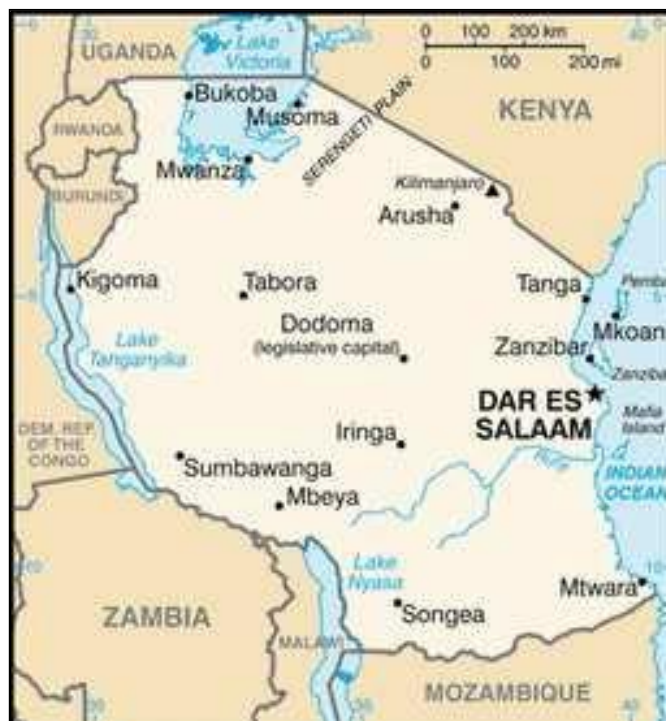




MARKET REPORT – TANZANIA



Prepared by:
Export Development Board (EDB), Sri Lanka
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1 BASIC FACTS

1.1 Location

Tanzania is located at the East Africa on the Indian Ocean and it is bordered by Kenya and Uganda to the north; Rwanda, Burundi and the Democratic Republic of the Congo to the West; Zambia, Malawi and Mozambique to the South,

1.2 Surface area

The country covers an area of 947,300 square kilometers out of which 61 500 sq.km are covered by water and 885 800 land.

1.3 Time zone

GMT + 3 Hours. Sri Lanka is 2:30 hours ahead of Tanzania

1.4 Country Code 00

255

1.5 Population (Total)

Tanzania has a population of 45,039,573 and 80% of whom live in rural areas.

1.6 Capital

Dodoma (Legislative); Dar es Salaam (Administrative, Commercial)

1.7 Population (Major cities)

Capital city	Population
Dar es Salaam	2,489,800
Dodoma	164 ,500
Zanzibar Town	1 000 000

1.8 Language

Kiswahili or Swahili (official), Kiunguja (name for Swahili in Zanzibar), English (official, primary language of commerce, administration, and higher education), Arabic (widely spoken in Zanzibar).

1.9 Climate

Tanzania's weather varies from humid and hot in low lying areas, such as Dar es Salaam, to hot during the day and cool at night in Arusha. There are no discernible seasons, such as winter and summer -- only the dry and wet seasons. Tanzania has two rainy seasons: The short rains from late-October to late-December, a.k.a. the Mango Rains, and the long rains from March to May

1.10 Business hrs

Offices: Monday – Friday 0800 to 1700 hours, Saturday 0800 to 1300 hours.

Banks: Monday – Friday 0830 to 1430, Saturday 0900 to 1130 hours

1.11 Banking hours

08.30 -15 00 Monday to Friday

8.30 – 1200 on Saturday

1.12 Literacy

Education: Attendance--73.2% mainland (primary), 71.4% Zanzibar. Literacy-- females 67% mainland, 76.8% Zanzibar; males 79.9% mainland, 86% Zanzibar.

1.13 Visa Requirements

1.14 Accessibility Air

Tanzania has three international airports: Dar es Salaam International Airport; Kilimanjaro International and Zanzibar International Airport. Main airlines provide direct international flights to Dar es Salaam, connections to other cities are widely available with airlines with local air charters, train or by road and sea.

From Harare the airlines which can be used are:

- ☐ Kenya Airways
- ☐ South African Airways

Airline (from Harare International)	Route	Days of flights
Kenya Airways	Harare – Nairobi – Dar es Salaam	Monday (Hre 11.20) Tuesday (Hre 2.15) Friday (Hre 10.00)
South African Airways	Harare – Jorburg – Nairobi – Dar es Salaam	Sunday Monday Wednesday

2 . ECONOMY

The economy is heavily dependent on agriculture, which accounts for half Of GDP, provides 85% of exports, and employs 80% of the work force. Topography and climatic conditions, however, limit cultivated crops to only 4% of the land area. Industry is mainly limited to processing agricultural products and light consumer goods. Recent banking reforms have helped increase private sector growth and investment. Due to continued donor support and solid macroeconomic policies, there notifiable improvement in the Economy of Tanzania.

2.1 Industries

- ☐ Agricultural processing (sugar, beer, cigarettes, sisal twine);
- ☐ Diamond, gold, and iron mining,
- ☐ Salt, soda ash; cement,
- ☐ Oil refining,
- ☐ shoes, apparel,
- ☐ Wood products,
- ☐ Fertilizer

2.2 Currency

- ☐ Tanzanian shilling (TZS)

2.3 Exchange rate

- ☐ Tanzanian shillings (TZS) per US dollar :1,480

2.4 GDP-(official exchange rate)

\$31.94 billion (2013)

2.5 GDP Per capita

- ☐ \$1,700 (2013)

2.6 GNI Per capita

- ☐ US\$530

2.7 Real GDP growth

- ☐ 7.0 % (2013)

2.8 Annual inflation rate

- ☐ 7.8 % (2013)

2.9 Principal export products:

- ☐ coffee,
- ☐ manufactured goods,
- ☐ cotton,
- ☐ cashew nuts, ☐ minerals,
- ☐ tobacco, ☐ sisal

2.10 Major export destinations

- ☐ India 20%,
- ☐ UK 10%,
- ☐ Germany 8%,
- ☐ Japan 8%,
- ☐ Netherlands 8%,
- ☐ Belgium 4%
- ☐ China 6%

2.11 Principal import products

- ☐ Consumer goods,
- ☐ Machinery and transportation equipment,
- ☐ Industrial raw materials,
- ☐ Crude oil

2.12 Major suppliers

Exporters	2012	2013
World	11,715,58	12,525,41
India	880,62	2,308,71
Switzerland	1,581,59	1,621,96
China	1,162,89	1,595,86
United Arab Emirates	1,025,68	1,193,19
South Africa	934,86	729,67
Japan	518,32	515,98
Kenya	564,24	335,59
United Kingdom	367,98	277,40
United States of America	239,08	234,30
Saudi Arabia	230,90	223,32
Singapore	147,85	221,84

- ☐ India 18.4%
- ☐ Switzerland 12.9%
- ☐ China 12.7%
- ☐ UAE 9.5
- ☐ South Africa 5.8%
- ☐ Japan 4.1%

2.13 Trade with Sri Lanka

Export

From the trade statistics Sri Lanka is exporting few products into the Tanzanian market and the exports are decreasing as shown by the table below:

SRI LANKA'S EXPORT TO TANZANIA

(Value: US \$ '000)

Products	2011	2012	2013
Rubber Finished Products	8,837	8,644	8,444
Products Unclassified	10,27	6,510	4,255
Electrical & Electronic Products, Parts &	639	183	1,949
Paper & Paper Products	93	47	130
Jewellery			67
Food, Feed, Beverages & Tobacco	11	50	63
Coconut Fiber	8	17	38
Coconut Shell Products		4	12
Wooden Products		4	4
Tea Packets	23	131	
Apparel	2	17	
Total :	20,41	15,607	14,966

Source: Sri Lanka Customs

Import

SRI LANKA'S IMPORTS FROM TANZANIA

(Value: US \$ '000)

Products	2011	2012	2013
Paper & Paper Products	80	705	1,243
Leather Products	70		161
Other of Other Export Crops nes	316	269	156
Made-Up Textile Articles		518	
Electrical & Electronic Products, Parts &	23	165	
Base Metal Products		25	
Other Textile Articles nes	107		
Total :	683	1,809	1,579

Source: Sri Lanka Customs

2.14 Exhibitions in Tanzania

Sri Lankan companies could participate at Dar es Salaam International Trade Fair which usually takes place in June.

3 .TRADE AGREEMENTS/MEMBERSHIP TO ECONOMIC 6 BLOCS

Tanzania is a signatory to a number of bilateral treaties. It is a signatory to the following regional and international treaties and organisations, among others:

- ☐ The South African Development Community (SADC) which includes countries in the southern African region.
- ☐ The East African Community, bringing together three countries in the East African Region – Kenya; Tanzania and Uganda
- ☐ The African Caribbean and Pacific Group of States (ACP) under the fourth ACP-EEC Conversion (Lome IV) of 1989, signed in 1990 and the Partnership Agreement signed in Cotonou, Benin on 23 June 2000
- ☐ The Charter on a Regime of Multinational Industrial Enterprises (MIEs) in the preferential Trade Area for Eastern and Southern African States
- ☐ The Intellectual Property Organisation (WIPO)

3.1 Trade routes

Dar es Salaam is a hub for fly in visitors who arrive into the country through the Dar es Salaam International Airport. Apart from air travel, Dar es Salaam can also be reached by sea and is one of the busiest seaports in the Eastern coast of Africa.

3.2 Business Etiquette and travel guide

Appointments should be made in advance and normal courtesies should be shown when visiting business people. Punctuality is important. Suits and ties or safari suits are worn by men, suits and dresses by women. Men shake hands on meeting and on taking leave. Almost all executives speak English. There is no limitation to the importation of foreign currency. Foreign currency can be changed into Tanzanian currency at any branch of the National Bank of Commerce. Tanzanian currency cannot be imported or exported.

Visitors are advised to take anti-malaria tablets before and when on Safari. Personal insurance is advised.

3.3 Specific market access requirements

Normal documentation is required to export to Tanzania (exports permits, import permits, phyto-sanitary certificates)

3.4 Business Opportunities for Sri Lanka

Areas where investment opportunities on Tanzania Mainland abound are in two categories:

1. Lead sectors: this is made up infrastructure – Rail, Road, Communication, mining, Oil exploration and Export Processing Zones
2. Priority sectors: which include Agriculture and Agro-processing, Livestock, Aviation, Banking, Real Human Resources Development, Estate, Manufacturing fishing, Radio and Industries, Television Broadcasting, Land Transport, Marine Transport and Tourism & Travel.

3.5 Other industries with opportunities:

- ☐ Manufacturing of pottery, china and earthenware
- ☐ Manufacturing of food, beverages and cigarettes
- ☐ Manufacturing of glassware

- ❑ Manufacturing of construction materials such as cement, concentrate articles, gypsum and plaster products.
- ❑ Manufacturing of electrical goods such as switch gears, electric cables, cookers and dry cell and automobile batteries

4 .TRADING ACROSS BORDERS

According to data collected by *Doing Business*, exporting a standard container of goods requires 6 documents, takes 18 days and costs \$1255. Importing the same container of goods requires 6 documents, takes 24 days and costs \$1430. Globally, Tanzania stands at 92 in the ranking of 183 economies on the ease of trading across borders. The rankings for comparator economies and the regional average ranking provide other useful information for assessing how easy it is for a business in Tanzania to export and import goods

4.1 The ease of trading across borders in Tanzania over time

Indicator	DB2006	DB2007	DB2008	DB2009	DB2010	DB2011	DB2012
Rank	115	92
Documents to export (number)	8	6	6	6	6	6	6
Time to export (days)	30	24	24	24	24	24	18
Cost to export (US\$ per container)	822	1,212	1,212	1,262	1,262	1,262	1,255
Documents to import (number)	13	7	7	7	7	7	6
Time to import (days)	51	30	30	31	31	31	24
Cost to import (US\$ per container)	917	1,425	1,425	1,475	1,475	1,475	1,430

Source: <http://www.doingbusiness.org> (World Bank)

4.2 Procedures and Documents for trading across borders in Tanzania

Indicator	Tanzania	Sub-Saharan Africa	OECD high income
Documents to export (number)	6	8	4
Time to export (days)	18	31	10
Cost to export (US\$ per container)	1255	1,960	1,032
Documents to import (number)	6	8	5
Time to import (days)	24	37	11
Cost to import (US\$ per container)	1430	2,502	1,085

Source: <http://www.doingbusiness.org> (World Bank)

4.3 Procedure to export from Tanzania

Procedures to export	Time (days)	Cost (US\$)
Documents preparation	8	495
Customs clearance and technical control	4	240
Ports and terminal handling	4	320
Inland transportation and handling	2	200
Totals	18	1255

4.4 Procedure to import from Tanzania

Procedures to import	Time (days)	Cost (US\$)
Documents preparation	8	450
Customs clearance and technical control	5	240
Ports and terminal handling	10	540
Inland transportation and handling	1	200
Totals	24	1430

Source: <http://www.doingbusiness.org> (World Bank)

4.5 Documentation requirements to export & import

Documents to export
Bill of lading
Customs export declaration
Commercial invoice
Export permit
Packing list
Certificate of origin

Documents to import
Bill of Lading
Certificate of origin
Delivery & disposal order
Commercial invoice
Customs import declaration (Pre-arrival declaration - PAD)
Packing list

Source: <http://www.doingbusiness.org> (World Bank)

4.6 Averages of MFN and preferential tariffs applied by Tanzania

		2011	2012	2013
All Products	Average of MFN tariffs	10.16%	9.79%	9.64%
All products	Average of preferential tariffs	9.99%	9.62%	9.47%
Agricultural	Average of MFN tariffs	27.71%	29.22%	29.22%
Agricultural	Average of preferential tariffs	27.24%	28.72%	28.72%
Industrial	Average of MFN tariffs	8.13%	8.13%	8.07%
Industrial	Average of preferential tariffs	7.99%	7.99%	7.93%

Tanzania, United Republic of's average bound rates by HS section

<u>Section Code</u>	<u>Description</u>	<u>Average</u>
01	Live animals; animal products	120%
02	Vegetable products	120%
03	Animal or vegetable fats and oils and their cleavage products; prepared edible fats; animal or	120%
04	vegetable waxes Prepared foodstuffs; beverages, spirits and vinegar; tobacco and manufactured tobacco substitutes	120%
06	Products of the chemical or allied industries	120%
08	Raw hides and skins, leather, furskins and articles thereof; saddlery and harness; travel goods, handbags and similar containers; articles of animal gut (other than silkworm gut)	120%
11	Textiles and textile articles	120%
16	Machinery and mechanical appliances; electrical equipment; parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles	120%
17	Vehicles, aircraft, vessels and associated transport	120%
20	equipment Miscellaneous manufactured articles	120%
21	Works of art, collectors' pieces and antiques	

Tanzania, United Republic of's average applied tariffs by HS section based on the data from 2013 using Harmonised System Nomenclature

HS Rev.2012. [View chart](#)

<u>Section Code</u>	<u>Description</u>	<u>Average</u>
01	Live animals; animal products	30.43%
02	Vegetable products	31.08%
03	Animal or vegetable fats and oils and their cleavage products; prepared edible fats; animal or vegetable waxes	12.92%
04	Prepared foodstuffs; beverages, spirits and vinegar; tobacco and manufactured tobacco substitutes	30.83%
05	Mineral products	1.55%
06	Products of the chemical or allied industries	3.82%

<u>Section Code</u>	<u>Description</u>	<u>Average</u>
07	Plastics and articles thereof; rubber and articles thereof	10.38%
08	Raw hides and skins, leather, furskins and articles thereof; saddlery and harness; travel goods, handbags and similar containers; articles of animal gut (other than silkworm gut)	20.03%
09	Wood and articles of wood; wood charcoal; cork and articles of cork; manufactures of straw, of esparto or of other plaiting materials; basketware and wickerwork	18.71%
10	Pulp of wood or of other fibrous cellulosic material; recovered (waste and scrap) paper or paperboard; paper and paperboard and articles thereof	12.82%
11	Textiles and textile articles	22.02%
12	Footwear, headgear, umbrellas, sun umbrellas, walking-sticks, seat-sticks, whips, riding-crops and parts thereof; prepared feathers and articles made therewith; artificial flowers; articles of human hair	23.87%
13	Articles of stone, plaster, cement, asbestos, mica or similar materials; ceramic products; glass and glassware	18.27%
14	Natural or cultured pearls, precious or semi-precious stones, precious metals, metals clad with precious metal, and articles thereof; imitation jewellery; coin	24.28%
15	Base metals and articles of base metal	10.56%
16	Machinery and mechanical appliances; electrical equipment; parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles	5.53%
17		9.27%
18	Vehicles, aircraft, vessels and associated transport equipment	1.8%
19	Optical, photographic, cinematographic, measuring, checking, precision, medical or surgical instruments and apparatus; clocks and watches; musical instruments; parts and accessories thereof	24.54%
20	Arms and ammunition; parts and accessories thereof	20.83%
21	Miscellaneous manufactured articles	24.58%
	Works of art, collectors' pieces and antiques	

Note: In the calculation of MFN tariff averages, [general tariffs](#) (for non-WTO members) and non-MFN tariffs are included.

4.7 NTBs in Tanzania The identified Non Tariff barriers are:

4.7.1 Cumbersome inspection requirements (Police road blocks)

4.7.2 Cumbersome customs administrative and documentation procedures (Obstacles in export and import permits)

5 USEFUL ADDRESSES

Sri Lanka Embassy in Tanzania

8th Floor, International House,
Mama Ngina Street PO Box 48145
Nairobi
Kenya
Phone+254-20275778

Tanzania Chamber of Commerce, Industry

and Agriculture Samora Avenue, Twiga House,
P O Box 9713, Dar es Salaam Tel: +255 22
2119436/ 46624-7
Mob:0784- 6653; 0744
565 053
Email:hq@tccia.com

Ministry of Trade and

Industries P.O.Box 9503
Dar es Salaam
Tel: (0)22 218 0049 / 0075

Tanzania

Investment Centre

P.O.Box 938

Dar es Salaam

Tel: (0)211 6328 332

Fax:(0)22 211 8253 /

211 6330 Email:

information@tic.co.tz

Business Registration &

Licensing Agency P.O.Box 9393

Dar es Salaam

Tel: (0) 22 218 0141 / 218 1344

Tanzania Revenue

Authority P.O.Box

11491

Dar es Salaam

Tel: (0) 211

9591 - 594

Email:

tra@gv.tz

Annex-1

CURRENT EXPORTERS TO TANZANIA

No.	Company Details	Products
1	DE LA RUE LANKA CURRENCY AND SECURITY PRINT PVT LTD	Currency
2	VECHENSON PVT LTD	Pneumatic & Retreated Rubber Tyres & Tubes
3	SAMSON RUBBER PRODUCTS PVT LTD	Pneumatic & Retreated Rubber Tyres & Tubes
4	EVEREST INDUSTRIAL LANKA PVT LTD	Refrigerators & Freezers
5	ACL CABLES PLC	Insulated Wires and Cables
6	JIT HOLDINGS	Waste & Scrap of Paper /Paper Boards
7	ALANKARA S K R PVT LTD	Jewellery
8	TEA TRENDS EXPORTS PVT LTD	Tea Packets, Made-Up Textile Articles
9	ASSOCIATED BATTERY MANUFACTURES CEYLON LTD	Other Electrical & Electronic Products nes
10	MINISTRY OF CO-OPERATIVE AND INTERNAL TRADE	Rice & Cereals
11	CEYLON WEIGHING MACHINES LTD	Tea Bagging, Packing, Cleaning, Weighing
12	QUIK PAK PVT LTD	Cartoons, Boxes & Bags, Other Products of Plastics nes, Paints, Varnishes and
13	BUDDHI INDUSTRIES PVT LTD	Other Electrical & Electronic Products nes
14	C B L EXPORTS PVT LTD	Confectionary & Bakery
15	NEW LIFE LITERATURE PVT LTD	Books & Printed Matter
16	CEYEM COMMODITIES PVT LTD	Tea Packets, Products
17	CEYLON BISCUITS LTD	Confectionary & Bakery