



A look at business, economic and regulatory activity across the African continent



country focus

Tanzania

Location	East Africa
Capital	Dodoma
Languages	Swahili, (official); English
Total literacy	77.9%
Population	52.067 million
Total life expectancy	63.9 years
Healthy life expectancy	56.5 years
Top 5 leading causes of death	TB, Influenza & pneumonia, HIV/AIDS, Coronary health disease & Diarrhoeal disease
Currency	Tanzanian Shilling (TZS)
GDP per capita (USD)	\$ 3,570
2019 Projected Real GDP	4.0%
2019 Projected CPI	3.5%

Source: IMF Data Mapper: April 2019; World Life Expectancy; WHO; World Bank

Political

- Tanzania is the largest country in East Africa, formed in April 1964 from the union of Tanganyika and Zanzibar. The capital city is Dodoma (legislative) while Dar es Salaam is the major commercial city. The country is a republic of two states (Tanzania and Zanzibar) based on a multiparty parliamentary democracy.
- John Pombe Magufuli was elected the 5th president of country in October 2015. Under his leadership efforts have been prioritised to clampdown on corruption, improve public administration and better manage public resources for improved social outcomes.

Economic

- Tanzania has sustained relatively high economic growth over the last decade, while the poverty rate has declined. Government policy towards foreign direct investment is positive with the Tanzania Investment Act of 1997 (the TIC Act) providing for some favourable conditions for investors.
- While agriculture is the most important sector of the economy (over 20% of GDP), mining, tourism, transportation, manufacturing and fishing are playing an increasingly important role in the economy.

Telecoms

Tanzania has the second largest telecommunications market in East Africa after Kenya and the country ranks second globally in mobile money, with growth of mobile money services increasing to 62% in 2017 from 45% in 2009.

Mining

Tanzania is Africa's third largest gold producer after South Africa and Ghana. Until 2012, mining constituted up to 60% of Tanzania's export revenue of which about 47% came from gold alone.

Oil and Gas

Tanzania is seen as a leading destination for oil and natural gas exploration in East Africa. Major projects include the government constructed natural gas pipeline from the natural gas fields in Mtwara to Dar es Salaam (the main commercial capital) and a planned petroleum export pipeline of over 1,400km from Kabale, Uganda to Tanga, Tanzania.

Tourism

There has been a significant increase in tourism in recent years with arrival numbers exceeding one million tourists per year. Popular tourist destinations include the Ngorongoro Crater, Kilimanjaro, Serengeti and Lake Manyara National Park.

Insurance

- The Insurance Act of 2009 established the Tanzania Insurance Regulatory Authority (TIRA) which regulates the insurance market in Tanzania, and promotes and maintains an efficient, fair, safe and stable insurance market for the benefit and protection of insurance policyholders.

Social security

- The Public Service Social Security Act of 2018 (PSSS Act) joined all social security benefits into two major entities; the Public Service Social Security Fund ("PSSSF") to serve employees in public service and the National Social Security Fund ("NSSF") to serve employees in the private sector, the self-employed and foreigners.
- Participation in the NSSF is compulsory and benefits include retirement funding, risk insurance, maternity and health insurance.



economic news

South Africa

- The IMF downgraded its 2019 South African growth outlook to 1.2% from 1.4% and cut its 2020 growth outlook to 1.5% from 1.7%.
- The 2019 national election results saw the ANC claim 57.5% of the vote (its worst performance in any national election), followed by the DA with 20.8% and the EFF with 10.8%. The ANC retains control of 8 provinces with the Western Cape remaining DA-led. In Gauteng, the ANC recorded a marginal victory of 50.2%.
- Nedbank will employ over 3,000 youths under the Youth Employment Scheme (Yes) initiative for 12 months from May 2019, to give them a start to a career in banking.
- Sibanye Gold Ltd and the Association of Mineworkers & Construction Union (AMCU) signed an agreement on 24 April 2019, to end a five month strike started in November 2018.
- At the recent Africa Travel Indaba, President Cyril Ramaphosa highlighted 10 challenges to be addressed by the tourism industry. These include easier visa access (the

government is piloting an e-visa system in New Zealand); the perception of crime; stronger public-private partnerships and physical infrastructure to deliver a world class experience.

Rest of Africa

- The DRC's central bank cut its benchmark lending rate by 500 basis points to 9.0%, the lowest level since December 2016.
- A Reuters' investigation has found that billions of dollars' worth of gold is being smuggled out of Africa every year through the UAE. Countries most affected are Ghana, Tanzania and Zambia.
- Kenya's economy expanded by 6.3% in 2018 after a 4.9% gain in 2017, due mainly to a boost in agricultural production, manufacturing and transportation.
- Zimbabwean residents face up to 12 hours a day of load shedding as low water levels in the Zambezi curtail output from the Kariba hydro-electric power station.



business update

- Seedstars announced a USD 100-million fund to invest in African tech start-ups in collaboration with Paris based, First Growth Ventures.
- Pan-African telecoms group Liquid Telecom, a subsidiary of Ecomet Global, received USD 180-million from UK-based CDC Group, to expand its fibre footprint, data centres and cloud services across Africa.
- The Africa Enterprise Challenge Fund (AECF) in partnership with the UK government will provide USD 20-million funding to accelerate solar home systems to rural poor households in Ethiopia, Somalia, Ghana, Nigeria, and Senegal.
- OPEC will provide USD 81-million support to four African countries (Burkina Faso, Ethiopia, Guinea and Malawi) to help develop the infrastructure and agriculture sectors.

- Ghana's mPharma, a start-up medicine benefits and inventory manager, is set to enter the East Africa regional market for the first time, through its acquisition of Haltons, Kenya's second-largest pharmacy chain, comprising of 20 stores split between Nairobi and Mombasa.
- Julphar, one of the largest pharmaceutical manufacturers in the Middle East and Africa, recently announced its intention to invest in Zimbabwe's healthcare sector.
- Sanlam Emerging Market, subsidiary of South Africa's Salam Group, has finalised a partial sale of its stake in its Kenyan subsidiary Sanlam Investment East Africa, to a local partner worth USD 7.2-million.
- Mauritius United Assurance (MUA) is set to make a Ksh.3-billion investment in Kenyan insurers, as part of its expansion drive on the African continent. MAU already holds a Ksh.2.2-billion stake in Uganda's Phoenix Group.

Contacts

info@tennant.co.za



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Sources

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IMF country reports

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