> <li>▪ A modern meat processing plant is one of key industries that are on high demand in the region and has potential to serve other surrounding regions as well as the neighbouring countries of Zambia and DRC</li> <li>▪ There is one investment of this kind in Sumbawanga Municipality and which needs joining hands with potential investor(s) to become operational</li> <li>▪ An investor may also establish a new meat processing plant as well as rendering plant and take advantage of available local and external market, as well as 20 hectares of land set for industrial investments at Mkowe Village in Kalambo District council.</li> </ul>
<b>Key investment rationale</b>	<ul style="list-style-type: none"> <li>▪ Rukwa Region has a huge population of livestock in all of its councils</li> <li>▪ The region and neighbouring regions and neighbouring countries constitute a huge market for this kind of investment</li> <li>▪ There is a possibility of exporting to other neighbouring countries in EAC, SADC and Africa regions and even beyond.</li> </ul>
<b>Available support</b> 	<ul style="list-style-type: none"> <li>▪ This investment is in line with the Government industrialisation policy which, among other things, promotes value addition</li> <li>▪ There is high political will and support at national, regional and local government levels</li> <li>▪ Land is available for developing a meat processing industry in the region</li> <li>▪ Availability of good infrastructure, including roads network, communication services, and electricity supply.</li> </ul>


## 2. Milk processing

Overview of the Opportunity	
<b>Key features</b> 	<ul style="list-style-type: none"> <li>Interested parties are invited to invest in milk processing and milk collection centres in the region</li> <li>Rukwa Region is producing a significant large amount of milk in all its councils due to a high number of dairy cattle raised with their respective productivity</li> <li>In total Rukwa Region produces more than 4,000,000 litres per year</li> <li>With milk processing plants in place, there is a room for expansion of milk production because the region's good weather supports dairy cattle farming and market for milk and milk products is assured</li> <li>High production of milk creates an opportunity for milk processing</li> <li>Investors can find required land within the designated industrial area</li> <li>Land for investment in the establishment of a milk processing plant is allocated at Mkowe Village in Kalambo District Council in the located industrial area with a total size of 20 hectares.</li> </ul>
<b>Key investment rationale</b> 	<ul style="list-style-type: none"> <li>It assures market, employment generation and income for producers (livestock keepers)</li> <li>There is high potential for milk production in Rukwa Region</li> <li>Market for milk and milk products is readily available in the region and there is also potential for export to EAC and SADC regions as well as to other African countries and beyond.</li> </ul>
<b>Available support</b>	<ul style="list-style-type: none"> <li>The Second Five-Year Development Plan (FYDP II) promotes industrialisation</li> <li>National livestock policy promotes value addition of dairy products.</li> </ul>

### 3. Leather processing and leather goods making

Overview of the Opportunity	
<b>Key features</b> 	<ul style="list-style-type: none"> <li>Construction of leather processing factories that will convert raw hides/skins into wet blue leather, finished leather and leather products (shoes, bags, wallets etc.)</li> <li>The region is characterised by a high population of livestock in all the districts</li> <li>The region slaughters a huge number of livestock daily</li> <li>Each district has slaughter slabs where skins and hides can be collected</li> <li>On average, the region slaughters around 123 livestock per day</li> <li>The region has allocated a total area of 75 hectares at Kanondo in Sumbawanga Municipal Council for industrial activities, including leather processing.</li> </ul>
<b>Key investment rationale</b> 	<ul style="list-style-type: none"> <li>The establishment of leather processing plants is expected to increase demand for properly prepared hides and skins from modernised slaughter houses</li> <li>Skins and hides are among the products that are not being processed in the region due to absence of investment, hence most of it is wasted</li> <li>Increased income and revenue from hides and skins</li> <li>As any other industry, leather processing and leather goods production will create employment for the people in the region and elsewhere.</li> </ul>
<b>Available support</b>	<ul style="list-style-type: none"> <li>Presence of National Leather Sector Development Strategy 2016-2020 and Government institution (DIT Mwanza), which provides leather technology.</li> </ul>


### 4. Animal and fish feeds production

Overview of the Opportunity	
<b>Key features</b> 	<ul style="list-style-type: none"> <li>Construction of animal feeds production plants in the region for cattle, pigs, poultry and fish</li> <li>The proposed plants can be established at Mikonko Village in Kalambo District, where 15 hectares of land have been set aside for industrial activities.</li> </ul>



<p><b>Key investment rationale</b></p> 	<ul style="list-style-type: none"> <li>▪ The quantity and quality of natural pasture fluctuates seasonally, dry season being the worst</li> <li>▪ Animal feeds processing will promote further production of cereals, mainly maize, soya beans and oilseed crops</li> <li>▪ The region produces high surplus of cereals and by-products from agro-processing industries which can be raw materials for animal feeds processing</li> <li>▪ Productivity of livestock (milk, meat and eggs) will increase, thus providing raw material for other processing industries e.g. dairy and beef processing</li> <li>▪ Animal and fish feeds production plants will create employment for the people in the region</li> <li>▪ Demand for processed animal and fish feeds is increasing as animal population increases, therefore animal feeds processing plants are highly needed</li> <li>▪ Fish farming is a growing investment in Tanzania in general and in Rukwa Region in particular, therefore the demand for fish feed is growing. This is particularly so because approximately 50 percent of the local demand is not met by local production. There is therefore a big opportunity for investing in fish farming</li> </ul>
<p><b>Available support</b></p>	<ul style="list-style-type: none"> <li>▪ National Livestock Policy (2006) and Tanzania Livestock Master Plan support animal feeds processing</li> <li>▪ Tanzania Animal Feeds Manufacturers Association (TAFMA) provides a common forum for all manufacturers of animal feeds in Tanzania.</li> </ul>

## 5. Wheat processing

Overview of the Opportunity	
<p><b>Key features</b></p> 	<ul style="list-style-type: none"> <li>▪ Investors are invited to establish modern wheat flour milling plant at Ufipa Plateau zone</li> <li>▪ The average production of wheat per annum is 8,898 tonnes</li> <li>▪ The proposed industry can be established at Ntendo Ward in Sumbawanga Municipality where 75 hectares of land have been earmarked for industrial purpose.</li> </ul>

<b>Key investment rationale</b>	<ul style="list-style-type: none"> <li>▪ Rukwa Region produces surplus of cereals which are sold unprocessed at low price to other regions and neighbouring countries, thus denying employment opportunity to its people as well as production of feeds for livestock</li> <li>▪ Processing can reduce post-harvest losses and increase income to the residents in the region.</li> </ul>
<b>Available support</b>	<ul style="list-style-type: none"> <li>▪ Good road network in production areas passable throughout the year</li> <li>▪ Electricity supply (10 megawatts) and the ongoing rural electrification project by Rural Electrification Agency (REA)</li> <li>▪ According to FYDP II, Rukwa Region will benefit from the planned North West Grid 400kV Project, which will enable reliable power supply that is a very crucial input for industrial development.</li> </ul>

## 6. Manufacturing of packaging materials for both primary and secondary processing industries

Overview of the Opportunity	
<b>Key features</b> 	<ul style="list-style-type: none"> <li>▪ Investors are invited to establish factories for producing packaging materials to serve Rukwa Region and neighbouring regions</li> <li>▪ The region has set aside 75 hectares of land for industrial purpose at Kanondo in Sumbawanga Municipality.</li> </ul>
<b>Key investment rationale</b> 	<ul style="list-style-type: none"> <li>▪ High demand of packaging materials by current industries and future industries</li> <li>▪ There is high demand for packaging materials in the region and neighbouring regions of Songwe and Katavi, as well as in bordering countries in the south of Tanzania</li> <li>▪ Proper packaging materials will reduce post-harvest losses and elongate shelf life of some delicate and perishable produce, especially horticulture crops</li> <li>▪ Appropriate packaging materials provide basic functions, namely simplified and easy-to-handle transportation; protection against external wear and tear, and provision of necessary legal information on packed content and usage etc.</li> </ul>

	<ul style="list-style-type: none"> <li>▪ Government policy prohibits the use of plastic packing materials; therefore, there is need to establish factories for producing appropriate (environmentally friendly) packaging materials</li> <li>▪ The region invites more investments in the construction industry, markets, and shopping malls, all of which will require packaging materials</li> <li>▪ Production of packaging materials will meet demand emanating from expected investments in primary and secondary processing, as well as from the establishment of modern markets and shopping malls. In this way objectives of the Government policy to ban the use of plastic packaging materials can easily be achieved</li> <li>▪ The Government, through the Tanzania Bureau of Standards, has been calling for the private sector to invest in the production of environment friendly packaging materials</li> <li>▪ Existing packaging materials do not meet quality standards required by various products</li> <li>▪ Packaging provides an opportunity to putting a brand name on a product. This will help to separate the branded product from 'faceless' and 'unbranded' products, thus making the former more competitive and therefore help to attract more customers through the contact information on the labels.</li> </ul>
<b>Available support</b>	<ul style="list-style-type: none"> <li>▪ Land is available for constructing a factory for manufacturing packaging materials</li> <li>▪ Good infrastructure, which includes roads and communication networks, electricity supply and markets</li> <li>▪ This investment is in line with Government industrialisation policy, which, among other things, promotes value addition at both primary and secondary levels; as well as political support at national, regional and local government levels</li> <li>▪ Seventy-five percent (75%) import duty relief on deemed capital goods, including equipment, utility vehicles and some building materials through TIC.</li> </ul>

## 7. Modern fish processing and industrial fishing

Overview of the Opportunity	
<b>Key features</b> 	<ul style="list-style-type: none"> <li>Establishing a modern fish-processing plant to support further fishing and investment in fish farming</li> <li>About 15 hectares of land have been allocated for this purpose, i.e. 5 hectares at Nankanga Village in Sumbawanga District Council and 10 hectares at Kasanga in Kalambo District Council</li> <li>Interested parties are also encouraged to invest in industrial fishing on Lake Tanganyika</li> <li>Raw fish for processing can be obtained from Lake Tanganyika and Lake Rukwa, as well as from rivers</li> <li>Fish processing is currently done mostly by small-scale fish processors using traditional drying, smoking and salting technologies.</li> </ul>
<b>Key investment rationale</b> 	<ul style="list-style-type: none"> <li>Fish farming is being promoted in the region and will supplement supplies to the proposed industry</li> <li>The incentive for fisher folks to produce is when consumers are linked to the needs of fish farmers, processors, traders, and transporters. This is likely to happen when the policy environment enables the public-private partnership to operate in the fish farming sub-sector</li> <li>It will also increase employment opportunities</li> <li>Tanzania would earn more foreign exchange from exports of processed fish.</li> </ul>
<b>Available support</b>	<ul style="list-style-type: none"> <li>National Fish Policy, 2015</li> <li>Fish processing falls within the new industrial drive as unveiled in FYDP II.</li> </ul>


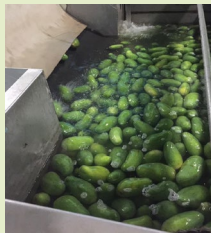
## 8. Assembling, supply and repairing farm implements

Overview of the Opportunity	
<b>Key features</b> 	<ul style="list-style-type: none"> <li>Interested parties are invited to invest in assembling and repairing farm implements</li> <li>An Investor will use one of the plots set aside in Sumbawanga Municipality</li> <li>About 153 plots are set aside for investment in Sumbawanga Municipality.</li> </ul>
<b>Key investment rationale</b>	<ul style="list-style-type: none"> <li>This will create employment to many Tanzanians</li> <li>It will promote technology, for example in agriculture in the region.</li> </ul>

**Available support**

- The Second Five-Year Development Plan (FYDP II) promotes industrialisation
- The project is likely to receive a lot of support, given the existing political will.

**9. Fruits processing**

Overview of the Opportunity	
<p><b>Key features</b></p> 	<ul style="list-style-type: none"> <li>▪ Investors are invited to establish fruit processing plants, especially mangoes processing, by utilising part of 30 hectares of land at Kisumba Village in Kalambo District and part of 3,200 hectares at Lwafi Katongolo or 412 hectares at Namansi in Nkasi District Council.</li> <li>▪ The LGAs in Rukwa Region are famous for production of fruits such as mangoes, pineapples, watermelon and others</li> <li>▪ During harvest season farmers struggle to sell their produce as the conventional market is characterised by a glut, particularly during the harvest season</li> <li>▪ Fruit processing facilities envisaged to be established in designated areas are expected to serve the whole region.</li> </ul>
<p><b>Key investment rationale</b></p> 	<ul style="list-style-type: none"> <li>▪ Fruit processing plants will not only create employment, but will also increase farmers' income</li> <li>▪ There is a lot of post-harvest loss of fruits due to lack of a processing facility</li> <li>▪ Most of the fruits are produced seasonally; therefore, during the peak harvest period prices are very low, while immediately after the peak period prices pick up again to an unimaginable level. Processing of concentrates that can be supplied during the off-season period is thus a viable idea.</li> </ul>
<p><b>Available support</b></p>	<ul style="list-style-type: none"> <li>▪ The Second Five-Year Development Plan (FYDP II) promotes agriculture development and unveils the industrial agenda</li> <li>▪ Weather and climatic conditions are conducive to developing fruit farming</li> <li>▪ Presence of Government extension officers in each ward helps to provide agronomic services to small-holder farmers</li> </ul>

- Existing knowledge about establishing fruit farming facilitates out-growers scheme involving neighbouring local communities
- Agriculture Sector Development Programme II (ASDP-II).

## 10. Coffee processing

Overview of the Opportunity	
<b>Key features</b> 	<ul style="list-style-type: none"> <li>▪ Interested parties are invited to invest in coffee processing at Singiwe, Msanzi in Kalambo District Council</li> <li>▪ Investors may start with small-scale coffee processing and continue expanding as coffee production increases</li> <li>▪ About 30 hectares of land at Msanzi in Kalambo District Council have been allocated for establishing the proposed coffee processing plant.</li> </ul>
<b>Key investment rationale</b>	<ul style="list-style-type: none"> <li>▪ Absence of processing facilities discourages farmers from increasing output and hence lowering their incomes</li> <li>▪ It is seen as a major avenue for reducing post-harvest losses along with provision of employment to the region's residents, mainly the youth and women.</li> </ul>
<b>Available support</b>	<ul style="list-style-type: none"> <li>▪ The Second Five-Year Development Plan (FYDP II) promotes industrialisation</li> <li>▪ Kalambo District Council has shown commitment to providing conducive environment for investment, including allocation of land needed for construction</li> <li>▪ The project is likely to receive a lot of support, given the existing political will.</li> </ul>

## B. Transport sector

### 11. Marine transport services on Lake Tanganyika

Overview of the Opportunity	
<b>Key features</b> 	<ul style="list-style-type: none"> <li>▪ Interested parties (individuals and entities) are invited to provide marine transport services in the LGAs bordering Lake Tanganyika including Kalambo District Council</li> <li>▪ About ten villages are on the shores of Lake Tanganyika. They will therefore be served by this transport services because demand is high.</li> </ul>



<b>Key investment rationale</b>	<ul style="list-style-type: none"> <li>Rukwa Region is growing, with an increasing demand for efficient transport system to cater for inflows and outflows of commuters and goods.</li> </ul>
<b>Available support</b>	<ul style="list-style-type: none"> <li>About 75 percentage import duty relief on project deemed capital goods, including equipment, utility vehicles and some building materials through TIC.</li> </ul>


## 3.2 Council Level Priority Investment Opportunities

At council level, interested individuals and companies are invited to invest in maize processing; edible oil processing; paddy processing, packaging and branding; construction of irrigation infrastructure for paddy and other crops; smart farming (hydroponic vegetable etc.); avocado farming; sugarcane farming; beekeeping; dairy farming; artificial insemination for cattle; cattle dips, abattoir at the border with Zambia; pasture production; fish farming and ornament fish farming; supplying modern fishing equipment; establishment of storage and transport facilities for fish; construction of international agriculture market, shopping malls, modern markets, and modern bus stand; developing a golf course; real estate development; soils laboratory; mining; tourism and hospitality (hotels, recreation centres, conference facilities, camping sites, tour companies etc.); establishment of skills development training institute; and land transport services. Detailed information about district level investment opportunities is given below:

### A. Industrial sector

#### 1. Maize processing

Overview of the Opportunity	
<b>Key features</b> 	<b>Sumbawanga Municipal Council</b> <ul style="list-style-type: none"> <li>Investors are invited to establish maize processing plant</li> <li>Sumbawanga Municipal Council has allocated 67.796 hectares of land at Ntendo Ward for this investment</li> <li>About 82,163.48 tonnes of maize are produced per annum.</li> </ul> 

	<p><b>Sumbawanga District Council</b></p> <ul style="list-style-type: none"> <li>Interested parties are encouraged to invest in maize processing</li> <li>Sumbawanga District Council has allocated about 10 hectares of land at Laela for this investment</li> <li>The district produces about 220,199.47 tonnes of maize annually, which enter the market.</li> </ul> <p><b>Nkasi District Council</b></p> <ul style="list-style-type: none"> <li>Interested individuals and companies are invited to invest in maize processing</li> <li>About 171,967.33 tonnes of maize are produced and enter the market annually</li> <li>Nkasi District Council has allocated 800 hectares of land for establishing an industrial zone at Namanyere.</li> </ul> <p><b>Kalambo District Council</b></p> <ul style="list-style-type: none"> <li>Interested parties are invited to invest in maize processing</li> <li>About 130,492.20 tonnes of maize are produced and enter the market annually</li> <li>Kalambo District Council has allocated some 40 hectares of land for this purpose at Matai, Kamawe and Mwimbi villages.</li> </ul> 
<b>Key investment rationale</b>	<ul style="list-style-type: none"> <li>There is surplus production of maize that is sold to other regions unprocessed because the existing milling plants are inadequate</li> <li>Processing is the major avenue for reducing post-harvest losses, value addition and increase income along with provision of employment to the residents in the region.</li> </ul>
<b>Available support</b>	<ul style="list-style-type: none"> <li>Political support at national, regional and local government levels to promote maize production, so investors are assured of supply of raw materials</li> <li>Good road network in the production areas passable throughout the year</li> </ul>



- Electricity supply (10 megawatts) and the ongoing rural electrification project being implemented by Rural Electrification Agency (REA) will ensure availability of power
- According to FYDP II Rukwa Region and districts will benefit from the planned North West Grid 400kV Project, which will enable reliable power supply, a very crucial input for industrial development
- Presence of relevant institutions in the region, such as TIC, TBS and TMDA to enable certification of finished products.

## 2. Edible oil processing

### Overview of the Opportunity

#### Key features



Investors are invited to establish edible oil processing plants using sunflower, sesame, and groundnuts as raw materials:



#### Sumbawanga Municipality Council

- Investment in a processing plant to make edible oil and other products from sunflower, sesame and groundnuts
- Sumbawanga Municipal Council has allocated about 153 plots measuring a total of 75 hectares of land for industrial development
- The municipality produces about 25,749 tonnes of sunflower and about 1,079.21 tonnes of groundnuts annually.

#### Sumbawanga District Council

- Investment in sesame, sunflower and groundnuts processing plants to make edible oil and other products
- Sumbawanga District Council has allocated about 10 hectares of land at Laela for this purpose
- The council produces about 345 tonnes of sesame, 27,912 tonnes of sunflower and 5,446.7 tonnes of groundnuts per year.

### Nkasi District Council

- Investment in a processing plant to make edible oil and other products from sunflower and groundnuts
- The average annual production of sunflower in Nkasi is about 22,345 and that of groundnuts is about 6,746 tonnes
- Nkasi District Council has allocated 25.6 hectares of land at Mtenga, Sintali, Kate, Nkandasi, Kipande, Nkomolo and Mashete for establishing edible oil processing plants.
- Land ownership is through acquisition.

### Key investment rationale



- All councils in Rukwa Region are producing sesame, sunflower, and groundnuts and have the potential to increase production

CROPS	2015/2016		2016/2017		2017/2018		AVERAGE	
	Ha.	Tonnes	Ha.	Tonnes	Ha.	Tonnes	Ha.	Tonnes
Sunflower	47,309	51,096	47,862	53,471	58,125	76,948	51,099	60,505
Sesame	11,218	11,218	3,035	3,706	4,405	3,491	6,219	6,138
Groundnuts	18,666	19,582	67,470	20,476	25,009	34,278	37,048	24,779
<b>Total</b>	<b>77,193</b>	<b>81,896</b>	<b>118,367</b>	<b>77,653</b>	<b>87,539</b>	<b>114,717</b>	<b>94,366</b>	<b>91,422</b>

- Assures the investor of supply of raw materials
- The investment will assure market and income for the producers
- Reduces dependency on imported edible oil.

### Available support

- The Second Five-Year Development Plan (FYDP II) promotes production and processing of edible oil seeds
- Sunflower Sector Development Strategy 2016-2020
- Seventy-five percent (75%) import duty relief on deemed capital goods, including equipment, utility vehicles and some building materials through TIC
- Direct VAT exemption of imported plant and machinery.

### 3. Paddy processing, packaging and branding

#### Overview of the Opportunity

##### Key features



##### Sumbawanga Municipal Council

- Investors are invited to establish a paddy processing plant
- Sumbawanga Municipal Council has allocated about 153 plots measuring a total of 75 hectares of land for industrial development.

##### Sumbawanga District Council

- Investors are invited to establish a paddy processing plant that will grade and package rice
- Sumbawanga District Council has allocated about 10 hectares of land at Laela and 0.245 hectare at Sakalilo for this investment
- Production of paddy in the council is about 90,601 tonnes per annum.

##### Key investment rationale



- Production of paddy in the region has been increasing over time reaching 135,991 tonnes in 2017/18 and therefore an investor is assured of raw materials for the processing plant

CROP	2015/2016		2016/2017		2017/2018		AVERAGE	
	Ha.	Tonnes	Ha.	Tonnes	Ha.	Tonnes	Ha.	Tonnes
Paddy	38,808	111,697	28,778	55,631	44,032	135,991	37,206	101,106

- Based on inquiries to invest in commercial cereals production, more production of cereals is anticipated, so there will be an assured supply of cereals for processing and packaging.

##### Available support

- National drive towards industrialisation, starting with locally available raw materials
- There are regular consultations between local government authorities and the private sector on resolving emerging challenges in setting up and conducting businesses
- Tanzania Food Processors' Association (TAFOPA) provides support to grain processors.

## B. Crop production

### 4. Construction of irrigation infrastructure for production of paddy and other crops

Overview of the Opportunity	
<b>Key features</b> 	<b>Sumbawanga District Council</b> <ul style="list-style-type: none"><li>Investors are invited to build irrigation infrastructure for growing paddy and horticulture crops; supply water at cost to farmers in the areas to grow paddy and horticulture crops; and possibly enter into contract farming with farmers and add value to the crops</li><li>Two irrigation schemes are currently being developed at Sakalilo and Ng'ongo. In total the district has 13 traditional modes of irrigation systems</li><li>The total area potential for irrigation is about 19,826 hectares but only 1,018 hectares are under irrigation</li><li>It is also possible to construct irrigation infrastructure and enter into contract farming at Maleza and other villages with 7,000 hectares potential for irrigation.</li></ul> <b>Kalambo District</b> <ul style="list-style-type: none"><li>Investors are invited to construct irrigation infrastructure for paddy and horticulture crops</li><li>Area suitable for constructing irrigation infrastructure at Legezamwendo is 3,000 hectares but only 448 hectares are currently irrigated using traditional techniques</li><li>At Katuka there are 2,500 hectares surveyed but only 450 hectares are being irrigated and therefore there is high demand for building dams and canals for growing vegetables</li><li>At Singiwe Village there are 1000 hectares of land suitable for irrigation farming but only 250 hectares are being irrigated for vegetables.</li><li></li></ul> <b>Nkasi District</b> <ul style="list-style-type: none"><li>Construction of irrigation infrastructure and establish contract farming for cereals and horticulture crops at Kate, where 1,200 hectares of land have been allocated.</li></ul>

### Key investment rationale




- Irrigation can improve incomes and food security if farmers can access markets for inputs and produce, food pricing systems reflect real costs of production, and farmers diversify production beyond staple cereals
- Crop management practices emphasise yield increase, but more attention is required to adapt irrigation to both climatic variability and climate change through optimising water use efficiency. Drip irrigation technology is available and using very little water to irrigate several hectares
- Unreliable rainfall pattern, which limits agriculture production of various commodities
- To increase the number of farming seasons in order to increase supply of agricultural produces for direct consumption and for processing
- Water-harvesting technologies are available, thus making it easier to collect and distribute water for irrigation purposes.

### Available support

- National Agriculture Policy 2013 (revised in 2019/20)
- Through Irrigation Policy of 2009, the Government recognises that irrigation development in Tanzania is critically important in ensuring that the nation attains reliable and sustainable crop production and productivity as a move towards food security and poverty reduction
- There are rivers that flow throughout the year
- The National Irrigation Policy of 2009 seeks to expand land under agriculture and improve agricultural productivity and profitability for attaining food security and poverty alleviation through irrigation
- Government has set up a District Irrigation Development Fund (DIDF) and a National Irrigation Development Fund (NIDF) through which irrigation financing of needed services is done
- Markets for rice and horticulture crops are available within the region and in the neighbouring regions and countries.

## 5. Smart farming (screen/green house, hydroponic vegetable etc.)

Overview of the Opportunity	
<p><b>Key features</b></p> 	<p><b>Sumbawanga Municipality</b></p> <ul style="list-style-type: none"> <li>Interested parties are invited to invest in smart farming (aquaculture, hydroponic vegetable etc.) at household level and along Lwiche Valley</li> <li>There are three (3) villages surrounded by “Lwiche Valley”; the villages are fertile in which irrigation schemes can be established: <ul style="list-style-type: none"> <li>✓ Katumba Azimio Village in Pito Ward with 250 hectares potential for irrigation</li> <li>✓ Makazi Mapya Village in Malangali Ward</li> <li>✓ Kankwale Village in Senga Ward.</li> </ul> </li> <li>Investors are encouraged to target high-value crops, i.e. horticulture crops such as tomatoes.</li> </ul> 
<p><b>Key investment rationale</b></p>	<ul style="list-style-type: none"> <li>Smart farming can improve productivity, create more employment, improve incomes and food security if farmers can access markets for inputs and produce, food pricing systems reflect real costs of production, and farmers diversify production beyond staple cereals</li> <li>Crop management practices emphasise yield increase, but more attention is required to adapt irrigation to both climatic variability and climate change through optimising water use efficiency. Drip irrigation technology is available and use very little water to irrigate several hectares</li> <li>Unreliable rainfall pattern, which limits agriculture production of various commodities</li> <li>To increase the number of farming seasons in order to increase supply of agriculture produce for direct consumption and for processing</li> <li>Water-harvesting technologies are available, thus making it easier to collect and distribute water for irrigation purposes.</li> </ul>




<b>Available support</b>	<ul style="list-style-type: none"> <li>▪ National Agriculture Policy 2013 (Revised in 2019/20)</li> <li>▪ Through Irrigation Policy of 2009, the Government recognises that irrigation development in Tanzania is critically important in ensuring the nation attains reliable and sustainable crop production and productivity as a move towards food security and poverty reduction</li> <li>▪ There are rivers that flow throughout the year</li> <li>▪ The National Irrigation Policy of 2009 seeks to expand land under agriculture and improve agricultural productivity and profitability for attaining food security and poverty alleviation through irrigation</li> <li>▪ Government has set up a District Irrigation Development Fund (DIDF) and a National Irrigation Development Fund (NIDF) through which irrigation financing of needed services is done</li> <li>▪ Markets for rice and horticulture crops are available within the region and in the neighbouring regions and countries.</li> </ul>
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## 6. Avocado farming

Overview of the Opportunity	
<b>Key features</b>  	<p><b>Sumbawanga District Council</b></p> <ul style="list-style-type: none"> <li>▪ Interested parties are invited to invest in avocado farming</li> <li>▪ The council has about 2,800 hectares of land that is suitable for avocado production</li> <li>▪ This individually owned land is found in Kaengesa, Sandulula, Kanda, Laela, Kasanzama, Lyangalile, and Mnokola wards.</li> </ul> <p><b>Nkasi District Council</b></p> <ul style="list-style-type: none"> <li>▪ Interested parties are welcome to invest in avocado farming</li> <li>▪ The district has about 1,764 hectares of land at China Village - Msipazi, and 420 hectares at Ntatumbila Village that can be acquired from identified individuals.</li> </ul>
<b>Key investment rationale</b>	<ul style="list-style-type: none"> <li>▪ Avocado is one of the high-value crops</li> <li>▪ High demand for fresh fruits and vegetables in Rukwa Region and in Tanzania as a whole, as well as in EAC, SADC countries, China, Europe and the rest of the world.</li> </ul>

<b>Available support</b>	<ul style="list-style-type: none"> <li>▪ Tanzania Horticulture Development Strategy, 2012-2021</li> <li>▪ Relatively good infrastructure: roads networks (though some are not tarmac, they are passable throughout the year), electricity and water supply, and communication services.</li> </ul>
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## 7. Sugarcane production and processing

Overview of the Opportunity	
<b>Key features</b> 	<p><b>Kalambo District Council</b></p> <ul style="list-style-type: none"> <li>▪ Interested individuals and companies are invited to invest in sugarcane irrigation farming along Mao Valley and to invest in sugar production at Mbuza</li> <li>▪ Kalambo District Council has earmarked about 40,000 hectares of land for production of sugarcane, and about 20 hectares of land for establishing a sugar production plant at Mbuza.</li> </ul>  <p><b>Nkasi District Council</b></p> <ul style="list-style-type: none"> <li>▪ Individuals and companies are invited to invest in sugarcane farming at Kate, Chala, Kipande, Nkandasi, Sintali, Myula and Mtenga</li> <li>▪ Nkasi District Council has been earmarked about 15.65 hectares of land for establishing sugar-making factory.</li> </ul>
<b>Key investment rationale</b> 	<ul style="list-style-type: none"> <li>▪ Increasing the number of farming seasons will increase supply of agriculture produce for both direct consumption and for processing</li> <li>▪ Water-harvesting technologies are available, thus making it easier to collect and distribute water for irrigation purposes</li> <li>▪ The size and continued growth of the sub-sector should open it up for investment opportunities that could be considered by Global Agriculture and Food Security Programme (GAFSP), a private sector window, and International Finance Corporation (IFC)</li> <li>▪ Sugarcane is one of the important food and commercial crops in Tanzania</li> </ul>



	<ul style="list-style-type: none"> <li>▪ Tanzania is importing over 300,000 tonnes of sugar annually (approximately 50% of sugar consumed). Furthermore, the consumption is anticipated to more than double within the next 15 years due to rapid population growth and increased consumption per capita</li> <li>▪ The sugar industry in the United Republic of Tanzania has an important socio-economic impact in terms of employment and economic activity</li> <li>▪ One of the advantages of sugar is that it provides a superb multiplier of economic growth. Not only is sugar a consumer of a large number of items (e.g., fertilizer, fuel, spare parts, chemicals of various kinds), but it also provides business opportunities with regards to the transport of both cane and sugar, merchandising and distribution opportunities, stevedoring opportunities, and even catering services</li> <li>▪ The industry will also promote out-grower sugarcane production schemes</li> <li>▪ Sugarcane is highly labour intensive<sup>3</sup>, hence will provide employment to people in the neighbourhoods.</li> </ul>
<b>Available support</b>	<ul style="list-style-type: none"> <li>▪ The National Irrigation Policy, 2009 seeks to expand land under agriculture and improve agricultural productivity and profitability for food security and poverty alleviation through irrigation farming</li> <li>▪ Through this policy, the Government recognises that irrigation development in Tanzania is critically important in ensuring that the nation attains reliable and sustainable crop production and productivity as a move towards food security and poverty reduction</li> <li>▪ Government has set up a District Irrigation Development Fund (DIDF) and a National Irrigation Development Fund (NIDF) through which irrigation financing of needed services is done</li> <li>▪ National Agriculture Policy, 2013 (revised in 2019/20)</li> <li>▪ Land for irrigation schemes is available, coupled with good infrastructure, including roads network, communication services, electricity supply and markets</li> <li>▪ One of the prioritised investments in the Second Five-Year Development Plan (FYDP II) is sugar industry</li> <li>▪ Government policy supports expansion of local sugar industry in order to reduce imports.</li> </ul>

<sup>3</sup> On a typical sugar estate one hectare of sugar cane land will, on average, employ three people.

## 8. Beekeeping

The region possesses abundant natural and planted forests in various zones. Some rural and urban dwellers depend on forestry and beekeeping resources to support their life.

### Overview of the Opportunity

#### Key features



#### Sumbawanga District Council

- Investment in making modern beehives for investor's own honey production as well as for selling the beehives to individuals in the community
- Sumbawanga District Council has 45,066 hectares of natural forest reserve of tree cover that is suitable for beekeeping and honey production.


#### Nkasi District Council

- Investment in making modern beehives for investor's own honey production as well as for selling the beehives to individuals in the community
- Nkasi District Council has 73,834 hectares of natural forest reserve of tree cover that is suitable for beekeeping and honey production.

#### Kalambo District Council

- Investment in making modern beehives for investor's own honey production as well as for selling the beehives to individuals in the community
- Kalambo District Council has 45,626 hectares of natural forest reserve of tree cover that is suitable for beekeeping and honey production.



<p><b>Key investment rationale</b></p> 	<ul style="list-style-type: none"> <li>▪ Forest reserves occupy seven per cent (7%) of the region area where bee keeping project can profitably be implemented, and products such as honey, wax, soap, wine etc. can be made</li> <li>▪ Investment in bee keeping will reduce unsustainable utilisation of forest resource, particularly for energy purpose (charcoal and firewood), as well as for farming and construction materials, thus conserving the natural forests</li> <li>▪ Markets for such products are diversified domestically as well as in the neighbouring countries and Europe</li> <li>▪ Bee keeping will generate employment along its entire value chain, i.e. along the various stages of its value chain and preserve the forest resource.</li> </ul>
<p><b>Available support</b></p>	<ul style="list-style-type: none"> <li>▪ The Bee-Keeping Department in the Ministry of Natural Resources and Tourism (MNRT) provides backstopping services to PO-RALG to promote bee farming</li> <li>▪ Ideally, the investor should be prepared to work closely with LGAs in organising small-scale beekeepers to adopt modern hives and improved beekeeping practices</li> <li>▪ Associations of beekeepers supported by Government; while development partners support various bee-keeping programmes.</li> </ul>

## C. Livestock sector

In the livestock sector, the region has some areas with opportunities for investment. These opportunities include dairy farming, provision of animal health/production services, artificial insemination (AI) services, and construction of modern slaughter facilities, fattening of beef cattle, building cattle dips, livestock markets, and milk collection centres.

### 9. Dairy farming


Overview of the Opportunity	
<p><b>Key features</b></p> 	<p><b>Kalambo District Council</b></p> <ul style="list-style-type: none"> <li>▪ Investors are invited to engage in dairy cattle keep, which will feed into the dairy industry prioritised by the region and currently under consideration</li> <li>▪ Areas suitable for raising dairy cattle include Mbuluma, Mkowe, Kilesha, Mkali, Katazi, Legezamwendo, Mambwenkoswe and Sundu wards.</li> </ul>

<b>Key investment rationale</b>	<ul style="list-style-type: none"> <li>▪ Dairy cattle will feed into milk processing plants prioritized by the region</li> <li>▪ Dairy cattle will improve incomes and therefore livelihoods of livestock keepers in the region.</li> </ul>
<b>Available support</b>	<ul style="list-style-type: none"> <li>▪ National Livestock Policy, 2006</li> <li>▪ The Second Five-Year Development Plan (FYDP II) focuses on industrialisation, including agro-processing (nurturing industrialisation for economic transformation and human development).</li> </ul>

## 10. Artificial insemination for cattle


Overview of the Opportunity	
<b>Key features</b> 	<b>Nkasi District</b> <ul style="list-style-type: none"> <li>▪ Interested parties are invited to make investment in artificial insemination services delivery for cows and dairy farming in Nkasi District Council, where 5,018 hectares of land have been set aside for this investment</li> <li>▪ A PPP model is envisaged between Nkasi District Council and potential investor.</li> </ul>
<b>Key investment rationale</b>	<ul style="list-style-type: none"> <li>▪ A breeding practice that can improve genetic potential of many cattle within a short period of time to boost beef and milk yields and improve incomes, as well as the livelihoods of small-scale farmers</li> </ul>
<b>Available support</b>	<ul style="list-style-type: none"> <li>▪ National Livestock Policy, 2006</li> <li>▪ The Second Five-Year Development Plan (FYDP II) focuses on industrialisation, including agro-processing (nurturing industrialisation for economic transformation and human development).</li> </ul>

## 11. Cattle dips

Overview of the Opportunity	
<b>Key features</b> 	<b>Kalambo District Council</b> <ul style="list-style-type: none"> <li>▪ Construction of dipping infrastructure at Katete Ward</li> <li>▪ The council is rich in livestock (about 155,010 herds of cattle)</li> </ul> <b>Nkasi District Council</b> <ul style="list-style-type: none"> <li>▪ Investors are invited to construct dipping infrastructure at Kipande, Tambaruka, Msilihofu, Mtenga, Paramawe, Miombo, Isale and Nkata villages</li> </ul>

	<ul style="list-style-type: none"> <li>▪ Demand for dipping services is high and growing fast</li> <li>▪ The council is rich in livestock (about 257,504 herds of cattle).</li> </ul>
<b>Key investment rationale</b>	<ul style="list-style-type: none"> <li>▪ This investment will result in value addition to a product or service</li> <li>▪ This supports meat processing as one of prioritised industries by the region</li> <li>▪ It creates a market for livestock and livestock products in the area</li> <li>▪ It will promote clinical services for livestock in the area and indirectly contribute to supply of quality hides</li> <li>▪ It will help meat and leather processing facilities (which are expected soon) to meet the required quality and standards.</li> </ul>
<b>Available support</b>	<ul style="list-style-type: none"> <li>▪ Tanzania Livestock Modernisation Initiative (TLMI 2015), which commits the Government of Tanzania to working closely with private sector within and outside the country in unleashing the immense potential for developing the livestock sector for the benefit of rural communities, and in improving national health and nutritional standards</li> </ul>

## 12. Abattoir at the border with Zambia

Overview of the Opportunity	
<b>Key features</b>	<p><b>Kalambo District Council</b></p> <ul style="list-style-type: none"> <li>▪ Investors are invited to establish a modern abattoir at the border with Zambia</li> <li>▪ Kalambo District Council about has already allocated 20 hectares of land for this investment</li> <li>▪ The region is characterised by a high population of livestock in all the districts.</li> </ul>
<b>Key investment rationale</b> 	<ul style="list-style-type: none"> <li>▪ The region has only one modern abattoir and one slaughterhouse in Sumbawanga Municipality</li> <li>▪ The establishment of an abattoir is expected to increase demand for properly prepared hides and skins from the modernised slaughter houses</li> <li>▪ Skins and hides are among the products that are currently being wasted in the region due to the absence of a processing facility (most hides and skins are thrown away)</li> </ul>

	<ul style="list-style-type: none"> <li>Increased income and revenue from hides and skins, thus improving economic power as well as livelihoods of livestock keeping communities in the region</li> <li>Like any other industry, investment in a modern abattoir will create employment for the people in the region and elsewhere</li> </ul>
<b>Available support</b>	<ul style="list-style-type: none"> <li>National Leather Sector Development Strategy 2016-2020 and Government institution (DIT Mwanza), which provides leather technology</li> <li>Good infrastructure, including road networks, communication services and electricity supply.</li> </ul>

### 13. Pasture production

Overview of the Opportunity	
<b>Key features</b>	<p><b>Nkasi District Council</b></p> <ul style="list-style-type: none"> <li>Interested individuals and entities are invited to invest in pasture production, forage processing, and production of concentrate feeds</li> <li>Nkasi District Council has allocated about 16,300 hectares of land at Mkole, Mtenga, Chala, Swaila, Kipande and Sintali villages for this purpose.</li> </ul>
<p><b>Key investment rationale</b></p> 	<ul style="list-style-type: none"> <li>There is a high demand for dairy cattle but the main constraints include inadequate feed for dairy farming in the district</li> <li>The region produces some (if not most) of the raw materials, such as maize bran, which is the product of maize milling, for feed industries</li> <li>Establishment of animal feeds processing plants is expected to promote further production of maize and related products</li> <li>Increased supply of animal feeds will increase productivity of dairy livestock and therefore increase supply of milk to dairy plants (value chain)</li> <li>Like all other industries, animal feeds production will generate employment to the region's population.</li> </ul>
<b>Available support</b>	<ul style="list-style-type: none"> <li>Policy and political support at national, regional and local government levels to support the livestock sub-sector and therefore production of animal feeds.</li> </ul>

## D. Fishery sector



Prioritised areas include fresh water fishing, fish farming/aquaculture and fisheries products value addition through investment in supply of fisheries inputs/implements, storage, and extension services delivery.

### 14. Fish farming and ornamental fish harvesting

Overview of the Opportunity	
<b>Key features</b> 	<b>Nkasi District Council</b> <ul style="list-style-type: none"><li>Interested individuals and companies are invited to invest in fish farming, i.e. cage fish culture in lakes and river valleys and/or supply technologies for fish farming to households</li><li>Investors may establish fish hatcheries and produce fish feeds to supply households that want to start fish farming.</li></ul> <b>Kalambo District Council</b> <ul style="list-style-type: none"><li>Interested parties are invited to invest in cage fish culture in lakes and river valleys and/or supply technologies for fish farming to households</li><li>Investors may establish fish hatcheries and supply fish feeds to households that want to start fish farming.</li></ul> <b>Sumbawanga Municipal Council</b> <ul style="list-style-type: none"><li>Interested parties are invited to invest in fishing farming at household level</li><li>This will include investing in re-circulating aquaculture systems and fishponds.</li></ul>
<b>Key investment rationale</b> 	<ul style="list-style-type: none"><li>Aquaculture plays a vital role as an alternative source of income for fishery communities, as it contributes to reducing the pressure on marine natural resources and has recently been considered as an important sector for supporting the development of rural economies</li><li>It will also increase the supply of fish for processing plants, along with creating jobs</li><li>Tanzania would earn more foreign exchange from exports of processed fish</li><li>Tanzania will cut down importation of fish from outside.</li></ul>

<b>Available support</b>	<ul style="list-style-type: none"> <li>▪ National Fish Policy, 2015</li> <li>▪ Government has strongly supported investment in aquaculture training, with degree programmes at Sokoine University of Agriculture (SUA) and the University of Dar es Salaam, as well as skills training at Mbegani Fisheries Development Centre, Fisheries Education and Training Agency (FETA) and Tanzania Fisheries Research Institute (TAFIRI).</li> </ul>
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## 15. Supplying modern fishing equipment

Overview of the Opportunity	
<b>Key features</b> 	<p><b>Nkasi District Council</b></p> <ul style="list-style-type: none"> <li>▪ Interested parties are invited to invest in modern fishing in lakes and river valleys and/or in supplying technologies and modern equipment for fishing/fish farming to households</li> <li>▪ Investors may also supply fish feeds to households that want to start fish farming.</li> </ul> <p><b>Kalambo District Council</b></p> <ul style="list-style-type: none"> <li>▪ Interested parties are invited to invest in modern fishing in lakes and river valleys and/or in supplying technologies and modern fishing equipment/fish farming to households</li> <li>▪ Investors may also supply fish feeds to households that want to start fish farming.</li> </ul>
<b>Key investment rationale</b> 	<ul style="list-style-type: none"> <li>▪ Aquaculture plays a vital role as a source of food and an alternative source of income for fishery communities, as it contributes to reducing the pressure on marine natural resources, and has recently been considered as an important sector for supporting the development of rural economies</li> <li>▪ It will also increase the supply of fish for processing plants, along with increasing employment</li> <li>▪ Tanzania would earn more foreign exchange from exports of processed fish and therefore reduce importation of fish, which currently stands at approximately 50 percent of total local demand.</li> </ul>



<b>Available support</b>	<ul style="list-style-type: none"> <li>▪ National Fish Policy 2015</li> <li>▪ Government has strongly supported investment in aquaculture training, with degree programmes at Sokoine University of Agriculture (SUA) and the University of Dar es Salaam, and skills training at Mbegani Fisheries Development Centre and Fisheries Education and Training Agency (FETA) as well as Tanzania Fisheries Research Institute (TAFIRI).</li> </ul>
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## 16. Storage and transport facilities for fish

Overview of the Opportunity	
<b>Key features</b> 	<p><b>Nkasi District Council</b></p> <ul style="list-style-type: none"> <li>▪ Interested parties are invited to invest in storage and fish transport facilities</li> <li>▪ Nkasi District Council has allocated about 1.6187 hectares of land at Kamwanda Village for establishing storage facilities</li> </ul> <p><b>Kalambo District Council</b></p> <ul style="list-style-type: none"> <li>▪ Interested parties are invited to invest in storage and fish transport facilities</li> <li>▪ Kalambo District Council has allocated about 5 hectares of land at Kasanga for establishing storage facilities.</li> </ul>
<b>Key investment rationale</b>	<ul style="list-style-type: none"> <li>▪ There is huge amount of waste of fresh fish due to poor transport and storage facilities</li> <li>▪ To supply ice for adding value to fish products and therefore enabling small fisher folks to earn more income by reducing post-harvest losses</li> <li>▪ It will also create a linkage to cold chain transportation of fish.</li> </ul>
<b>Available support</b>	<ul style="list-style-type: none"> <li>▪ National Fish Policy, 2015</li> <li>▪ FYDP II, which promotes value addition at primary and secondary processing levels.</li> </ul>

## E. Construction sector


### 17. International agriculture market

Overview of the Opportunity	
Key features	<p><b>Sumbawanga Municipal Council</b></p> <ul style="list-style-type: none"><li>Investors are invited to construct an international agriculture market at Katumba Azimio</li><li>Sumbawanga Municipal Council has set aside about 2.94 hectares of land for this investment at Katumba Azimio</li><li>It is expected that meat and agricultural crops will be sold at this market.</li></ul> <p><b>Kalambo District Council</b></p> <ul style="list-style-type: none"><li>Investors are invited to construct an international agriculture market at Matai</li><li>Kalambo District Council set aside about 5 hectares of land for this investment.</li></ul>
Key investment rationale	<ul style="list-style-type: none"><li>An international agriculture market will directly and indirectly generate employment to the region's residents</li><li>Value addition, especially for horticulture products, will be promoted</li><li>Over time, this process will tend to diversify production as a reflection of the changing demand to be signalled from this market</li><li>It will also be an avenue for promoting production of quality goods that meet required grades/standards: in the case of agriculture produce (crops), fish and livestock, farmers will most likely add value and earn higher returns</li><li>The market infrastructure will promote cross-border trade.</li></ul>
Available support	<ul style="list-style-type: none"><li>Tanzania's current industrialisation policy focuses on, supports and encourages such investments</li><li>The project area is likely to receive a lot of support, given existing political will.</li></ul>

## 18. Shopping malls

Overview of the Opportunity	
<b>Key features</b> 	<b>Sumbawanga Municipal Council</b> <ul style="list-style-type: none"> <li>Investors are invited to build shopping malls at Nambogo and Katumba Azimio, where 0.98 hectare of land has been allocated for that purpose.</li> </ul>
<b>Key investment rationale</b>	<ul style="list-style-type: none"> <li>Shopping malls will directly and indirectly generate employment to the people of the region</li> <li>Value addition, especially for horticulture produce, will be promoted</li> <li>Increased market for local producers.</li> </ul>
<b>Available support</b>	<ul style="list-style-type: none"> <li>Policy and political support at national, regional and local levels</li> <li>Land is available for shopping mall construction</li> <li>Good infrastructure, which includes roads networks, communication, and electricity</li> </ul>

## 19. Modern markets

Overview of the Opportunity	
<b>Key features</b>	<b>Kalambo District</b> <ul style="list-style-type: none"> <li>Investors are invited to construct a modern market at Matai</li> <li>Kalambo District Council has set aside about 5 hectares of land at Matai for this investment.</li> </ul>
<b>Key investment rationale</b> 	<ul style="list-style-type: none"> <li>A modern market will directly and indirectly generate employment to the region's residents</li> <li>Value addition, especially for horticulture produce, will be promoted</li> <li>Over time, this process will tend to diversify production as a reflection of the changing demand to be signalled from this market</li> <li>It will also be an avenue for promoting production of quality goods that meet required grades/standards: in the case of agriculture produce (crops), fish, and livestock, farmers will most likely add value and earn higher returns.</li> </ul>

<b>Available support</b>	<ul style="list-style-type: none"> <li>▪ Tanzania's current industrialisation policy focuses on, supports and encourages such investments</li> <li>▪ The project area is likely to receive a lot of support given existing political will.</li> </ul>
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## 20. Modern bus stand


Overview of the Opportunity	
<b>Key features</b>	<b>Sumbawanga District Council</b> <ul style="list-style-type: none"> <li>▪ Building a modern bus terminal and related services, like restaurants etc.</li> <li>▪ Sumbawanga District Council has set aside land at Laela for this investment</li> <li>▪ A PPP approach is envisaged.</li> </ul>
<b>Key investment rationale</b> 	<ul style="list-style-type: none"> <li>▪ A modern bus station with good management and environment will spur economic activities in and around the station</li> <li>▪ Sumbawanga serves as an international trunk road to the southern node, linking Mbeya to the Zambian border</li> <li>▪ It is also a node to local transport through Tunduma to Sumbawanga, and Katavi.</li> </ul>
<b>Available support</b>	<ul style="list-style-type: none"> <li>▪ Second phase of Five-Year Development Plan (FYDP II), which aims at enhancing human development and providing quality services</li> <li>▪ Sumbawanga District Council has allocated land for the construction of the bus terminal</li> <li>▪ Seventy-five percentage (75%) import duty relief on project deemed capital goods, including equipment, utility vehicles and building materials through TIC.</li> </ul>

## 21. Developing a golf course


Overview of the Opportunity	
<b>Key features</b>	<b>Sumbawanga Municipal Council</b> <ul style="list-style-type: none"> <li>▪ Interested parties are invited to construct a golf course</li> <li>▪ Sumbawanga Municipal Council has allocated 53.9 hectares of land for construction of sport amenities, mainly a golf course.</li> </ul> 

<b>Key investment rationale</b>	<ul style="list-style-type: none"> <li>It will promote tourism in the region. Sports tourism is the act of travelling from one location to another with the aim of being an audience to a sport of any kind. The sports tourism global market is a fast-growing sub-sector of the travel industry.</li> </ul>
<b>Available support</b>	<ul style="list-style-type: none"> <li>Policy and political support at national, regional and local levels is favourable</li> <li>Land is available on which to construct a golf course</li> <li>Good infrastructure, including roads network, communication services and electricity supply.</li> </ul>

## 22. Real estate development

Overview of the Opportunity	
<b>Key features</b>	<p><b>Sumbawanga Municipal Council</b></p> <ul style="list-style-type: none"> <li>An interested party (individual or entity) is invited to invest in real estate development</li> <li>Suitable areas for this investment include Nambogo, Isofu and Katumba Azimio, whose total area is 405.72 hectares.</li> </ul> <p><b>Nkasi District Council</b></p> <ul style="list-style-type: none"> <li>An interested party (individual or entity) is invited to invest in real estate development</li> <li>Suitable areas for this investment include Namanyere Urban, whose total area is 6.36615 hectares.</li> </ul>
	
<b>Key investment rationale</b>	<ul style="list-style-type: none"> <li>It assures market and income for real estate developers as well as creation of jobs to the local people.</li> </ul>
<b>Available support</b>	<ul style="list-style-type: none"> <li>The Government has formalised outsourcing for such services from private companies who can provide the much-needed skilled human resource and modern equipment for land surveying, i.e. geographical positioning system (GPS) and geo-system or programme used for drawing maps.</li> </ul>

## 23. Agriculture laboratory

Overview of the Opportunity	
<b>Key features</b>	<p><b>Sumbawanga District Council</b></p> <ul style="list-style-type: none"> <li>An investor is invited to construct and operate a soils laboratory at Mpui Ward Agriculture Resource Centre (WARC)</li> <li>Sumbawanga District Council has allocated about 0.8 hectare of land for this purpose.</li> </ul>
<b>Key investment rationale</b> 	<ul style="list-style-type: none"> <li>Soil testing provides a farm management tool with a potential benefit for increased yields to the farmer, reduced operating costs and superior environmental risk management</li> <li>Soil testing ensures improved crop maturity and quality, higher tolerance to disease and pest damage, and increased growth</li> <li>There is high demand for soil testing in Sumbawanga District and the region at large.</li> </ul>
<b>Available support</b>	<ul style="list-style-type: none"> <li>The Second Five-Year Development Plan (FYDP II) promotes agriculture development</li> <li>Government extension officers in each ward provide agronomic services to small-holder farmers</li> <li>A revised National Agriculture Policy (2013) and Agriculture Sector Development Programme II (ASDP-II) support soil testing.</li> </ul>

## F. Mining


### 24. Mining

Overview of the Opportunity	
<b>Key features</b> 	<p><b>Sumbawanga District Council</b></p> <ul style="list-style-type: none"> <li>Interested parties are invited to invest in coal mining and processing at Muze</li> <li>The available coal deposits can support commercial mining and coal processing.</li> </ul> <p><b>Nkasi District Council</b></p> <ul style="list-style-type: none"> <li>Interested parties are invited to invest in mining building materials.</li> </ul>

<b>Key investment rationale</b>	<ul style="list-style-type: none"> <li>There are significant quantities of high quality coal and export opportunities are also possible. Provision of more effective machinery and equipment can improve efficiency and create more job opportunities for skilled workers</li> <li>All coal is located in accessible areas, hence low cost of mining and transporting them to processing facilities</li> <li>Such investment will generate employment.</li> </ul>
<b>Available support</b>	<ul style="list-style-type: none"> <li>Tanzania's Second Five-Year Development Plan (FYDP II), which calls for value addition and beneficiation in metal and minerals industries</li> <li>Good infrastructure, including roads network, communication services, electricity supply and mineral markets</li> <li>Integrated Industrial Development Strategy, 1996-2025.</li> </ul>

## G. Tourism sector

### 25. Tourism and hospitality industry (hotels, recreation centres, conference facilities, camping sites, tour companies etc.)

Overview of the Opportunity	
<b>Key features</b> 	<p><b>Sumbawanga Municipal Council</b></p> <ul style="list-style-type: none"> <li>Sumbawanga Municipal Council invites investors to build tourist hotels at Isofu and Nambogo, where 1.96 hectares of land have been set aside for that purpose</li> <li>There is an opportunity for investing in recreation centres at Isofu, where 7.35 hectares have been set aside for recreation activities</li> <li>Interested individuals and entities are also invited to invest in conference facilities at Majengo Ward, where 0.3 hectare of land has been set aside.</li> </ul> <p><b>Sumbawanga District Council</b></p> <ul style="list-style-type: none"> <li>Sumbawanga District Council invites investors to build tourist hotels at Kaengesa and Laela, where 5.6 hectares of land have been set aside for that purpose</li> <li>There is an opportunity for investing in recreation centres at Kasanzama, where one (1) hectare of land has been set aside for recreation activities</li> <li>Interested parties are also invited to invest in camping sites and walking tourism.</li> </ul>

### **Nkasi District Council**

- Investors are invited to invest in affordable tourist hotels and campsites along the beaches and nearby Lake Tanganyika
- Investors are invited to invest in sport fishing and beach sports.
- Interested parties are invited to invest in affordable tourist hotels and campsites along the beaches of and nearby Lake Tanganyika, as well as in sport fishing and beach sports
- Nkasi District Council has set aside about 25,213 hectares of land at Kipili, Kirando, Kabwe, Korongwe, Wampembe and Kala for building hotels. More land can be acquired through arrangement with individuals.



### **Kalambo District Council**

- Interested individuals and entities are invited to invest in hotels at Kapozwa, tourist hotels and lodges at Matai and Kapozwa, as well as establish tour operating companies
- Interested parties are also invited to invest in recreation centres and conference centres at Kisumba (4.9 hectares), Kasanga etc., and build hotels and camping sites near Kalambo Falls as well as invest in photographic tourism at Kalambo Falls.

### **Key investment rationale**




- Rukwa Region views tourism as a significant industry in terms of job creation, poverty alleviation, and foreign exchange earnings
- The region has two game reserves (Lwafi and Uwanda) and lakes Tanganyika and Rukwa. It is also enriched with various untapped tourist attractions, such as Kalambo Falls, Ntembwa Falls and historical sites with opportunities for investment.




<b>Available support</b>	<ul style="list-style-type: none"> <li>▪ Integrated Tourism Master Plan, which outlines strategies and programmes for the sector</li> <li>▪ Tourism Confederation of Tanzania (TCT), a private sector body that represents interests of private sector tourism</li> <li>▪ The 1999 National Tourism Policy emphasises the need to improve, among other things, communication and accommodation facilities as a means of attracting tourists</li> <li>▪ Land will be made available for construction of hotels, camping sites and airstrips. Public-private partnership (PPP) arrangements are envisaged for some of these investments, while for others it will be through joint ventures between private entrepreneurs and potential investors to be facilitated by district councils</li> <li>▪ Necessary infrastructure: good road network, airports at Sumbawanga, Songwe and Mpanda; Kipili Airstrip; and ports at Kipili, Kabwe and Kasanga.</li> </ul>
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## H. Education sector

### 26. Skills development training institutes

Overview of the Opportunity	
<b>Key features</b> 	<p><b>Sumbawanga District Council</b></p> <ul style="list-style-type: none"> <li>▪ Investors are invited to establish a vocational training institute</li> <li>▪ Sumbawanga District Council has allocated about 4 hectares of land at Laela for this investment</li> <li>▪ The planned area has the necessary infrastructure, such as roads and utilities (water and power supply).</li> </ul> <p><b>Nkasi District Council</b></p> <ul style="list-style-type: none"> <li>▪ Investors are invited to establish a vocational training institute</li> <li>▪ Nkasi District Council has allocated about 16 hectares of land at Paramawe Village for this purpose</li> <li>▪ The planned area has the necessary infrastructure, such as roads and utilities (water and power supply).</li> </ul>

	<p><b>Kalambo District Council</b></p> <ul style="list-style-type: none"> <li>Investors are invited to establish a vocational training institute</li> <li>Kalambo District Council has allocated about 12 hectares of land at Matai for this investment</li> <li>The planned area has the necessary infrastructure, such as roads and utilities (water and power supply).</li> </ul>
<p><b>Key investment rationale</b></p> 	<ul style="list-style-type: none"> <li>FYDP II categorically recognises the important role of skills development as a major catalyst for transforming economies at national and sub-national levels. It is because of this recognition that Rukwa Region and its sub-national level governments call for investment in building a skills-development training institute. To support the establishment of such an institution, the Government has established a fund whose sources include skills development levy paid by all employers.</li> <li>The demand for skills development has been identified in almost all districts as critical for promoting value addition to agriculture commodities and other non-agriculture small-scale manufacturing industries.</li> </ul>
<p><b>Available support</b></p>	<ul style="list-style-type: none"> <li>This is supported by Education and Training Policy, 2014</li> <li>Technical and Vocational Education and Training Development Programme (TVETDP)</li> <li>Supportive institutions: College of Engineering and Technology (CoET) established in 2001 through the transformation of the Institute of Production Innovation (IPI) and its integration with the former Faculty of Engineering (FoE)</li> <li>SIDO supports business development services (technical training courses, and business management and entrepreneurship training, among others), technology development services (product and technology development, including the development and support of design skills, and the application of new technologies), among others.</li> </ul>

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## I. Transport sector

### 27. Land transport services

Overview of the Opportunity	
<b>Key features</b>	<b>Nkasi District Council</b> <ul style="list-style-type: none"><li>▪ Investors are invited to provide transport services, mainly bus services at Namanyere</li><li>▪ Individuals and entities are invited to provide marine transport services on Lake Tanganyika.</li></ul>
<b>Key investment rationale</b>	<ul style="list-style-type: none"><li>▪ Rukwa Region is growing with an increasing demand for efficient transport system to cater for inflows and outflows of commuters and their goods.</li></ul>
<b>Available support</b>	<ul style="list-style-type: none"><li>▪ About seventy-five percent (75%) import duty relief on project deemed capital goods including equipment, utility vehicles and some building materials through TIC</li><li>▪ Tanzania Transport Policy, 2003</li><li>▪ Land transport Regulatory Authority (LATRA) Act, 2019</li><li>▪ Tanzania Shipping Agencies Act, 2018</li></ul>

## PART FOUR

# FACILITATION, PROCESSES, REQUIREMENTS AND INCENTIVES

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

## 4.1 Supportive Policies and Legal Environment

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

### 4.1.1 Policies, Legal, Institutional and Regulatory Considerations

#### a) Key policies

Policies to guide investment promotion and interventions in Rukwa Region's relevant areas are: National Investment Promotion Policy (1996); National Agriculture Policy (2013); National Livestock Policy (2006); Sustainable Industrial Development Policy (SIDP) (1996-2020); National Trade Policy for Competitive Economy and Export-led Growth (2003); National Micro-finance Policy (2000); National Forest Policy (1998); Bee Keeping Policy (1998); Small and Medium Enterprises Development Policy (2003); National Land Policy (1995); National Environment Policy (1997); The Mineral Policy of Tanzania (2009); Tanzania Mining Industry Investor's Guide (2015); and Rukwa Region Development Plan, district and municipal development plans as well as the political will of the region to attract investors.

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## **b) Key laws**

Major laws and regulations that guide investment promotion and activities in Rukwa Region are: Tanzania Investment Act (1997); Tax Legislations; Land Act (1999); Village Land Act (1999); Mining Act (1998); Tanzania Bureau of Standards Act (2009); Tanzania Food and Drugs Act (2003) and Regulations; Plant Protection Act (1997) and Regulations; The Mining Act (2010); The Mining Regulations (2012); the National Environment Management Act (No.10 of 2004); the Environment Management (Environmental Impact Assessment and Audit) (Amendment) Regulations of 2018; and other sector Acts and relevant Rukwa Region local government authorities by-laws.

### **4.1.2 Strategies, Plans, and Programmes**

Key strategies, plans and programmes are: Annual Regional Plans and Annual Reports; PO-RALG Reports; Council Development Plans; Five-Year Development Plan (FYDP II); Agriculture Sector Development Strategy and Programme (ASDP II) 2017-2022; Livestock Sector Development Programme (2011); Ministry of Industry, Trade and Investment's reports; and Integrated Industrial Development Strategy (IIDS 2025). Others are the National Rice Development Strategy; Tanzania Agriculture and Food Security Investment Plan; and Agricultural Growth Corridor in Tanzania.

The above policies, regulatory authorities, strategies and plans support the investment climate in Rukwa Region by sound frameworks that offer an appropriate environment that encourages investments in the region. The key issue is for the regional leadership to make sure that the processes and requirements outlined below are interpreted and adapted earnestly at regional and local levels. The leadership of Rukwa Region is determined to be doing that and to ensuring speedy implementation of prioritised investment opportunities, as well as to put in place a climate that is conducive to investing in the region.

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

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

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## a) **Public-Private Partnership**

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

The public sector, through public-private partnerships, is encouraged to maximise synergies between the public and private sectors in mobilising and deploying resources. The PPP approach has been widely used in other countries to finance infrastructure and other long-term investment projects. The approach is a way to amalgamating public and private capital and expertise for public projects in which the private sector has interest in sharing ownership.

The Public Private Partnership (Amendment) Act (2018) and PPP Regulations (2020) give areas of collaboration, which comprise of investment capital, managerial skills and technology. Additionally, PPPs can enable the government to fulfil its responsibilities in delivery of socio-economic goods and services by ensuring efficiency, effectiveness, accountability, quality and outreach of service.

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

Most PPPs implemented in Tanzania are concession arrangements for running existing enterprises with limited provisions for rehabilitation and new investments. It is worth noting that in the case of services, PPPs have been implemented successfully by faith-based organisations (FBOs) in education,

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health and water sectors for many years. Private sector participation in areas previously treated as the monopoly of the public sector has made major contributions to increasing the pace of growth and development in many countries.

### **b) Public-Private Community Partnership**

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

### **c) Joint venture**

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

## **4.2 Facilitation: Processes and Requirements**

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

### **4.2.1 Lead Institution**

Tanzania Investment Centre (TIC) is a one-stop agency of the Government of Tanzania established under the Tanzania Investment Act No. 26 of 1997 to promote, co-ordinate and facilitate investment in Tanzania. The Centre is a focal point for all investors and performs all liaison work for the investor from enquires right up to project start up. The minimum investment capital threshold for an enterprise to qualify for registration under the Centre is not less than US\$ 500,000 if foreign or joint venture owned, and US\$ 100,000 for

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domestic investors. Under the one-stop facilitation agency, all investors are assisted to obtain permits, licences, approvals, and authorisation etc., required by other laws to set up and operate investment ventures in Tanzania.

***TIC contacts are:***

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

## **4.2.2 Main Institutions Dealing with Investment in Tanzania and in Rukwa Region**

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

## **4.2.3 Registration**

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

## **4.2.4 Central Government Taxes**

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



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## **a) Corporate tax**

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

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

## **b) Personal income taxes**

Residents are subjected to a personal income tax where total income exceeds TZS 2,040,000/- per annum. Income of a non-resident employee of a resident employer is subject to withholding tax of 15 percent. The total income of a non-resident individual is chargeable at the rate of 20 percent (the monthly income includes basic salary, overtime, bonus commission and other allowances).

The skills and development levy (SDL) is payable by any employer who employs four or more persons; the rate is 4.5 percent of the gross wage. Employers exempted from paying this levy include diplomatic missions, registered education institutions, charitable organisations, farm employment, and foreign institutions dealing with technical assistance and the United Nations Organisation and its agencies/organs.

## **c) Withholding taxes**

Withholding taxes on dividends from corporations listed at the Dar es Salaam Stock Exchange are 5 percent for both resident and non-resident persons. The rate on dividend from other corporations is 10 percent. The rate withheld

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on interest is 10 percent, and 15 percent on royalties for resident and non-resident persons. Rates withheld on management and technical services fees [mining, oil and gas] are 5 percent for residents and 15 percent for non-residents.

#### **d) Value added tax (VAT)**

Value added tax (VAT) is a consumption tax charged at a single rate of 18 percent. Registration is compulsory for any business that has a turnover of more than TZS 100 million per annum.

However, there is an exception to registration of entities dealing with professional services, as they are required to register for value-added tax regardless of their turnover. Applicants for VAT registration should complete form Number VAT ITX245.02. E. A registered taxpayer is required to file a VAT return monthly.

Under VAT, incentives include zero rate for all exports, VAT deferment on plant and machinery, VAT exemption of imported plant and machinery by local manufactures and processors of vegetable oil seeds, textiles, pharmaceuticals, and skin and leather products manufactured in Tanzania Mainland.

VAT returns are supposed to be filed on the 20<sup>th</sup> day of the month after a tax period. However, where the 20<sup>th</sup> day falls on a Saturday, Sunday or public holiday, the VAT returns shall be lodged on the first working day following the Saturday, Sunday or public holiday. For imports, VAT is payable at the time the import duty is due and payable in accordance with East African Community Customs Management Act, 2004.

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

### **4.3 General Investment Incentives**

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

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

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

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

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

## 4.4 Access to Resources

### 4.4.1 Land for Investment in Tanzania

The Ministry of Lands, Housing and Human Settlements is mandated with land management in Tanzania. Land in Tanzania is under three categories, namely village lands, general lands and reserve lands.

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

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Section 20 of the Land Act No. 4 of 1999 specifically provides for a procedure to allocate/grant land to non-citizens for investment purpose under the Tanzania investment Act, 1997. Land for investment purpose shall be identified, gazetted and allocated to Tanzania Investment Centre, which will issue a Derivative Right of Occupancy to the investor. More information on acquisition of land for investment is available on [www.ardhi.go.tz](http://www.ardhi.go.tz)

#### **4.4.2 Land for Investment in Rukwa Region**

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

#### **4.4.3 Banking and Financial Services**

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

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

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

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#### **4.4.4 Labour**

Rukwa Region has surplus labour due to low employment. While some of the labour is unskilled, there are efforts to build a skilled labour force, especially through vocational training colleges (VETA), folk development centres (FDCs), and post-primary technical education centres (PPTL). The region has two universities and four colleges (including VETA). Investors are invited to build skills development institutes in the region.

#### **4.4.5 Clearing and Forwarding Service**

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

### **4.5 Inclusion and Participation of the Private Sector**

The region plans to stimulate its industrial and economic development base through attracting additional private and public-private partnership investments in order to increase its value addition in key sectors like agriculture and manufacturing to strengthen competitiveness as well as to raise its GDP.

The regional government and district authorities are ready and committed to providing a series of further support services and incentives to drive industrial development and growth in short, medium and long-term plans.

According to national policies, it is the role of the public sector to provide basic enablers such as land, utilities, and infrastructure. These are normally supported and constructed using district, regional and national public budgets in addition to other resources or development partners' support.

It is the private sector that is mainly supposed to play a major role in investing in the region in the production, transportation, storage, processing, and development of value chains and marketing of products.

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However, for the private sector to play its role effectively, Rukwa Region authorities will have to create an enabling environment through provision of pre-requisite infrastructure, incentives, formulation/review and enforcement of investment friendly policies, regulations, and procedures. Regional authorities will promote public-private partnerships as well as public-private community partnerships, and also facilitate joint ventures between potential investors and local private investors.

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

## PART FIVE

# KEY CONTACTS IN RUKWA REGION

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

## 5.1 Key Websites

Office	Website
Rukwa Regional Secretariat	<a href="http://www.rukwa.go.tz">www.rukwa.go.tz</a>
Sumbawanga Municipal Council	<a href="http://www.sumbawangamc.go.tz">www.sumbawangamc.go.tz</a>
Sumbawanga District Council	<a href="http://www.sumbawangadc.go.tz">www.sumbawangadc.go.tz</a>
Nkasi District Council	<a href="http://www.nkasidc.go.tz">www.nkasidc.go.tz</a>
Kalambo District Council	<a href="http://www.kalambo.go.tz">www.kalambo.go.tz</a>

## 5.2 Key Contacts

### 5.2.1 Regional Commissioner's Office

Office	Post Office Box	Telephone/ Mobile Phone	E-mail
Regional Commissioner (RC)	128, Sumbawanga	+255252802137	<a href="mailto:ras@rukwa.go.tz">ras@rukwa.go.tz</a> ; <a href="mailto:ras.rukwa@tamisemi.go.tz">ras.rukwa@tamisemi.go.tz</a>
Regional Administrative Secretary (RAS)	128, Sumbawanga	+255252802318	<a href="mailto:ras@rukwa.go.tz">ras@rukwa.go.tz</a> ; <a href="mailto:ras.rukwa@tamisemi.go.tz">ras.rukwa@tamisemi.go.tz</a>

### 5.2.2 Sumbawanga Municipal Council

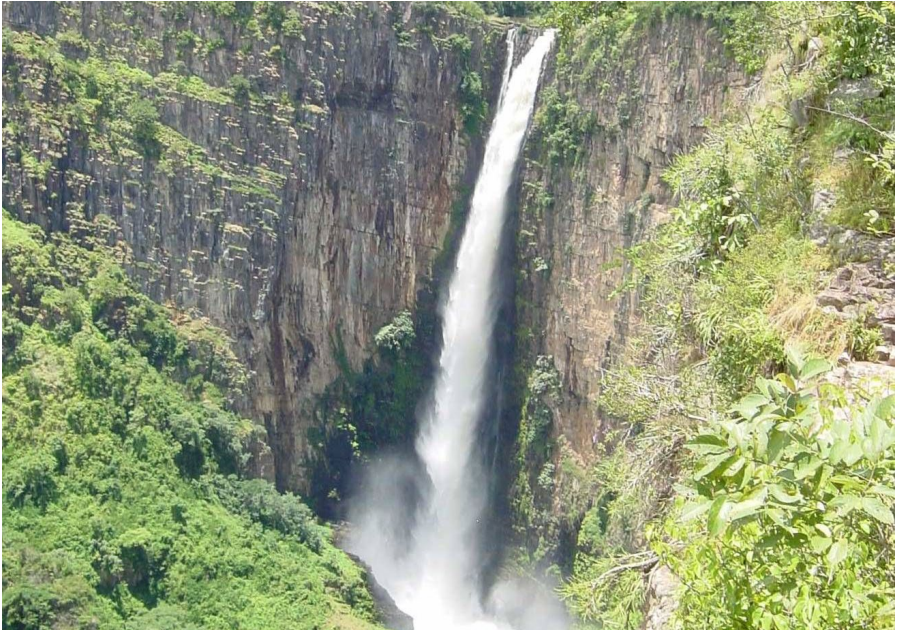
LGA	Municipal Director		E-mail
	Post Office Box	Telephone/ Mobile Phone	
Municipal Council	187 Sumbawanga	+255252802163	<a href="mailto:md@sumbawangamc.go.tz">md@sumbawangamc.go.tz</a>
Mayor	187 Sumbawanga	+255252802163	<a href="mailto:md@sumbawangamc.go.tz">md@sumbawangamc.go.tz</a>

## 5.2.4 District Councils

LGA	District Executive Director		E-mail
	Post Office Box	Telephone/ Mobile Phone	
Sumbawanga District Council	229 Sumbawanga	+255252802133	ded@sumbawangadc.go.tz
Nkasi District Council	2 Namanyere – Nkasi	+255252830006	ded@nkasidc.go.tz
Kalambo District Council	3 Matai	+255252802429	ded@kalambo.go.tz











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