



**THE UNITED REPUBLIC OF TANZANIA  
VICE PRESIDENT'S OFFICE**

**REMARKS BY H.E. DR. PHILIP ISDOR MPANGO, VICE PRESIDENT OF THE  
UNITED REPUBLIC OF TANZANIA, DURING OFFICIAL CLOSING OF THE  
CHINA – TANZANIA INVESTMENT FORUM**

**JOHARI ROTANA HOTEL – DAR ES SALAAM  
27<sup>TH</sup> MARCH, 2024**

- ***Hon. Prof. Kitila Mkumbo (MP), Minister of State, President's Office, Planning and Investment;***
- ***Hon. Dr. Ashatu Kijaji (MP), Minister of Industries and Trade;***
- ***H.E. Chen Mingjian, Ambassador of the Peoples Republic of China in Tanzania;***
- ***Hon. Albert Chalamila, Dar es salaam Regional Commissioner;***
- ***Permanent Secretaries here present;***
- ***Comrade Zhu Chonglie, Secretary of the CPC Jinhua Municipal Government;***
- ***Heads of Government Institutions from China and Tanzania;***
- ***Captains of Industry and Representatives of the Private sector;***
- ***Distinguished Guests;***
- ***Members of the Media Fraternity;***
- ***Ladies and Gentlemen.***

It's a great pleasure for me to join you in this important Investment Forum. Her Excellency Dr. Samia Suluhu Hassan, President of United Republic of Tanzania had wished to personally officiate this closing ceremony, but could not be here due to other equally important exigencies. Thus, I am privileged and honoured to represent her.

This forum provides a platform to share opportunities available in our two countries and look into ways of promoting partnerships, investment and trade. I would like to sincerely express our profound gratitude to the China Council for the Promotion of International Trade (CCPIT), the Tanzania Investment Centre (TIC) and the Tanzania Private sector Foundation (TPSF) for organizing this important event.

***Distinguished participants;***

I am glad to see this impressive attendance of approximately 200 Tanzanian companies; 40 local Chinese companies; and 60 companies from Jinhua, Zhejiang Province. This is indeed a clear evidence of the prime importance of this meeting and the readiness of both Tanzania and China to scale up trade and investment and show case opportunities waiting to be exploited. I have been informed that through this Forum you were able to exchange information and engaged in dialogue. The discussions focused on policy reforms and regulatory frameworks that can improve the business environment and attract more FDIs, especially from China. The Government is convinced that by addressing these issues and investor concerns in a frank and transparent manner, will help deepen economic ties, catalyse sustainable development, and open up mutually beneficial opportunities for both Tanzania and China.

***Distinguished participants;***

The PRC has for a long-time been a leading strategic investor and major trading partner of Tanzania. The annual FDI flows from China increased from USD 92 million in 2019 to USD 221 million in 2021. In the period of January 2021 to December 2023, 256 Chinese projects registered by the TIC were worth USD 2.4 billion, estimated to

generate around 29,122 jobs. Cumulatively, around USD 11.4 billion worth Chinese FDIs were destined to Tanzania over the period of 1997 to February 2024, creating 14,759 job opportunities. The top 5 recipient sectors of FDIs from China were manufacturing, commercial building, agriculture, transportation, and services. The leading Chinese projects included Sino Tan Kibaha Industrial Park Ltd, Keda Tanzania Ceramics Company Limited (invested in manufacturing of float glass), Kinglion Investment Co. Ltd (manufacturing of steel roofing sheets and related products), Goodwill (Tanzania) Ceramic Company Ltd (manufacturing of tiles), and EACLC Limited (shopping mall). On trade, China accounted for about 20% of Tanzania total merchandise trade in 2023, supplying more than a quarter of Tanzania's imports. On tourism, Tanzania received over 44,000 Chinese visitors in 2023, having tripled from 13,974 received in 2022.

***Distinguished participants;***

The growing foreign direct investment and trade indicate that Tanzania is a rewarding investment destination of choice for Chinese investors. This is attributed to several key factors, which include the friendly half century old bilateral relations between the PRC and Tanzania, as well as strong macro-economic management. Over the past two decades (2000 – 2019), real GDP growth averaged 6.6% prior to the COVID-19 pandemic, making Tanzania one of the fastest growing economies in Africa. In 2020, Tanzania graduated to a Lower Middle-Income Country and despite the devastating effects of the pandemic, Tanzania has been able to maintain the LMIC status until now. The Post COVID-19 recovery has been quite promising with real GDP growth rate picking up from 4.8% in 2020 to 5.5% in 2023 and is projected at above 6% for the period of 2024-2027. International Credit Rating Agencies have also given Tanzania a good score. For example, in November 2022, Moody's awarded Tanzania the B2 score with a Positive Outlook; in December 2023, Fisch awarded Tanzania a B+. More recently (22 March, 2024), Moody's upgraded Tanzania's score to B1 with a Stable Outlook. These ratings are largely a reflection of Tanzania's strong macro-economic performance record not withstanding the strong global headwinds experienced post the COVID-19 pandemic.

***Distinguished participants;***

Other factors that helped to attract FDIs to Tanzania include sustained peace and tranquillity since independence in 1961; zealous implementation of policy, legal and regulatory reforms to improve the business environment; strategic geographical location which makes Tanzania a natural regional business hub; sizeable domestic market of 64 million people and regional market of around 1.4 billion people under EAC, SADC and the Africa Continental Free Trade Area (AfCFTA). Tanzania also enjoys duty free and quota free access to the US market through AGOA, the European market through the Everything But Arms (EBA) facility as well as with China through special concessions under Forum on China-Africa Cooperation (FOCAC) arrangements, India through Indo-Africa Partnership and Japan through Tokyo International Conference on African Development (TICAD). Tanzania has also ample natural resources endowments

in mining of a wide range of minerals including strategic and rare earth minerals, iron and steel, soda ash, gold and other gemstones, oil and gas, helium gas, as well as in agribusiness, manufacturing, Infrastructure development, logistics, real estate, ICT, energy, health care, education, tourism and exploitation of blue economy resources.

***Distinguished participants;***

Considering the aforementioned opportunities, President Dr. Samia Suluhu Hassan, has been championing a transformative agenda to build and sustain a vibrant economy underpinned by four pillars, namely Reform, Reconciliation, Resilience and Rebuilding (4Rs). On reform, the focus is on consolidating policy, legal, institutional and regulatory reforms to improve the business environment, seeking to promote consistency and predictability of policies, as well as enhancing transparency and clipping red tape and bureaucracy in government. Some of the actions taken include enactment of the Tanzania Investment Act of 2022 to replace that of 1997. The new law provides for fiscal incentives and a level playing field for investors. It also grants access to international arbitration to the parties to settle disputes either in accordance with Tanzanian laws or the International Centre for the Settlement of Investment Disputes (ICSID) or within the framework of any bilateral or multilateral agreement on investment protection agreed to by the Government of Tanzania and the Government of the country from which the investor originates. The fiscal regime has also been reviewed to remove impediments to investment. On the same note, the Government has scaled up efforts in fighting corruption. In tandem, the President has given stern warning to government officials who are seemingly not up to speed in facilitating investors. In that regard, the top leadership of the country stand ready to welcome and listen to any investor who is facing obstacles in the Government.

Under the pillar of rebuilding the main goal is to grow an economy that will create more employment for the youth and open up more opportunities. In fulfillment of that, several initiatives are undertaken in infrastructure, mining, energy and agriculture sectors. Similarly, efforts are made to revive the tourism industry through various promotional initiatives such as the President's Royal Tour. Resilience on the other hand, envisage building buffers to shocks. On reconciliation, the aim is to build a cohesive society that enjoys equal rights (legal, political, socio-economic) and correct past mistakes. For this reason, the current administration has put a lot of emphasis on strengthening institutions of governance to guarantee the rule of law and safety of local and foreign investments.

Furthermore, Tanzania has continued to undertake major investments in physical infrastructure notably power supply including the Julius Nyerere Hydroelectric-Power Project which is expected to generate 2,115 MW upon completion; the gas powered Kinyerezi thermal power plant which generates about 390 MW and the Rusumo Hydro Power Project which generates approximately 80MW. Concurrently, the Government has expanded capacity of the Dar es Salaam, Tanga and Mtwara ports as well as the Kwala Dry port to support operations and decongest the Dar es Salaam port. The

Government has concessioned the operations of the Dar es Salaam port to DP World of UAE in order to improve port efficiency. Another transformative project is the construction of the SGR from Dar es salaam to the lake port of Mwanza via Dodoma, the administrative capital city. The SGR will subsequently be extended westwards to Musongati and Gitega in Burundi and Kindu in DRC. This will allow for exploitation of the lithium and nickel deposits in Burundi as well as facilitate transport of other cargo to and from the Port of Dar es Salaam.

The Samia administration has also invested significantly in the education sector targeting to improve the quality of human capital across the board. Some of the interventions have included investment in school infrastructure and abolition of school fees from primary to secondary level education in order to improve access to education, as well as putting more emphasis on vocational training. The Government has also invested quite significantly in improving health service delivery and access to ensure a healthy labour force.

***Distinguished participants;***

With the foregoing reforms, I can confidently assure Chinese investors and all other investors that Tanzania is ready for business and firmly committed to make Tanzania one of the most attractive investment destinations in the region. I understand that a delegation of prospective investors has also toured the Sino Tan Industrial Park and Bagamoyo Special Economic Zones as potential areas for the establishment of their future projects. These pioneer industrial parks, such as Modern, Elsewedy, and Kamal Industrial Park, are very much in line with the government's resolve to facilitate and promote the industrial sector as key to economic transformation and faster progress. I am therefore, delighted to learn that four Memoranda of Understanding (MOUs) were signed during this Forum. I welcome more!

***Distinguished participants;***

Before I conclude, allow me to bring to your attention two other areas of priority for investment in Tanzania. The areas relate to green growth and the blue economy in the context of addressing the climate crisis and economic diversification. Specifically, I would want to entice Chinese and other investors to work with us to hasten the transition towards the use of clean cooking technologies to curb environmental carnage by abandoning the use of charcoal and wood for cooking. Another potential area for investment is the exploitation of the blue economy resources in the Indian Ocean as well as the Great Lakes (Lake Victoria, Tanganyika, Nyasa and, Rukwa). The embedded opportunities include fisheries and related processing, mining exploration, beach and marine tourism, and transportation. I also call for smart investment in developing Tanzania's coastal areas and islands, so as to benefit from blue economy resources with environmental conservation at heart.

With these remarks, it is my singular honour and pleasure to declare the **China – Tanzania Investment Forum** officially closed.

**Thank You for Your Kind Attention**