THE UNITED REPUBLIC OF TANZANIA

NATIONAL FIVE YEAR DEVELOPMENT PLAN 2021/22 - 2025/26

"Realising Competitiveness and Industrialisation for Human Development"

MINISTRY OF FINANCE AND PLANNING

June 2021

THE UNITED REPUBLIC OF TANZANIA

NATIONAL FIVE-YEAR DEVELOPMENT PLAN 2021/22–2025/26

Realising Competitiveness and Industrialisation for Human Development

Tanzania Development Vision 2025

MINISTRY OF FINANCE AND PLANNING
JUNE 2021

"My call to Tanzanians, let us collaborate, unite and be one in building our Nation. Personally, I believe, with love, solidarity and mutual respect, and with the help of GOD, we will be able to get to where we all aspire to be."

Mama Samia Suluhu Hassan, President of the United Republic of Tanzania addressing the 12th Parliament of the United Republic of Tanzania, 22 April 2021.

"Let me assure you that we will implement all strategic projects and develop new projects and fortunately we have included all strategic projects in the Five-Year National Development Plan 2021/22 - 2025/26 which we will start implementing in July this year. Therefore, I am confident that all projects will be implemented as planned in the sense of efficiency while focusing on the efficient use of financial resources".

Mama Samia Suluhu Hassan, President of the United Republic of Tanzania, Labour Day Celebrations, 01 May 2021

KEYNOTE

> *"As our country achieves the status of a middle-income economy, the impetus is placed on continuing to build a Competitive and Industrial Economy for Human Development to achieve the objectives of the vision with the following qualities: improving the living conditions of Tanzanians; the existence of peace, security and unity; good governance and the rule of law; the existence of an educated and learning society; and building a strong and competitive economy."*

It is with a great privilege and honour that I introduce the Third National Five Year Development Plan (FYDP III; 2021/22 – 2025/26). The Plan is a continuation of Government's efforts in achieving the goals we set in the National Development Vision 2025 of our enduring exertion to further improve the standard of living for all Tanzanians.

My fellow Tanzanians, we should understand that later this year (9th December 2021) our country will celebrate sixty (60) years of our independence as a nation, and fifty-nine (59) years as a Republic. Since we gained our independence, we have continued to translate our political emancipation into socioeconomic freedom for human development. We believe that freedom and development are closely related and interdependent. That is, without freedom one cannot have development, and without development it is obvious that one's freedom will be lost.

The Sixth Phase Government under my leadership, recognizes the inseparability of freedom and development, which has guided our history and national development efforts. Indeed, in order to effectively translate the political independence into the development of all Tanzanians, we realised that protecting our freedom is our sole responsibility, and we can best protect it through self-reliance. Furthermore, self-reliance comes from our own home-grown efforts and capabilities, while at the same time we proactively learn success stories from abroad, to achieve the development we define and seek. By recognising that inclusive development is an essential prerequisite for sustainable National prosperity, we have prepared strategies that spur broad-based development, while aiming at ensuring the development resulting from our efforts that benefit all Tanzanians.

The National Development Vision 2025 has been implemented through various Programs and The Long-Term Perspective Plan 2011/12 - 2025/26 whose implementation was divided into three phases of the Five-Year National Development Plans. The First Five Year National Development Plan 2011/12 - 2015/16 had a theme of unleashing growth potentials by de-bottlenecking binding constraints to growth. The Second Five Year National Development Plan 2016/17 - 2020/21 focused on nurturing industrialisation for economic

transformation and human development. The Third and final Five-Year National Development Plan 2021/22 - 2025/26 have a theme of realising competitiveness and industrialization for human development that aims to increase efficiency and productivity in manufacturing using the resources available in abundance within the country.

It should be noted that, this Plan is the final Plan in the implementation of the Tanzania Development Vision 2025 as the National overall development framework. As our country has achieved the status of a middle-income economy which is an incentive that is placed on continuing to build a ***Competitive and Industrial Economy for Human Development*** to achieve the goals of the Vision with the following attributes: improving the living conditions of Tanzanians; the existence of peace, security and unity; good governance and the rule of law; the existence of well - educated and learning society; and building a strong and competitive economy.

Our country's economy has continued to be strong and resilient that is supported by prudent micro and macro-economic policies, where the FYDP II implementation evaluation has shown that economic growth averaging about 6.9 percent throughout the period while inflation rate averaged at less than 5 percent during the period between 2016/17 2020/21. The Nation maintained adequate levels of foreign exchange reserves as well as sustainable national debt and a stable financial system, despite having a global pandemic of COVID-19 that affected economies of various countries in the world.

Notwithstanding the successes we have achieved due to the existence of effective policies that aimed at strengthening the economy, our country still continues to witness poverty. In addition, income and expenditure disparities continue to exist in our communities, being as one of the major risks in achieving the intended goals of the National Development Vision. Among the reasons for the slowdown of attaining the intended targets include: climate change including floods that affected basic infrastructure; outbreak of diseases including COVID-19 that affected trade and investment; low productivity and limited growth of primary sectors; limited private sector participation in various development activities; and changes in world oil prices that affected the operation of various economic activities.

The Third Plan focuses on addressing them and establishing a sustainable framework that will enable to achieve the goals of the National Development Vision. Areas of inspiration in the Plan include: Increasing the country's capacity for production; building a competitive economy that will stimulate the country's participation in trade and investment; and stimulate human development.

In achieving the priority areas of the Plan, the Government intends to take solid steps in: improving key productive infrastructures including roads, railways, water and air transport as well as reliable access to energy; continue to strengthen the business and investment enabling environment through effective policies to facilitate free private sector competition; and to improve and strengthen education and training systems, including reforming the education curriculum in line with labour market demand as well as integrating research and development with productive economic activities. Efforts to improve the business and investment enabling environment will focus on shortening procedures and easing regulations for starting and operating businesses; simplifying investment procedures by establishing one stop service centres to reduce bureaucracy and corruption; reducing barriers for investors including work permits for specialized professionals;

and devise friendly approaches of revenue collection and expenditure control in accordance with laws and regulations. In addition, the Government, recognizing the significance of international trade and foreign investment, will continue to strengthen and promote relations with other nations, regional communities and international institutions as well as deepening the implementation of economic diplomacy policy.

The Third Plan has set ambitious goals that are the foundation of the nation's long-term success. To achieve this, the contribution of every citizen and development partners is needed. In addition, Government institutions must work together to carry out their responsibilities efficiently and effectively. Similarly, the Government will provide cooperation to the Private Sector which has been given special importance in implementing this Plan. Moreover, I guarantee and reaffirm that the Government is strongly committed to ensuring that the discipline and vigour, shall be considered and emphasized throughout its implementation.

Fellow Tanzanians, I conclude my message by emphasizing that the history of our Nation, reminds us of many examples of great potential when we come together to implement our Plans. Therefore, everyone should increase efforts, accountability and patriotism in fulfilling his/her responsibilities so that the goals of the National Development Vision 2025 can be achieved. ***The work continues***.

GOD BLESS AFRICA, GOD BLESS TANZANIA!

H.E Samia Suluhu Hassan
THE PRESIDENT OF THE UNITED REPUBLIC OF TANZANIA
June 2021

> *"In achieving the priority areas of the Plan, the Government intends to take solid steps in: improving key productive infrastructures including roads, railways, water and air transport as well as reliable access to energy;."*

PREFACE

"The preparation of the Third Plan has involved various stakeholders including the Government, the Private Sector, Civil Society, Non-Governmental Organizations, Development Partners and the community at large."

The Third National Development Plan is the last in the implementation of the 15-year Long Term Perspective Plan which was specifically designed to implement the National Development Vision 2025 which aims to bring the Nation into a middle-income economy driven by industrialisation and human development. The decade of management of the previous two five-year development plans has laid a solid foundation for the implementation of the National Vision and witnessed our country entering a middle-income economy five years before time. The achievement has been geared by economic growth during the period of an average of 6.9 percent while the average per capita income (GNI) reaching 2,577,967 shillings (equivalent to US $ 1,080) in 2019, a level that is above the limit of US $ 1,036 set aside as a base for the country to join the group of countries with low-middle income status. On July 1, 2020, the World Bank declared Tanzania a country that qualified to achieve a middle-income economy. The government has continued to pursue the goal of building a society with a better life, peace, stability, and solidarity; good governance; an educated and learning society; and a competitive economy capable of inclusive and sustainable growth as identified in the National Development Vision 2025. Further, in sustaining this achievement there is a need to increase investment in human and other resources with a view to stimulating economic growth.

During the implementation of the First and Second Plans, the Government continued to implement various strategies aimed at accelerating the implementation of the National Development Vision which include: emphasis on increasing production capacity through industrial revolution; investment in key economic infrastructure; strengthening Government expenditure discipline and access to social services.

The First National Five-Year Development Plan 2011/12 - 2015/16 was implemented in tandem with the National Strategy for Growth and Poverty Reduction (MKUKUTA II). The Plan aimed to unleash growth opportunities for economic development whereas during the implementation of its Plan in line with MKUKUTA II as a nation we were able to rehabilitate the 2,707 km of Central Railway line; construction and rehabilitation of 2,775 km of paved roads; upgrading the Dar es Salaam port by increasing cargo handling capacity from 9.9 million tons in 2011/12 to 14.6 million tons in 2014/15; increase electricity generation from 900 MW in 2010 to 1,246.24 MW in 2015; increase the rate of food self-sufficient ratio from 104 percent in 2011/12 to 125 percent in 2014/15; and strengthening provision of education, water, health and nutrition services at all levels for urban and rural populations. Overall, the implementation of the first plan achieved approximately 60 percent of the planned targets.

Implementation of the Second National Five-Year Development Plan 2016/17 - 2020/21 geared by the slogan "Hapa Kazi Tu" has increased efficiency in achieving the objectives of the Second Five Year National Development Plan 2016/17 - 2020/21 by 93.8 percent. The Second Plan has had many successes in the implementation of major flagship projects including: Construction of Central Corridor Standard Gauge Railway (SGR); Julius Nyerere Hydropower Project - 2,115 MW; and Revamping Tanzania Airline Corporation Limited - ATCL. In addition, in the manufacturing sector, 105 percent of the targets were achieved whereby the sector's contribution to GDP reached 25.1 percent compared to 21.1 percent in 2015/16. Similarly, the growth rate of production activities increased from 5.2 percent in 2016/17 to 8.5 percent in 2020/21 while the annual growth of the mining sector increased to 12.6 percent from 6.9 percent in 2015/16. In the social services sector, achievements include improving access to social services for rural and urban residents where school enrolment has increased at all levels of education, and access to health care services has reached the villages level. Further, the analysis of human development index shows that the country has made progress on human development indicators including: increase in life expectancy; increase in literacy rate; decline in gender inequality index; and decline in the basic needs and food poverty.

The main objective of the Third National Five-Year Development Plan is to contribute to the achievement of goals of the Tanzania Development Vision 2025. To achieve the vision, the third National Development Plan is organized to accommodate eight (8) main chapters as follows: Chapter one summarizes the preparation of the Plan; Chapter two deals with the evaluation of the Second National Development Plan; Chapter three focuses on modalities for promotion of participation of the Private Sector and Non-State Actors in economic development in the country; Chapter four presents the concept behind building a competitive and industrial economy for human development as well as provide a definition of the importance and relationship of the five priority areas of the Plan; Chapter five outlines strategic measures for competitiveness, industrial development and human development; Chapter six sets out the estimates of financial resources for financing the implementation of the Plan; Chapter seven outlines the tools that will be used to oversee the implementation of the plan as well as outlines the roles of various institutions in the implementation of the Plan and Chapter eight describes the Monitoring and Evaluation of the implementation of the Plan.

Preparation of the Third Plan has involved various stakeholders from the Government, the Private Sector, Civil Society, Non-Governmental Organizations, Development Partners and the community at large. Preparation also involved consideration of various documents that included: TDV 2025, the Long Term Perspective Plan 2010/11 – 2025/26, CCM Election Manifesto for the General Election of year 2020, speeches by the Fifth and Sixth Phase Presidents during the opening of the 12th National Assembly in November, 2020 and March

2021 respectively, The United Nations Agenda 2030 for Sustainable Development Goals (SDGs-2030), Addis Ababa Action Agenda for Financing for Development, Paris Agreement on Climate Change, EAC Vision 2050, SADC Vision 2050 and SADC Regional Indicative Strategic Development Plan (RISDP–2030) and the Africa Union Agenda 2063.

In implementing the Third Five Year National Development Plan the Government will focus on stimulating an inclusive and competitive economy, strengthening industrial production capabilities and service delivery, promoting investment and trade, bringing development to our citizens and building human resource capacity.

To facilitate its implementation, this Plan has been developed in line with the Implementation Strategy which is divided into three implementation plans. First, is the Action Plan which outlines all activities and objectives intended for whole period of implementation. The second is the Financing Strategy (FS) that shows how to avail funding for development projects as well as other strategic steps outlined in the Plan. The latter has prepared a Monitoring and Evaluation Strategy (MES) for monitoring the implementation of projects to know whether the intended results are being met and prompt corrective measures whenever needed to ensure delivery of the intended results. Through the slogan of the Sixth Phase Government of Kazi Iendelee, each of us has a responsibility to fulfil assigned responsibilities effectively in order to achieve effective implementation of this Plan.

GOD BLESS AFRICA, GOD BLESS TANZANIA

Dkt. Mwigulu Lameck Nchemba (MP),
Minister of Finance and Planning
JUNE 2021

"The main objective of the Third National Five-Year Development Plan is to contribute to the achievement of goals of the Tanzania Development Vision 2025. To achieve the vision, the third National Development Plan is organized to accommodate eight (8) main chapters as follows:"

ABBREVIATIONS

ADP	Annual Development Plan
AfCFTA	African Continental Free Trade Area
AIDS	Acquired Immunodeficiency Syndrome
ASDP II	Agricultural Sector Development Programme II
ATCL	Air Tanzania Company Limited
BEST	Business Environment Strengthening Tanzania
BITs	Bilateral Investment Treaties
BoT	Bank of Tanzania
BTAs	Bilateral Trade Agreements
CBOs	Community-Based Organisations
CBWSOs	Community-Based Water Supply Organisations
CHF	Community Health Fund
COMESA	Common Market for Eastern and Southern Africa
COSTECH	Tanzania Commission for Science and Technology
CPIA	Country Policy and Institutional Assessment
CSA	Climate Smart Agriculture
CSOs	Civil Society Organisations
CSR	Corporate Social Responsibility
DANID	Danish Development Cooperation
DART	Dar es Salaam Rapid Transit
DDI	Domestic Direct Investment
DFID	Department for International Development
DIB	Development Impact Bond
DPs	Development Partners
DRC	Democratic Republic of the Congo
DSA	Debt Sustainability Analysis
EAC	East African Community
EACOP	East African Crude Oil Pipeline
ECAs	Export Credit Agencies

EIA	Environmental Impact Assessment
EPZs	Export Processing Zones
ESDP	Education Sector Development Plan
ESPR	Education Sector Development Plan
EWURA	Energy and Water Utilities Regulatory Authority
FBOs	Faith-Based Organisations
FDCs	Focal Development Colleges
FDI	Foreign Direct Investment
FYDP	Five Year Development Plan
GCF	Green Climate Fund
GDP	Gross Domestic Product
GFC	Global Financial Crisis
GNI	Gross National Income
GVC	Global Value Chain
HBS	Household Budget Survey
HDI	Human Development Index
HIV	Human Immunodeficiency Virus
HSSP III	Health Sector Strategic Plan III
ICT	Information and Communications Technology
IMTC	Inter-Ministerial Technical Committee
IWRMDPs	Integrated Water Resources Management and Development plans
JNHPP	Julius Nyerere Hydro Power Project
LED	Local Economic Development
LGAs	Local Government Authorities
LGRP	Local Government Reform Programme
LIC	Low-income country
LLGs	Lower-Level Governments
LMIC	Lower middle-income country
LNG	Liquidation of Natural Gas

LSRP	Legal Sector Reform Programme
LTPP	Long Term Perspective Plan
MDAs	Sector Ministries, Independent Departments and Agencies
MDG	Millennium Development Goals
MEL	Monitoring Evaluation and Learning
MES	Monitoring and Evaluation Strategy
MIGA	Multilateral Investment Guarantees Agency
MKUKUTA	Mkakati wa Kukuza Uchumi na Kupunguza Umaskini Tanzania
MoFP	Ministry of Finance and Planning
MPI	Multi-dimensional Poverty Index
MSME	Micro, Small and Medium Enterprise
MTEF	Medium- Term Expenditure Framework
MVA	Manufacturing Value Added
MW	Megawatt
NACTE	National Council for Technical Education
NBS	National Bureau of Statistics
NCD	Non-Communicable Diseases
NaCONGO	National Council of Non-Government Organisations
NDC	National Development Corporation
NEEC	National Economic Empowerment Council
NGOs	Non-Government Organisations
NHC	National Housing Corporation
NHIF	National Health Insurance Fund
NIS	National Innovation System
NRW	Non-Revenue Water
NSGRP	National Strategy for Growth and Reduction of Poverty
ODA	Official Development Assistance
OECD	Organisation for Economic Co-operation and Development
PMO	Prime Minister's Office
PO-RALG	President's Office - Regional Administration and Local Government
PPP	Public Private Partnership
PPD	Public - Private Dialogue

PPPFF	Public Private Partnerships Facilitation Fund
PRS	Poverty Reduction Strategy
PSRP	Public Service Reform Programme
PTR	Pupil Teacher Ratio
R&D	Research and Development
RISDP	Regional Indicative Strategic Development Plan
RWSSP	Rural Water Supply and Sanitation Programme
SADC	Southern African Development Community
SC	Steering Committee
SDGs	Sustainable Development Goals
SEZs	Special Economic Zones
SGR	Standard Gauge Railway
SIB	Social Impact Bond
SIDO	Small Industries Development Organisation
SIDP	Sustainable Industrial Development Policy
SME	Small and Medium Enterprise
SPR	Strategic Petroleum Reserve
STAMICO	State Mining Corporation
STI	Science, Technology and Innovation
STEM	Science, Technology, Engineering and Mathematics
SUMATRA/LATRA	Surface and Marine Transport Regulatory Authority/Land Transport Regulatory Authorities
TADB	Tanzania Agricultural Development Bank
TAF	Technical Assistance Fund
TANESCO	Tanzania Electric Supply Company Limited
TANROADS	Tanzania National Roads Agency
TANTRADE	Tanzania Trade Development Authority
TAZARA	Tanzania Zambia Railway Authority
TB	Tuberculosis
TBT	Technical Barriers to Trade
TCCIA	Tanzania Chamber of Commerce, Industry and Agriculture
TDV	Tanzania Development Vision
TECC	Tanzania Entrepreneurship and Competitive Centre

TEMDO	Tanzania Engineering and Manufacturing Design Organisation
TFDA	Tanzania Food and Drugs Authority
TIB	Tanzania Investment Bank
TIC	Tanzania Investment Centre
TIRA	Tanzania Insurance Regulatory Authority
TIRP	Tanzania Intermodal and Rail Development Project
TMDA	Tanzania Medicines and Medical Devices Authority
TNBC	Tanzania National Business Council
TPA	Tanzania Ports Authority
TPB	Tanzania Postal Bank
TPSF	Tanzania Private Sector Foundation
TRA	Tanzania Revenue Authority
TRC	Tanzania Railways Corporation
TZS	Tanzanian Shillings
TVET	Technical and Vocational Education and Training
USADF	United States African Development Foundation
USAID	United States Agency for International Development
USD	United States Dollar
VAT	Value Added Tax
VETA	Vocational Education and Training Authority
VET	Vocational Education and Training
WHO	World Health Organisation

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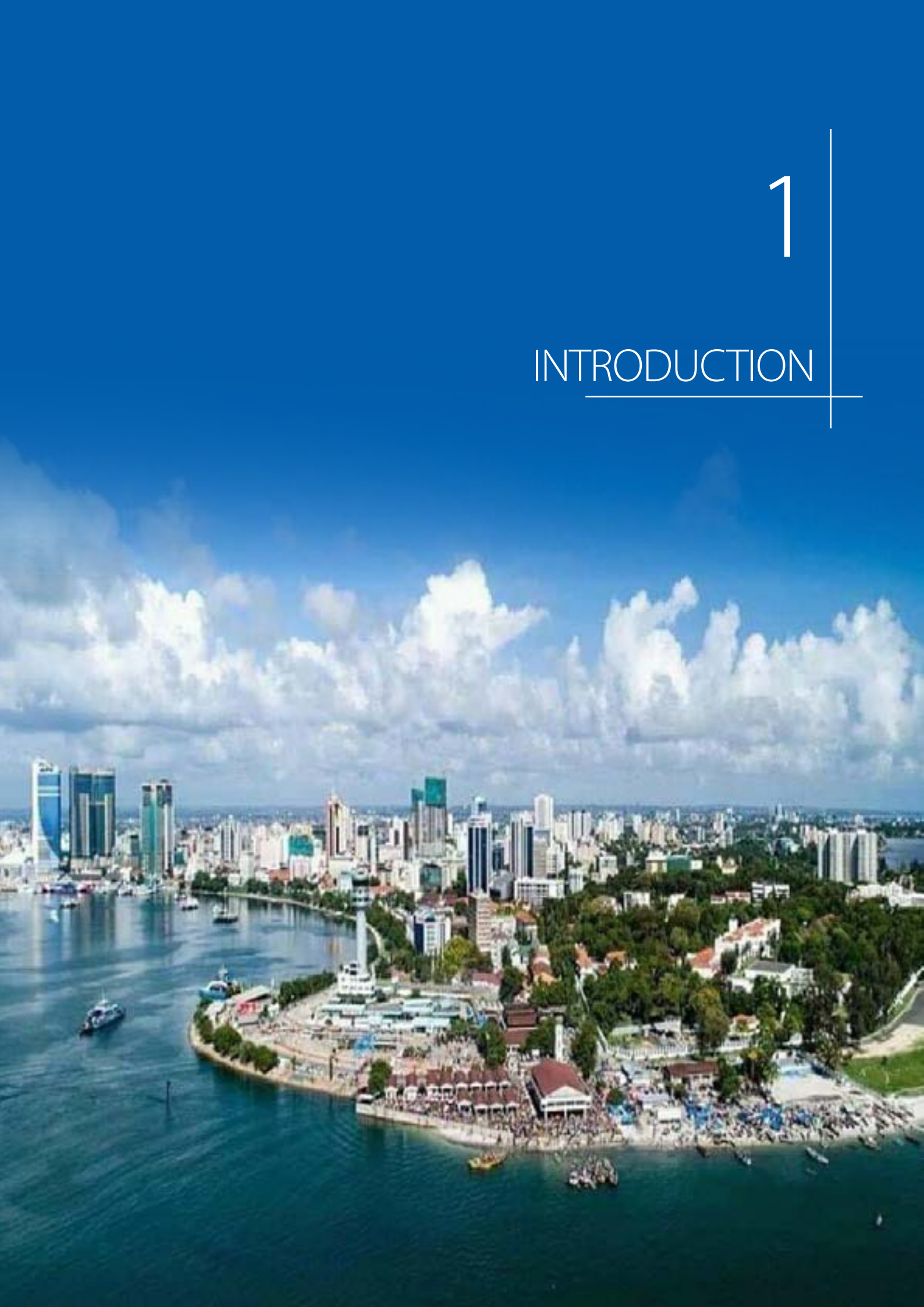
1

INTRODUCTION



1 CHAPTER ONE

INTRODUCTION

1.1. Background

In 1999, Tanzania launched the National Development Vision 2025 (TDV 2025) as a tool to rally national efforts towards achieving the expected social and economic development goals. The launch was followed by a series of policy, institutional and systemic reforms in the 2000s. The breadth and depth of these reforms were substantial following the scale of economic challenges Tanzania had experienced in the 1980s and 1990s. During that period, the country had experienced a slower economic growth rate, severe shortages of essential goods and services, high inflation, low government revenue collection, shortage of revenue from exports, as well as large and unsustainable debt.

During the 1990s and 2000s, the Government introduced reform programmes aimed at improving performance and service delivery in the public sector. Key among these were the Public Service Reform Programme (PSRP), the Local Government Reform Programme (LGRP), the Public Financial Sector Reform Programme (PFSRP) and the Legal Sector Reform Programme (LSRP). Reforms also aimed to address shortcomings in social service delivery which saw regulatory and process related reforms in the key sectors of Education, Health and Water. In addition, the Government established and strengthened regulatory institutions in the economic and infrastructure sectors, including the Surface and Marine Transport Regulatory Authority (SUMATRA, 2001) recently divided into the Land Transport Regulatory Authorities (LATRA) and Tanzania Shipping Agency Corporation (TASAC), Energy and Water Utilities Regulatory Authority (EWURA), and other specialized institutions such as the Tanzania Revenue Authority (TRA, 1996), the Tanzania Ports Authority (TPA, 2004) , and Tanzania Roads Agency (TANROADS, 2000).

Reforms also included review of the Government's core responsibilities and those of other stakeholders especially the Private Sector and Civil Society. On that basis, the Government introduced a number of programmes including the Business Environment Strengthening for Tanzania (BEST), Financial Sector Reforms, and privatization of public enterprises, with a view to enabling the private sector to participate in economic activities. The reform era also saw the preparation of long-term sector development plans such as the Transport Sector Development Plan, Integrated Tourism Plan (2002), Agricultural Sector Development Programme, Ports Comprehensive Development Plan (2009), Energy Sector Development Plan and Power Sector Development Plan (2008).

The launch of the TDV 2025 took place at a time when the country was facing a huge external debt burden. As a result, the country entered into the Multilateral Debt Relief Initiative (MDRI) and the Highly Indebted Poor Countries initiatives (HIPC) Debt Relief Programme (HIPC). This situation forced the Government to prepare medium-term plans in the framework of the Poverty Reduction Strategy Paper (PRSP) which was supported by international financial institutions and donor countries. The strategies that were under the PRSP framework

include: The three-year Poverty Reduction Strategy (2000/01 - 2002/03) which was followed by the five-year Poverty Reduction Strategy known as the first National Strategy for Growth and Reduction of Poverty (NSGRP I or MKUKUTA I in Kiswahili) 2005/06 - 2009/10. MKUKUTA I was followed by the Second National Strategy for Growth and Reduction of Poverty – NSGRP II or MKUKUTA II (2010/11 – 2015/16).

Following evaluation of the progress made towards the TDV 2025 goals that was conducted in 2009/10, the Government prepared a Long-Term Perspective Plan (LTPP) 2011/12 - 2025/26 whose implementation was planned to be divided into three sequential phases of five-year development plans. The decision to return to the medium-term planning process aimed at redirecting efforts to achieve the Vision's goals by focusing on economic growth in tandem with poverty reduction and human development.

The three five-year development plans are interlinked and prepared based on specific themes. The first Five-Year National Development Plan 2011/12-2015/16, with the theme Unleashing Tanzania's Latent Growth Potentials, identified intervention areas (sectors/issues) to more effectively unlock growth potentials. FYDP III, which was implemented in conjunction with MKUKUTA II, focused on addressing infrastructure challenges, especially access to electricity (with emphasis on availability, accessibility and reliability), ports (with emphasis on Dar es Salaam Port), roads, railways and expansion of social service infrastructure. Efforts to reduce poverty, improve livelihoods, good governance and accountability were included in all the five-year development plans.

An evaluation of the implementation of the first Five-Year National Development Plan identified mixed results: in some areas the performance was satisfactory while in others, implementation was below the set targets. The major challenges identified by the evaluation of FYDPI include: financing (the trend of allocation of development funds compared to actual disbursement, availability, and timely disbursement of funds), poor performance in management and deficiencies in the business environment and discipline in execution. However, this assessment faced the challenge of accessibility of data.

In the LTPP, the second Five-Year National Development Plan (FYDP II) (2016/17-2020/21) was assigned the theme: - Nurturing an Industrial Economy. However, the theme was reviewed in line with the Government's decision to integrate FYDP III and the Tanzania Poverty Reduction Strategy (MKUKUTA II) in May 2015. This move included issues of poverty reduction and improved living conditions that were key to the MKUKUTA. Thus, the focus on economic growth and reform as well as reducing poverty and improving people's lives led to the revision of the theme of the second Plan (FYDP II) to Nurturing Industrialisation for Economic Transformation and Human Development.

The change of the theme of FYDP II along with the Government's commitment to continue implementing the industrial agenda, has led to a change in the theme of FYDP III. The theme of the FYDPIII (2021/22-2025/26) has changed from Realising Competitiveness–led Export Growth as stipulated in the LTPP to "Realising Competitiveness and Industrialisation for Human Development", to reflect the goals of the vision which include building a strong, competitive economy, of middle-income status and semi-industrialised economy that can compete regionally and internationally without losing the goal of strengthening human development.

The FYDP III, therefore, will seek to enable the country to more effectively use her geographical opportunities and resources for production and economic growth, while, ensuring that the outcomes benefit all citizens in line with the Vision's goals of a high quality of life.

The FYDP III Plan is the final phase in the implementation of the DTV 2025 and the last part of the LTPP); It aims to put up a specific environment for building on the achievements obtained since the launching of the TDV

2025. For that reason, FYDP III will continue to implement the projects and programmes aimed at opening up economic opportunities, build an industrial economy, strengthen competitiveness in domestic, regional and global markets as well as strengthen human development. In addition, FYDP III provides guidance and insights for the country's next long-term development vision. In view of that, the Government recognizes the importance of the use of Science and Technology and Innovation (STI) and digitalisation, attendant skills development, creative potential, and the use of digital issues to ensure that Tanzania does not lag behind.

1.2. Objectives of the FYDP III

The main objective of the Third Plan is to contribute to realisation of the National Development Vision 2025 goals. These goals include Tanzania becoming a middle-income country status and continue with transformation of becoming an industrial country with a high human development or a high standard of living. Upon reaching its vision, the Tanzania is envisioned to have the following attributes: peace, stability and unity; good governance; an educated and learning society; and a strong economy that can withstand competition and benefit many people.

Therefore, the FYDP III enhances the thrust of previous plans by emphasizing economic reform, industrial development, and the knowledge and ability to participate fully in international trade. Tanzania can benefit more from its geographical location, abundance natural resources than it is now. The peace and political stability of a country are valuable assets that, among other things, will attract local and foreign investors to areas with economic growth opportunities. Further, FYDP III highlights for increased investment in science, technology and innovation as a way for the country to move from comparative advantage into competitive advantages, stimulate industrial development and become competitive in local, regional and global markets.

The third Plan aims to strategically use resources to achieve the goals of the National Development Vision 2025. In addition, FYDP III aims to implement sectoral strategic plans, agreements and regional and international strategic plans including the implementation of the Sustainable Development Goals - SDGs to accelerate economic growth and social development.

The specific objectives of the FYDP III are:

(i) To build on achievements realised towards attainment of TDV 2025 to make Tanzania a semi-industrialised, middle-income country by 2025;

(ii) To strengthen capacity building in the areas of science, technology and innovation to enhance competitiveness and productivity in all sectors especially the productive, manufacturing and services sectors to enable Tanzanians to benefit from the opportunities available within the country;

(iii) To strengthen the industrial economy as a basis for export-driven growth including investing in new products and markets and enabling Tanzania to become a production hub in the countries of the East, Central and Southern Africa and thus increasing the country's contribution to international trade;

(iv) To enhance the scope of Tanzania's benefits from strategic geographical opportunities through enabling improved business environments and strengthening the country's regional position as a hub for production, trade, supply and transportation;

(v) To facilitate increased business start-up and private sector involvement to find the best way to promote the growth of the sector in tandem with job creation and make the sector a strong and reliable partner in development;

(vi) To promote exports of services including tourism, banking services, insurance and entertainment;

(vii) To strengthen the implementation of FYDP III including prioritization, planning, integration and alignment of implementation interventions;

(viii) To accelerate inclusive economic growth through poverty reduction and social development strategies as well as productive capacity for youth, women and people with disabilities;

(ix) To ensure that regional and global agreements and commitments are fully integrated into national development for the benefit of the country;

(x) To strengthen the relationship between the sectors that are endowed with natural wealth and resources with other economic and social sectors;

(xi) To strengthen the role of Local Government Authorities (LGAs) in bringing about development and increasing income at the community level; and

(xii) To strengthen the country's capacity to finance development by ensuring access to domestic revenue and effective management of public expenditure.

1.3. Salient Features

The pursuit of FYDP III objectives focuses on the following policy thrusts:

(i) Identification of interventions designed to improve competitiveness of the country (competitive economy): both productivity and quality of products/services and attractiveness of the country to foreign investment. One of the main requirements for improved productivity and competitive economy is enhanced levels and quality of human capital mainly in science, technology and innovation (STI) capabilities;

(ii) Interventions to further deepen industrialisation, driven by STI capabilities for value addition in manufacturing and productive sectors (agriculture, fishing, livestock, mining, natural resources and others);

(iii) Trade and investment: Increasing Tanzania's participation in global and regional trade in which exports shall embody local value addition (raised from medium to high technology content). Further, apart from understanding international trade policy requirements, economic diplomacy will be applied to promote foreign investment and trade. In addition, considering the role of private sector in investment, trade, employment creation, developing coherent revenue strategies, broadened tax base, the FYDP III focused on strengthening private sector capacity and deepening engagement capability that will facilitate implementation of the policy that attracts domestic and foreign investment and trade;

(iv) To enhance the quality of the outcomes of FYDP III, consistent with high-level human development goal of TDV 2025, interventions for social development are articulated. Emphasis has been given on coverage, equity and quality of services in order to attain inclusive economy; and

(v) FYDP III amplifies on skills development, through interventions that address the problem of low soft skills (knowledge, creativity, persistence, self-drive and attitude) and mismatch between the skills demanded by employers and compared to training by academic institutions. The behavioural nature of soft skills requires sustainable skills development from early child education as well as demands from the labour market and self-employment. It is evidently clear that for many decades ahead, countries that will benefit will include those with internationally competitive skills. In that regard, Tanzania needs to continue to develop its human capital as well as increasing the local skills on rare and specialized areas in order to efficiently exploit the country's enormous natural resources. The implementation of these sub-themes will require cross-sector coordination and collaboration.

FYDP III recognises the contribution of the private sector, civil society organizations and development partners in facilitation of key outcomes. The implementation of strategic intervention outlined will require effective coordination and collaboration of these complementary efforts.

1.4. Process of Developing the FYDP III

Preparation of the FYDP III applied a mix of methodologies and customized institutional arrangements embedded in the current Government structure. The process involved the following stages:

(a) Comprehensive Evaluation of the Implementation of FYDP II

The Government conducted an independent evaluation of the implementation of FYDP II. The evaluation assessed progress towards the set objectives and targets with the aim of establishing achievements, opportunities, challenges and gaps relative to the targets set by FYDP II. The objective of the evaluation was to identify lessons for improving the formulation and implementation of FYDP III. The evaluation also assessed progress made in implementing agreeable international and regional commitments.

(b) Literature Review

The preparation of this Plan involved a comprehensive review of various documents including national and sectoral policies, speeches and guidance from national leaders, international and regional commitment, research, peer-reviewed journals and international publications. The review informed the appraisal of Tanzania's socio-economic status and competitiveness. Documents reviewed include the Tanzania Development Vision 2025, Tanzania Long Term Perspective Plan (LTPP) 2011/12 – 2025/26, United Nations Agenda 2030 for Sustainable Development (Agenda 2030), Addis Ababa Action Agenda for Financing for Development, Paris Agreement on Climate Change 2015, EAC Vision 2050, SADC Vision 2050, SADC Regional Indicative Strategic Development Plan (RISDP–2030) and the Africa Union Agenda 2063. In addition, references were made to various political parties Manifestos including the 2020 – 2025 CCM Election Manifesto. Other documents reviewed include commissioned background studies focusing on the Demographic Dividend, Development Financing, Blue Economy and digital economy. Further, other official surveys (or reports thereof) which were reviewed include: Household Budget Surveys; Industrial Production Surveys; and Demographic and Health Surveys. These reviews provided insights on a contextually relevant framework for building a competitive, industrialising economy capable of supporting trade, investment and human development.

(c) Consultations

Stakeholders were consulted at different levels of FYDP III preparations including:

(i) Internal consultations: These were conducted within and among Government institutions, technical experts and leaders in various levels of Government in order to ensure common understanding of the process and key issues for FYDP III.

(ii) Sector consultations: The Ministry of Finance and Planning worked closely with all sector ministries to ensure consistency, validity, and accuracy of information and data throughout the initial drafting of the FYDP III. A twin objective of engaging sector ministries throughout focused on enhancing ownership of FYDP III.

(iii) Wider stakeholder consultations: These involved experts from Government Ministries, Departments and Agencies (MDAs), Local Government Authorities (LGAs), Regional Secretariat (RS) the Private Sector, Civil

Society Organisations (CSOs), Academic and Research Institutions, Parliament and Development Partners. The consultations were aimed at collecting views and opinions, building common understanding, capacity building and validation of FYDP III

The FYDP III is developed in line with its three implementation strategies including:

(i) The Action Plan, also referred as the Implementation Strategy (IS), details all activities and targets to be undertaken;

(ii) Financing Strategy which identifies sources of funds to finance development projects and other interventions in FYDP III; and

(iii) A Monitoring and Evaluation Strategy for tracking implementation of FYDP III.

Further, the Communication Strategy of the Ministry of Finance and Planning will be updated to serve as a tool to ensure the FYDP III is well communicated to all stakeholders.

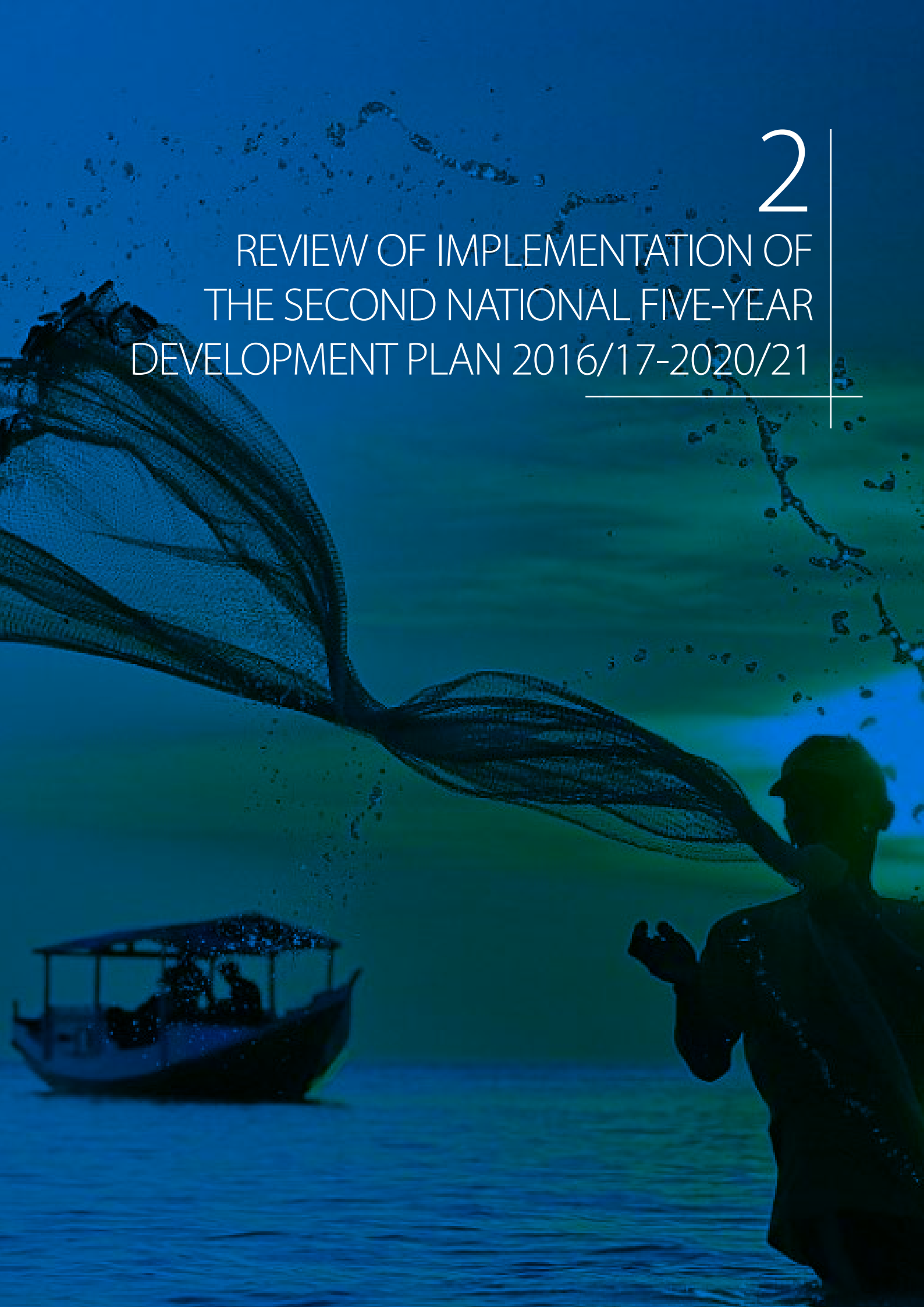
Drafting of FYDP III involved a series of drafting and selective expert consultations to finalise FYDP III document. These were drawn from the government Ministries, Departments and Agencies, and Training and research institutions and the Private Sector.

FYDP III was approved by the Government involving Cabinet Secretariat, Inter-Ministerial Technical Committee (IMTC), Cabinet, Budget Committee and Parliament of United Republic of Tanzania.

FYDP III will be disseminated to all domestic and international stakeholders through FYDP III books, digital platforms as well as dialogue forums such as interviews and seminars.

1.5. The Layout of FYDP III

The FYDP III is organised into eight chapters. Following this introduction, Chapter Two reviews the results from implementation of FYDP II and draws implications for the way forward. Chapter Three dwells on the development of a competitive Private Sector in the country. Chapter Four presents FYDP III's conceptual framework for building a competitive and industrialized economy for human development as well as clarifying on the relevance and linkages of the five priority areas of FYDP III. Chapter Five brings together specific interventions needed to realise FYDP III goals. Chapter Six is on financing FYDP III implementation. Chapter Seven presents arrangements for implementation of FYDP III while Chapter Eight covers monitoring and evaluation.



2

REVIEW OF IMPLEMENTATION OF THE SECOND NATIONAL FIVE-YEAR DEVELOPMENT PLAN 2016/17-2020/21

2 CHAPTER TWO

REVIEW OF IMPLEMENTATION OF THE SECOND NATIONAL FIVE-YEAR DEVELOPMENT PLAN 2016/17-2020/21

2.1. Overview

This chapter highlights the evaluation of performance of the National Five-Year Development Plan 2016/17-2020/21 (FYDP II). It presents results from the assessment of FYDP II implementation against set objectives, targets and performance indicators and provides insights on the achievements as well as, challenges to inform FYDP III strategic interventions. Analysis is organised as follows:

Section 2.2 presents macroeconomic performance. It covers growth (GDP) performance, inflation, external balance stability (foreign exchange reserves and exchange rate), fiscal performance and analysis of external debt. Section 2.3 covers performance by sector, including agriculture, livestock, construction, energy, mining, trade, tourism and industrial development (mainly manufacturing). Section 2.4 is on human capital development and social services, covering education, health and safe water and sanitation improvements. The chapter further includes narratives on trends in poverty and inequality, gender and women empowerment under section 2.5.

Section 2.6 covers two related dimensions of investment/business climate: '***enabling environment***' which covers improvements in physical infrastructure (roads, railways, marine transport) and soft infrastructure (ICT - related), and '***business environment'*** which focuses on private sector facilitation, Public-Private Partnerships (PPP) and governance and accountability. Section 2.7 makes a short assessment of the financing of FYDPII and Section 2.8, the monitoring and evaluation (M&E) of FYDP II. Section 2.9 provides an analysis of the Strengths, Weaknesses, Opportunities and Challenges (SWOC) in Table 8. This is followed by Section 2.10 on a snapshot of performance of the flagship projects followed by a summary of overall performance, outstanding limitations and a way forward note in section 2.11

2.2. Macroeconomic Performance

Growth of Gross Domestic Product (GDP): Tanzania has, over the past decade, continued to register robust economic growth coupled with a stable macro-economic environment that it has been enjoying since the turn of the century. Over the past decade, annual GDP growth was maintained at an average of 6 to 7 percent, peaking at an average rate of 6.9 percent between 2016 and 2019. Though impressive, the annual GDP growth rates are still lower than TDV 2025 targeted rate of more than 8 percent per annum, which was deemed necessary to eradicate absolute poverty and to take the country on a right path for realizing the ambitious objectives of the vision. Nevertheless, the country has been able to qualify as a lower middle-income country as of July 2020. According to the World Bank, Tanzania's Gross National Income (GNI) per capita increased from TZS 2,225,099 (USD 1,022) in 2016 to TZS 2,577,967 (USD 1,080) in 2019, exceeding the lower threshold for middle-income status (USD 1,035).

Over the period of FYDP II implementation, growth was attributed to continued execution of major infrastructure projects, particularly in transport and energy sectors; measures taken by the Government to improve management of the mining activities aiming at streamlining operations and curbing illegal and under-declaration of minerals; enhanced efficiency in revenue collection and expenditure management; as well as improved performance of the agriculture sector due to favourable weather conditions.

The sectors with highest annual average growth rates between 2016 and 2019 were construction (14.4 percent); manufacturing (8.3 percent); transportation and storage (8.2 percent); mining and quarrying (8.0 percent); and information and communication (6.2 percent). The share of agriculture in total GDP declined from 29.0 percent in 2015 to 26.6 percent in 2019. The decline of the share of agriculture in total GDP and the corresponding rise in the shares of 'modern sectors' apparently confirms that structural transformation is taking place in Tanzania.

Inflation: The annual rate of inflation has remained in a single digit range, averaging of 4.4 percent over the past four years, slightly below the FYDP II projection of 5 percent per annum. Headline inflation declined from annual average of 5.2 percent in 2016 to 3.3 percent in 2020. Generally, the moderation has been on account of improved food supply in the domestic market and neighbouring countries, stability of global oil prices, and prudent fiscal and monetary policies.

Foreign Reserves and Exchange Rates: Over the last five years, the foreign exchange reserve levels have been sufficient to meet required imports, servicing external debt other external. For instance, as of December 2020, foreign reserves were USD 4,767.7 million, which were sufficient to cover 5.6 months' imports of goods and services. This is above the national monetary policy goal of 4 months and the EAC target of 4.5 months. Good levels of foreign exchange reserves were attributed to the increase in the value of export of goods and services and low oil prices. The size of the reserve not only serves as a cushion against external crises, but also a signal that imbues confidence for potential investors and creditors. In addition, the reserves have enabled the Bank of Tanzania to manage unwarranted volatility in the foreign exchange market. Through close supervision of the interbank foreign exchange market operations and bureaux de change, the Bank was able to manage perverse trading behaviour of market players that would bring instability in the exchange rate and 'speculative attacks' on the currency.

As a result, the value of the Tanzanian Shilling (TZS) against major foreign currencies has remained relatively stable. According to the Bank of Tanzania's Annual Report for 2019/20, while end of the period exchange rate for 2016/17 was TZS 2,230.1 to one USD, the end of the period rate for 2019/20 was TZS 2,295.5 to one USD.

The stability of the exchange rate is a result of the combination of effective management of fiscal and monetary policies and keen supervisory practices of the Central Bank in enforcing transparency and efficient trading in the foreign exchange market. Other factors contributing to the stability of the exchange rate include a decrease in the current account deficit and low inflation relative to the rates of inflation in Tanzania's major trading partners.

Fiscal Performance: Domestic revenue has been increasing consistently though below the set annual target. In 2019/20, domestic revenue realized was 13.7 percent higher than the amount collected in the previous year but was 8.6 below the annual target. In addition, domestic revenue as percentage of GDP increased from 13.4 percent in 2015/16 to 14.7 percent in 2019/20. The increase in revenue collection was a result of implementation of various domestic revenue policies focusing on widening tax base, strengthening management of existing sources especially by intensifying the use of electronic collection systems and other administrative measures. Table 1 summarises tax policy reforms during the FYDP II.

Table 1: Tax Reforms during Implementation of FYDP II

Tax Reforms	Objectives
During 2015/16	
Income Tax Reforms- Government reduced PAYE from 12% to 11% and the Government reduced the rates applicable to presumptive tax regimes by 25 percent.	• To reduce tax burden to low-income earners • To induce voluntary compliance and reduce business cost.
During 2016/17	
Income Tax Reforms - Reduce PAYE from 11% to 9%	To reduce tax burden to low-income earners
Excise Duty Reforms - Extend Excise Duty on Mobile Money Services to include commission payable from money withdrawal	To limit tax evasion and increase Government Revenue.
VAT Reforms - Introduce VAT on fee based Financial services supplied; Abolish Exemption for Tourism Services and abolish exemptions to the armed forces and instead, provide allowances as an alternative and suitable way to deliver the goods to them.	• To remove tax distortions and reducing exemptions. • To enhance tax base and Government revenue. • To ensure fairness to all member of armed forces and avoid loss of Government revenues.
Import Duty Reforms - Increase import duty rate on cement from 25 percent to 35 percent; Increase Import Duty on Furniture's from 15% to 20% and abolish exemptions to the armed forces and instead, provide allowances as an alternative and suitable way to deliver the goods to them	To protect and promote local production of furniture as well as promotion of employment and to ensure fairness to all member of armed forces and avoid loss of Government revenues

Tax Reforms	Objectives
During 2017/18	
Excise Duty Reforms - Merge Annual Motor Vehicle Fees with Fuels Excise by undertaking a reform through the revising upwards the excise duty rates on petrol and diesel by TZS. 40 per litre, from TZS 339/= to TZS. 379/= per litre of motor spirit.	To simplify collection mechanism, reduce collection costs, making it convenient for taxpayers to pay tax, improve compliance rate; To recover Revenue loss from the reform on abolishment of annual motor vehicles license fees
Income Tax Reforms - 5% Withholding Tax to Small Miners and Increase qualifying amount for depreciation of non-commercial vehicles collecting all potential from Gaming Tax	To increase government revenue and correct income inequality and strengthening collection of Government revenue from gaming activities
During 2018/19	
Income Tax Reforms - Reduce the Corporate Income Tax rate from 30% to 20% for new entrants in Pharmaceuticals industries and Manufacturers of Leather Products for a period of 5 years	• To promote investment in the manufacturing of pharmaceutical and leather products so as to create employment opportunities and increase Government revenue. • To save foreign exchange which is currently being used for the importation of these products,
Import Duty Reforms - Increase the import duty rate for Gap Sugar from 25% to 35%	To protect local industries.
Gaming Reforms - Increasing gaming tax from 15% to 18% on Gross Gaming Revenue for land-based casino operations; Increasing gaming tax from TZS 32,000 to TZS 100,000 per machine/ months on slot machines; Increase the rate of tax on sport betting from 6% to 10% on Gross Gaming Revenue; Increase the rate of Gaming Tax on Winnings from 18% to 20% for SMS Lottery, Sports Betting, Slot Machine Operations, National Lottery, Forty machines (Forty machines site), and online casino (Internet /online casino)	• To Increase tax revenue from casino games; • To Increase Government revenue from gaming tax collections; • To Increase Government revenue from gaming tax collections; and • To Increase gaming tax collections and thus contributing more to the Government revenue
During 2019/20	
Tax Reforms-To introduce Presumptive tax regime to taxpayers with annual turnover from TZS four million (4,000,000/=) and TZS hundred million (100,000,000/=) who will not be obliged to submit financial accounts to Tanzania Revenue Authority for determining income tax. (a) Proposal to introduce the turnover tax for PIT traders.	To reduce the tax compliance burden on small businesses as well as to align the tax rates with the minimum amount of turnover required for businesses to use Electronic Fiscal Device (EFD) machine.

The reorientation of expenditure towards public investment reflects the Government's commitment to narrow the infrastructure gap and thus facilitate private sector investment and economic growth. The aim of the fifth phase Government was to increase development spending to the tune of 30–40 percent of the total budget as articulated in the FYDP II to finance development projects. Development spending increased from 22.5 percent of the actual budget in 2015/16 to 31.4 percent in 2019/20. Budget dependency continued to be in single digit for the past five years with the ratio of concessional loans and grants averaging at 9.3 percent of the total budget in 2019/20. In GDP terms, development spending has increased to 6.3 percent of GDP (2019/20), up from 4.3 percent in 2015/16. Capital investments have been directed towards the construction and rehabilitation of health and education facilities, Government buildings in Dodoma, transport sector projects such as the standard gauge railway, the energy sector projects of Kinyerezi I&II, construction of Julius Nyerere Hydropower Project (JNHPP), and the construction, upgrading and rehabilitation of airports across the country.

The fiscal deficit narrowed from 3.4 percent of GDP in 2015/16 to 1.4 percent in 2019/20. It remains below 3 percent, which is the set target for macroeconomic convergence in the EAC and SADC. The deficit is financed through foreign and domestic borrowing. In the short to medium term, the deficit is expected to widen (but within the agreed target) as Government continues to implement major infrastructure projects such as the new standard gauge railway (SGR) and power infrastructure.

Financial Sector Performance: The Bank of Tanzania has continued to implement and sustain monetary policy which aims at increasing credit to the private sector. In this regard, the Bank of Tanzania reduced the discount rate from 12.0 percent to 9.0 percent and further reduced it to 5 percent in May 2020. Also, the Bank of Tanzania has continued to inject liquidity into the economy through different financial instruments in order to meet market requirements. These measures have improved liquidity in the money markets. In terms of interest rates on Treasury bills, the rates have been reduced from 17.49 percent in December 2015 to an average rate of 11.06 percent in December 2020. The overall time deposit rate has declined from 9.3 percent registered in December 2015 to 7.09 percent in December 2020.

For the past five years the banking sector has remained sound and stable with capital and liquidity levels being above minimum regulatory requirements. As of 31st December 2019, there were two private credit reference bureaux operating in Tanzania, namely Credit info Tanzania Limited and Dun & Bradstreet Credit Bureau Tanzania Limited. During this period, 55 out of 56 banking institutions were submitting data to the credit reference databank, which amounted to 98.21 percent of the financial institutions required to submit data to the CRB. By the end of 2019, the number of borrowers and loans submitted by banking institutions to the databank reached 5.22 million and 3.9 million, respectively. Also, the number of banking agents have increased from 3,299 agents in December 2015 to 28,358 agents in December 2019.The growth in the number of banking agents is reflected by the increase in the volume and value of transactions. The volume of cash deposits by agents was TZS 5,464.9 in billion in 2019 compared to TZS 28.37 billion in 2015 whereas the volume of withdrawals was TZS 1,833.1 billion and TZS 4.14 billion respectively. Total Market Capitalization of 28 companies listed on the DSE increased to TZS 19,676.92 billion in 2018, compared to Total Market Capitalization of TZS 16,464.3 billion recorded in December 2015. The number of companies listed at the DSE has also increased to 28 companies in 2018, compared to 18 companies in 2015, which is equivalent to a 55.6 percent increase.

Debt Sustainability: Tanzania's national debt continued to be sustainable throughout FYDP II implementation period. All debt burden indicators show that Tanzania remains at a low risk of debt distress, with all relevant debt ratios below the thresholds for distress. The Composite Indicator (CI) calculated based on the October 2020 World Economic Outlook (WEO) for Tanzania is 3.07, indicating that the country's debt-carrying capacity is strong. In nominal terms, the public debt was 39.0 percent of GDP in 2019/20. Debt Sustainability Analysis

(DSA) 2020 results indicated that the present value (PV) of external (public and private) debt-to-GDP ratio in 2019/20 stood at 16.4 percent against the threshold of 55 percent and was projected to decrease moderately in the medium-term to long-term, reaching 14.0 percent by 2030/31. The long-term projection is supported by strong GDP growth and expected slowdown of borrowing after completion of major projects under the FYDP II. The present value (PV) of external debt-to-export is projected to decrease from 103.9 percent in 2019/20 to 81.2 percent in 2025/26 and thereafter to 68 percent by 2030/31. The liquidity indicators, as measured by the ratios of debt service to exports, is projected to decrease from 11.9 percent in 2019/20 to 11.1 percent in 2025/26 (Table 2).

Table 2: External Debt Sustainability Indicators

External DSA	Threshold	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2030/31
PV of debt-to GDP ratio	55	16.3	17.3	17.5	17.9	17.9	17.2	16.7	14.0
PV of debt-to-exports ratio	240	103.9	113.2	109.7	103.5	94.3	87.9	81.2	68.0
Debt service-to-exports ratio	21	11.9	14.0	13.4	10.6	10.3	10.7	11.1	11.1

Source: Ministry of Finance and Planning

The Debt Sustainability Analysis (DSA) suggests that overall risk of debt distress for Tanzania is low, reflecting the recent GDP rebasing and reclassification of the country from a medium policy performer to a strong policy performer, which raised its debt carrying capacity and accompanying debt burden thresholds. All debt burden indicators remain below the thresholds under stress tests.

Foreign Direct Investment (FDI): During FYDP II, Tanzania continued to invite foreign investors. The value of Foreign Direct Investments has been increasing over time (Table 3). The sectors (sub-sectors) that attracted FDIs include mining and quarrying, finance and insurance, food and accommodation, manufacturing and agriculture. Most of the FDIs[1] originate from the Canada, Kenya, Germany, China, India, Mauritius, the Netherlands, Oman, South Africa, United Kingdom, the United Arab Emirates, and the United States.

Foreign direct investments (FDIs) bring in new capital, along with technical, managerial and networking capabilities. Among the concerns that feature frequently include the speed of investor facilitation and administration of incentives as well as the costs of obtaining permits (work, residence, building, licenses and approvals). At the Tanzania Investment Centre (TIC) which is a formal investment promotion agency, a One Stop Centre (OSC) was established, in order to make possible provision of (most of) the facilitation services by government agencies under 'one roof'. This arrangement saves the investor's cost in time and money by removing the need for moving from one MDA to another.

[1] Not in order of shares

Table 3: Foreign Direct Investment between 2016 and 2019

Year	2016	2017	2018	2019
FDI (Million USD)	755.4	937.7	971.6	990.6

Source: Bank of Tanzania

2.3. Sectoral Performance

Agriculture Sector: The key targets were to attain real growth rate of 7.6 percent; GDP share of 29.4 percent; 24.9 percent share in total exports and share in total employment at 56.5 percent. Over the past four years, the sector has grown by an annual average of 5.1 percent, accounted for an average of 27.7 percent to GDP, 24.1 percent to export earnings and 65 percent of total employment. Cash crop production increased to 1,156,389 tonnes in 2018/19 (from 796,502 tonnes in 2015/16). Food crops production continued to flourish such that food self-sufficiency reached 118 percent. Exports of horticultural produces rose to USD 779 million in 2018/19 (from USD 412 million in 2015). Irrigated area increased to 694,715 hectares in 2020 (from 461,376 hectares in 2015). Food crops storage capacity increased up to 621,000 tonnes in 2020 (from 371,000 tonnes in 2015).

Most farmers/livestock keepers/fishermen still use very low technology and production and productivity is very low even by regional standards. Productivity is still low and so is the level of commercialization. According to the preliminary results of 2019/20 agriculture census only about 20 percent of the 13.5 ml. hectares planted used improved seed and only 2.8 ml. Hectares (about 20 percent) used mineral fertilizers.

Also, during implementation of FYDP II, the Government constructed new irrigation infrastructure and repaired the old irrigation infrastructure. This has led to an increase in the irrigation area, from 461,376 hectares in 2015 to 694,715 hectares in 2020. Until December 2020, the Government was continuing with the construction of irrigation schemes in Kigugu-Mvomero (200 ha); Mvumi – Kilosa (249 ha); Msolwa Ujamaa – Morogoro (675 ha); Njage – Kilombero (325 ha) and Shamba la Mbegu Kilangali – Kilosa (400 ha). Furthermore, production of quality seeds has increased from 36,614 tons in 2015 to 71,000 in 2020. The completion of construction of seeds laboratory in Morogoro has led to production of 14,700 kilograms of pre-basic rice/paddy seeds (TXD 306, TXD 88, Komboka, Tai, Supa and NERICA 1). The construction of five warehouses for storage of rice under Expanded Rice Production Project have been completed. Also, the availability of fertilizer has increased from 302,450 tons in 2015 to 727,719 tons in 2020.

Livestock: During the period under review the population of cattle reached 33.4 million, poultry (83.28 million), of which traditional chicken were 38.77 million and improved/hybrid chicken were 44.51 million; pigs (2.14 million) and donkeys (657,389). Improvements of private sector owned cattle ranches and investments in beef processing factories have started to flourish. Annual livestock vaccine production has increased from 26,367,200 doses in 2015/16 to 58,016,325 doses in 2019/20 equivalent to an increase of 120 percent. The incidence of animal diseases has decreased from 20 percent in 2015/16 to 11 percent in 2019/20 respectively. Also, livestock mortalities due to diseases have decreased from 352,726 in 2015/16 to 221,732 in 2019/20 equivalent to 37 percent decline. The decrease in the incidence of livestock diseases is due to the construction of 104 new dips and the rehabilitation of 542 dips. During the period under review, livestock subsector growth has been stagnated where the average growth was 4.9 percent. However, during 2020 the livestock sub-sector

growth reached 5 percent. Furthermore, the contribution of livestock subsector to GDP has had inconsistence growth. However, during 2020, the contribution of livestock subsector to GDP was 7.2 percent.

Construction Sector: The construction sector has also consistently expanded its share of GDP. The sector's GDP in 2019 share stood at 14.2 percent, which is 3.1 percentage points higher than the baseline of 11.1 percent and 3.0 percent points higher than the end of FYDP II's target of 11.8 percent. Over the past four years, the sector has been growing by 14.3 percent per annum. The growth of the sector has been primarily driven by the works on the road network, buildings and mining industries. In the road network, for instance, the Government has made massive investment by tarmacking a total of 3,537.0 kilometres of roads between 2015/16 and 2019/20; rehabilitating 300.9 kilometres of trunk roads, and construction of 10 large bridges, airports and other infrastructures (e.g., health facilities, Government buildings in Dodoma, student hostels at the University of Dar es Salaam).

The formal construction sector has been growing at a fast rate; but along with it, informal construction (building of structures, mainly dwellings without contracts, for instance, in many urban and rural settlements). Like in most Sub-Saharan African countries, many large-scale infrastructure construction contracts have been awarded to foreign contractors. Generally, local construction firms face shortage of funds (capital) and technical and managerial capability to undertake most of the foreign-funded and large projects.

The fifth-phase Government has taken keen interest in encouraging domestic firms to enhance their technical capacity to compete along with global (large) players. The presence of large international firms (including also in mining and gas sub-sectors) offers scope for technology transfer and the development of local firms to explore opportunities for upgrading, taking advantage of the possible access to (new) technology (transfer). In the meantime, the Government has also spoken firmly against corrupt practices in the sector in order to have transparent operating environment in which domestic private companies can thrive.

Energy Sector: During implementation of FYDP II electricity generation capacity has increased to 1,602.3 MW in 2019/20 from 1,308 MW in 2015/16. The rate of electricity loss has also declined from 19.0 percent in 2015/16 to 16.4 percent in 2019/2020. The number of customers connected to the national grid reached 2,766,745 in 2020 from 1,473,217 in 2016 and an overall Electricity Access Rate has increased from 67.8 percent to 78.4 percent in the same period. About 99.6 percent of the total population in urban areas have access to electricity while households connected are 39.9 percent. The households electrified by solar photovoltaic technology are 30.4 percent. Access to electricity in rural areas has increased from 49.3 percent in 2016 to 69.6 percent in 2019/20. The number of villages with access to electricity has increased from 2,018 villages in 2015 to 10,018 villages in December 2020. Further, the number of rural households connected to electricity has increased from 16.4 percent in 2016/17 to 24.3 percent in 2019/20. The increase in access and connectivity in rural areas was attributed to, among others, the Rural Energy Agency (REA) programme.
The Energy Access and Use Situation Survey in Tanzania (2019/20) shows that the main energy source for cooking is firewood (63.5 percent) followed by charcoal (26.2 percent), Liquefied Petroleum Gas (5.1 percent), electricity (3 percent) and other sources (2.2 percent). Likewise, there is an increase in the use of modern energy sources for lighting, whereby in 2020, about 36.3 percent of households are using electricity as the main source of energy for lighting compared to 25.1 percent in 2016. This is followed by solar power which is used by 30.4 percent of households and rechargeable battery/torch (23 percent). The traditional sources of energy for lighting from kerosene have decreased from 22.3 percent in 2016/17 to 6.4 percent in 2019/20. While four (4) percent of households use other energy sources for lighting.

Mining Sector: During 2016 to 2019, the growth of mining sector has averaged 8.0 percent and its contribution to GDP has increased from 4.6 percent in 2015/16 to 5.9 percent in 2019/20. Also, revenues from export of minerals have increased from USD 1,912 (equivalent to TZS 4,464.71 billion) in 2015/16 to USD 2,898.8 (equivalent to TZS 6,769.0) in 2019/20 and non-tax revenues (fees and other charges) have increased from TZS 196 billion in 2015/16 to TZS 528.3 billion in 2019/20. The mining sector contribution have continued to increase since 2016/17 partly due to radical changes in extractive industry policies, rules and regulations, strategies that plugged the loopholes that hitherto hindered the flow of benefits out the natural endowments to the country's citizenry.

Among the efforts and actions taken by the Government included construction of the wall at Mirerani (24 km long) to curb rampant smuggling of Tanzanite and establishment of mineral trading centres (39 centres) to enable orderly sales of minerals. Export of raw minerals was banned in preference for local value-addition processing. The 2017 legislation requires all minerals to be beneficiated in the country. In another bold move, in 2019, the Government was able to garner development agreements and issue of Special Mining Licences (SMLs) for Bulyanhulu, North Mara and Geita, Tulawaka and Buzwagi. In May 2017, new mines, Shanta Gold's medium scale and New Luika Mine were opened, adding more firms in gold mining in the country. Also, the Government and Barrick established Twiga Minerals Corporation which is jointly owned by the Government (16 percent of shares) and Barrick (84 percent of shares). In 2019/20 Barrick disbursed TZS 100 billion to the Government as dividend. Other effort included Government partnership with LZ NICKEL Company to mine nickel minerals whereby Tembo Nickel Corporation Limited has been established where the Government owns 16 percent of shares and LZ NICKEL Company owns 84 percent of shares.

In terms of employment, between 2016/17 and 2019/20, the sector contributed 1,000,505 jobs, of which 809,696 (80.9 percent) were direct employment. The artisanal, small-scale mining sub-sector employs about 1.5 million people in rural areas, contributing not only to household income but also supporting Government's efforts to reduce poverty particularly in rural areas.

Trade: In respect of trade there is an increased share of Tanzania's exports to SADC from the baseline share of 12 percent (2015) to 14 percent (2019). The share of exports to EAC has declined from 16.0 percent (2015) to 12.3 percent in 2019. Other progress includes an increase in manufacturing exports to EAC from 6.3 percent (2016) to 10.8 percent (2019) which is 3 percentage points higher than the FYDP II's target of 7 percent. The target for the share of exports to SADC has been surpassed reaching 26.4 percent (2019) against the target of 22 percent by 2020. Exports to EAC have increased from USD 430.6 in 2016 to USD 674.4 in 2019. In SADC, exports have increased from USD 1,112.7 in 2016 to USD 1,350.9 in 2019. The value of exports in SADC has increased due to increase in export of minerals compared to exports of manufactured goods.

Despite the recorded achievements realized in the period under review, trade sector encountered some challenges which are; Failure to meet international quality standards and or failure to compete, lack of information on availability of preferential markets, existence of non-tariff barriers especially along the border, lack of commitment/will by some private sector to meet the demands of specified markets, higher cost of doing business, lack of cold chain and storage facilities at the port and air ports for storage of manufactured and horticultural goods, lack of e-commerce skills and platforms and the onset of COVID-19 pandemic.

Tourism Sector: The number of tourists increased from 1,137,182 in 2015 to 1,527,230 in 2019. Positive progress is also observed from the FYDP II's indicator, 'earnings from tourists.' The earnings increased from the baseline figure of USD 1.9 billion in 2015 to USD 2.6 billion (equivalent to 6,071.3 TZS) by 2019 which is 36.8 percent increase from the baseline. Other achievements are an increase of licenced tourism operators from 1,242 in 2016 to 2,051 in 2020, also cultural tourism enterprises increased from 66 in 2016 to 76 in 2020. However due to the COVID-19 pandemic shock, the earnings are projected to significantly decline, and likely to fall short of the FYDP II's target of USD 3.6 billion.

Industrial Development: The FYDP II identifies industrialisation, along with human development and implementation effectiveness, as the main policy objectives and a key driver of economic transformation. In 2016, the Government prepared an action plan for implementing FYDP II with regards to industrialisation. The strategy promoted the use of domestic inputs, improving an enabling environment for private sector investment and mobilisation of Foreign Direct Investments (FDIs). During the past four years of FYDP II 8,477 industries were established, of which 201 were large-scale, 460 were middle-scale, 3,406 were small and 4,410 were micro enterprises. Also, in 2019/20 alone, 303 industries were established, of which 138 were large establishments (95 established under Tanzania Investment Centre - TIC).

The establishment of these industries has led to the increase in the number of industries from 52,633 in 2015 to 61,110 industries in 2019. These establishments have increased the number of newly created jobs from 254,687 in 2015 to 482,601 in 2019. The contribution of industrial sector to GDP has increased from 7.9 percent in 2015 to 8.5 percent in 2019. The average growth of 8.3 percent in industrial sector has led to increases in the production of different manufactured goods. Overall, as of September 2020, Government achieved 75 percent of the targets set in 2015/16.

In pushing the agenda further, the Government called upon the Pension Funds to participate in industrialisation by financing the revamping of manufacturing industries that had long stopped production and investing in new industries. In response to this call, over 35 industries were funded by the Pension Funds, creating 250,000 jobs. The major industries so established include:

(i) An investment worth TZS 54 billion for a Shoe Factory in Moshi in cooperation with TIRDO and the Parastatal Pension Fund (PPF);

(ii) A National Social Security Fund (NSSF) Joint Venture project for the construction of a 200,000 tonnes per year sugar factory at Mkulazi Prison in Morogoro;

(iii) A TZS 9 billion NSSF loan to revive the Mwanza Milling Factory; and TZS 4.7 billion investment to expand the NDC Biotech Product in Kibaha; and

(iv) Over TZS 339 billion have been invested by Pension Funds in 12 firms and several others.

2.4. Human Capital Development and Social Services

2.4.1. Education

Implementation of the Secondary Education Programme II involved construction of vital infrastructures in 3,904 schools (3,021 primary schools and 883 secondary schools); 547 dormitories, 101 houses for teachers; 25 administration buildings and 43 libraries. Infrastructures across all education levels have been improved through renovations of old schools, strengthening teaching and learning infrastructures and renovation of colleges of education. Use of ICT in teaching and learning has been increase by procuring ICT equipment for the institutions which were rehabilitated. This has led to increased enrolment of students studying mathematics, science and ICT subjects. Out of 89 old schools, 84 schools have been renovated and infrastructures in 54 Folk Development Colleges (FDC) have been improved.

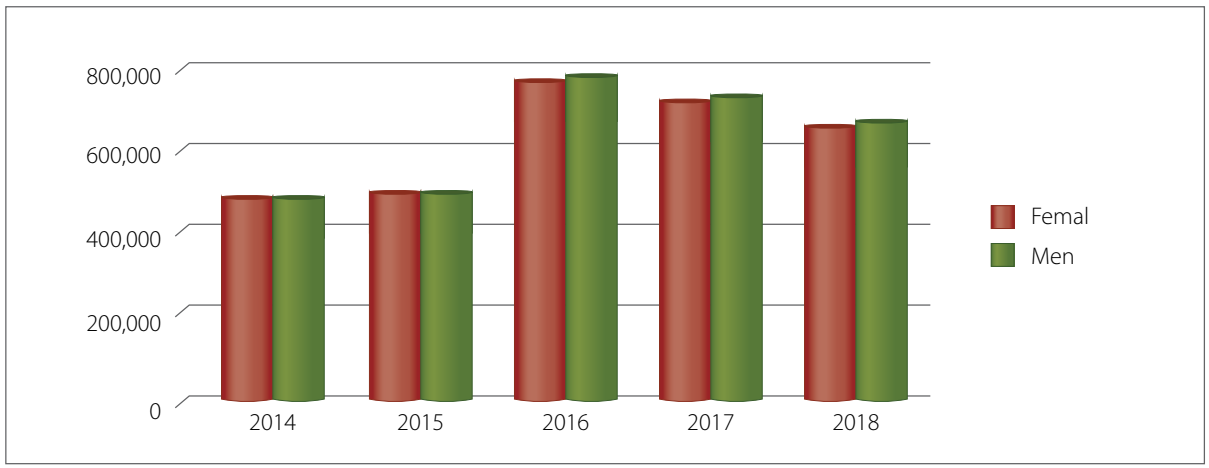
During the implementation of FYDP II, the number of classrooms has increased from 115,665 in 2015 to 136,292 in 2020; desks from 3,024,311 desks in 2015 to 8,095,207 desks in 2020; primary schools from 16,899 in 2015 to 18,158 in 2020. Also, the number of secondary schools have increased from 4,708 schools in 2015 to 5,402 schools in 2020. In addition, the Government continued to provide higher education loans where a total of 2.26 trillion shillings was disbursed; continuing to fund leadership allowances for head teachers, student compensation and school operating grants where 1.22 trillion shillings was provided for funding free primary education; the establishment of vocational training centers in vocational education institutions; and the strengthening of technical colleges and universities. Similarly, 1,696 schools have been provided with science laboratory equipment. Of these, 1,625 are public schools (commonly known as Ward Schools) and 71 are the oldest schools.

Overall, the assessment revealed that the implementation of Second Five-year Plan 1contributed to: an increase in the number of students enrolling in vocational training from 196,091 in 2015/16 to 320,143 in 2019/20 and vocational education from 117,067 in 2015/16 to 151,379 in 2019/20; an increase in the number of students enrolling in universities in the country from 65,064 in 2015/16 to 87,813 in 2019/20; and an increase in the number of beneficiaries of higher education loans from 125,126 students in 2015 to 132,392 in 2020. In addition, the pass rate for Standard Seven examinations has increased from 67 percent in 2015 to 81.5 percent in 2019 and Secondary (Form Four) from 68 percent in 2015 to 80.7 percent in 2019. Similarly, higher education graduates reached 60,940 in 2019/20, 90,849 vocational training in 2018/19 and vocational education 86,547 in 2019/20. During the period of implementation of the Second Plan, an amount of 3.15 trillion shillings has been spent on improving the education sector. The indicators of the education sector are as follows:

Gross Enrolment Ratio: Gross Enrolment Ratio (GER) in pre-primary education declined from 112 percent in 2016 to 76.2 percent in 2020. The decline is a result of decline in the pupils eligible for enrolment. The GER in primary education has been steadily increasing over the years since 2016 and stands at 110.3 percent in 2019 compared to 91.3 percent in 2015. Similarly, in 2020, the Gender Parity Index (GPI) is at 1.01 meaning the numbers are closer in terms of male and female pupils. With regard to lower secondary education, the GER experienced an increasing trend from 36 percent 2016 to 43.9 percent 2020. The increasing trend, in an increasing population, indicates that more students are transitioning from primary to secondary education. The increase in enrolment in pre-primary, primary and lower secondary levels is mainly attributed to the implementation of "***Fee-Free Basic Education Policy***", improving teaching and learning environment including rehabilitation and construction of infrastructures as well as strong partnership between Government, the private sector, Faith-Based Organisations (FBOs) and Community-Based Organisations (CBOs).

Net Enrolment Ratio: The Net Enrolment Ratio (NER) in pre-primary experienced a declining trend as it decreased from 44.6 percent in 2016 to 38.7 percent in 2019. The NER for girls stands at 40.3 percent slightly higher than for boys at 39.6 percent as shown in Figure 1.0. This indicates that there is relative gender equity in enrolment of pupils in pre-primary schools. The huge increase in Net Enrolment in 2016 is no doubt due to the Government's introduction of fee-free basic education. In the same vein, NER in primary education increased from 84.0 percent in 2016 to 95.4 percent in 2019; implying high participation of official school-age population in primary education. This reveals also that the contribution of both Government and Non-Government education stakeholders to improve access and equity in primary education is bearing fruit. However, the great majority of pupils are enrolled in Government schools, even though both Government and Non-Government schools have shown an increase in enrolment. Regarding lower secondary, NER increased slightly from 33.3 percent in 2016 to 34.8 percent in 2019.

Figure 1: Total Enrolments in Government and Non-Government Pre-Primary Schools by Sex, 2014-2018



Source: ESPR 2017/18

Pupils/Teacher Ratio: A Pupil Teacher Ratio (PTR) of 1:25 is considered optimum for pre-primary schools. The national PTR has improved from 1:114 in 2016 to 1:104 in 2020. This improvement is a result of an increase in the number of pre-primary teachers from 10,991 teachers in 2018 to 13,227 teachers in 2020. In primary education, PTR declined from 1:42 in 2016 to 1:56 in 2020. The decline in PTR is attributed to the decrease in total number of teachers by 5.8 percent from 206,806 in 2016 to 194,736 in 2020. However, the situation is expected to improve on account of the 13,000 newly employed teachers in October 2020.

Universal Secondary Education: The Government has made ordinary level secondary education universal. This is consistent with aspirations of the Education Sector Development Plan (ESDP) 2016/17-2020/21. The ESDP aimed at transforming the sector into an efficient, effective, outcome-based system and ensure equitable access to education and training for all, including the most disadvantaged in line with Sustainable Development Goal Number 10 (SDG 10). The priorities included equitable participation and completion of fee-free basic education for all, with particular attention to marginalized groups, children with disabilities and out-of-school children and completion of twelve years of education through universal access up to lower secondary education. As a result, GER increased from 30.1 in 2016 to 31.0 in 2018; and NER from 27.0 in 2016

to 31.0 in 2018. Significant reduction has been achieved in school dropouts and out-of-school children. Outcomes in terms of improvement of schooling of both boys and girls due to adoption of universal secondary education are promising. The rapid increase in number of children in schools has generated pressure in terms of need for more classrooms, teachers, and expansion in budget. These factors are critical for protecting and raising the quality of teaching and learning going forward.

Technical and Vocational Education Training (TVET): TVET provides alternative educational and training opportunities after primary, ordinary secondary (O-Level) and advanced secondary (A-Level) education levels, aimed at producing artisans, technicians skilled workers, and professionals to be engaged in fields such as construction, manufacturing agriculture, mining, transport, energy and information and communication technology (ICT). There are two regulatory authorities responsible for TVET institutions:

(i) The National Council for Technical Education (NACTE) which oversees quality assurance and quality control of ***technical education and training*** of all tertiary education institutions, (non-universities); and

(ii) The Vocational Education and Training Authority (VETA) which oversees quality assurance and quality control of v***ocational education and training.***

As of January 2019, NACTE had registered 540 Technical Institutions. The overall admission capacity for 2018/19 is 254,172 trainees. Currently, there are 603 institutions in the country, of which 28 are owned by VETA and have a total enrolment of 34,326 trainees. There are 575 Vocational Training Centres owned by non-government service providers. The total enrolment capacity for all VETA-registered Vocational Training Centres is 222,680. Folk Development Colleges (FDCs), currently numbering 55, offer folk education and vocational education and training programmes. FDCs equip trainees with knowledge and skills for self-employment and self-reliance and abilities to solve immediate problems in the communities. The main skills provided are in areas of agriculture, carpentry, masonry, mechanics, tailoring, cookery, animal husbandry, electrical installation and related fields. Currently, there are 5,783 artisans trained by FDCs in collaboration with other stakeholders.

The Government has carried out a number of interventions to improve quality, access and equity. These interventions include rehabilitation, strengthening and expanding of existing Infrastructures of TVET institutions. In the budget for 2019/2020, the Government has allocated funds for the construction of 25 District Vocational Training Centres. The Government has also completed the establishment of Centres of Excellence at technical levels, construction of technical colleges and rehabilitation of 54 Folk Development Colleges.

Skills Development: A study of the labour market conditions in the country by (then) Planning Commission President's Office-Planning Commission (PO-PC) (2014), ***The Study on National Skills Development to Facilitate Tanzania to Become a Strong and Competitive Economy by*** 2025 shows the urgent need to address the mismatch between the level of skills employers look for in job seekers, on the one hand, and the levels of skills job seekers possess as acquired in the course of education and training. The study points out that most employers in the public and private sectors report that the levels of skills of many of the job seekers fall short of the required standards. Notably most job seekers are found to have low 'soft skills'. Here, low soft skills mean weaknesses in communication skills, lack of self-confidence, lack of innovativeness/creativity, inadequate self-drive in problem solving, leadership, and slow capacity to adapt or put knowledge in practical terms, time management, customer attention and, above all, attitude towards work and teamwork.

The POPC study set sight on the skills required to meet the goals of the respective; development plans in the context of the Long-Term Perspective Plan (LTPP) - on (revitalizing) industrialization (FYDP II) and a competitive economy (FYDP III) in short. The study further made inferences from 'success cases' of India, South Africa,

Malaysia and Singapore on what occupations that Tanzania ought to make a big push on, before 2025 as it aims to attain the middle-income status. The following implications can be drawn from the study:

(i) The skills development shall be continuous learning, right from nursery schools in order to prepare the youth for higher levels of education and vocational training for them to be employable and above all, self-employed and job creators themselves;

(ii) In addition to addressing the soft skills gaps, the country has to make a big-push on high skills occupations (managers, professionals, associate professionals and technicians): these need to be increased by about five-fold and medium skills occupations (clerks, service workers, crafts and trade workers and skilled agricultural workers) to be increased by three-fold, on average.

(iii) That most of the occupations (about 80 percent) in Tanzania require knowledge in mathematics and sciences while trends in enrolment in these subjects are low, and declining, compared to, for instance, to enrolments in social science subjects; hence, the need for increased/continued government funding for, and encouragement of, more enrolments in mathematics, natural sciences, medical sciences, engineering sciences;

(iv) That while the likelihood for self-employment is best for those with technical/vocational skills, there were fewer enrolments in technical and vocational education and training (TVET) institutions compared fast-rising enrolments in degree-offering programmes in recent years. Whichever channel, however, between TVET and 'higher-degree' education, soft skills remain a challenge that must be addressed as confirmed by the employer surveys. Equally important is the need to address gender barriers in promoting employable skills particularly for youth, women, and people with disabilities.

(v) That the analyses of the employment trends (official labour surveys, employer surveys and a few tracer surveys of the training institutions) indicate that the private sector creates more jobs than the public sector. It may be deduced, therefore, that the prospects for meeting FYDP III's target of 8 million jobs lie in, among other actions, addressing the skills gaps through interventions that enhance chances of self-employment which are mainly through the TVET channel.

(vi) That there is a need to establish more technical and vocational education and training (TVET) colleges, and strengthening teaching in these colleges (curricula, teaching and learning facilities and materials);

(vii) That 'ease of doing business' interventions, along with funding arrangements and technical assistance on basic business management skills, will enable more enterprising TVET graduates to initiate own-workshops/businesses and create jobs; this will have a desired side-effect of attracting more informal sector operators to formalise their operations; hence, expand the formal sector with spin-off benefits of creating further employment;

(viii) That it is important to encourage TVET colleges as well as higher learning institutions to regularly carry out graduate surveys (tracer surveys), develop closer relationships with industry (private sector mainly), since this is where the majority of employment opportunities are to be found. In so doing, both channels of training (TVET and higher learning/degree-offering) will update their curricula according to what the labour market demands.

The proportion of individuals entering the workforce with tertiary education has steadily increased from one percent in 2007 to three percent in 2016. However, highly skilled workforce continues to be low, at 3.3 percent compared to the national target of 12 percent. There is a mismatch between output of higher education institutions and labour market needs, related to curricula that lack direct linkages to industry and are inadequate or outdated. The private sector in Tanzania has indicated great interest of partnering with the Government in skills development through the social investment platform.

The vertical and horizontal mobility of the county's labour is greatly limited since most of the labour force has low levels of skills. There are concerns about a high volume of low skills and low volume of high skills, relative to what is needed for sustainable industrialisation. Demand for higher level skills is rising across all economic sectors. To address the skills gaps and skills mismatch, the Government in collaboration with other stakeholders has developed the ***National Skills Development Programme*** to provide a framework for enhancement of skills development and employability.

Through the National Skills Development Programme, on average, 42,407 youth in the labour market are trained in different skills per year through apprenticeship, internship, and Recognition of Prior Learning (RPL) skills. The programme focuses on the key priority sectors of manufacturing, hospitality, textile, leather, agriculture, construction, and ICT. In addition, the Government continues to offer subsidies through Trainee Voucher Scheme to 7,000 youth under vocational education and capacitate institutions which supervise quality of vocational education training; ensuring availability of teaching and learning materials for internship courses in all colleges; and developing ***National Internship Guidelines*** and ***National Apprenticeship Guidelines*** for Government and private sector.

Youth Empowerment: Various initiatives have been taken to ensure youth are economically empowered, these include; provision of training to 28,390 youth on entrepreneurship education, business administration and formalization of youth owned business companies. Furthermore, a soft loan worth 32.6 billion has been issued to 2,560 youth groups. To make sure the youth are properly up brought, a total of 78 National Training of Trainers on Life Skills were trained and ultimately facilitated training of 12,500 Peer Educators at district levels. Life skills education at different levels is important to prepare the youth towards self-identification, vision setting and rational decision making.

2.4.2. Health Sector

During implementation of FYPD II the number of health facilities in the country has increased from 7,014 in 2015 to 8,783 facilities in December 2020. The Government constructed 1,198 new dispensaries, 487 health centres, 99 District Council Hospitals, 10 referral hospitals in Geita, Katavi, Simiyu, Njombe, Songwe, Mwanza, Shinyanga, Singida, Manyara, Arusha and Mara. Also, the Government continued with construction of three Zonal Referral hospitals (Southern Highlands Zone Referral hospital-Mbeya; Southern Zone Referral hospital in Mtwara and Lake Zone Referral hospital in Geita-Chato). Also, the Government completed the rehabilitation of Ward number 18 (Sewa Haji) and construction of wards for private patients at Muhimbili National Hospital. The construction of emergency services building and renovation of X-ray building in Dodoma Referral Hospital has been completed. Also, the construction of Uhuru hospital in Dodoma is 98.2 percent complete.

Performance of other indicators in the health sector is as follows:

Maternal mortality, Neo–natal Mortality and Under-five Mortality: Tanzania's under-five mortality rate is declining at an encouraging rate, followed by infant mortality rate. This is due to the improvements made in health services delivery across the country. Under-five mortality rate has declined from 67 per 1,000 live births in 2015/16 to 50 per 1,000 live births in 2019/20. Tanzania has continued to be one of the leading countries in Africa in vaccinating children under one year. In 2019/20, 98 percent of all children under-one-year-old were vaccinated compared to 82 percent in 2015/16, thus exceeding the 90 percent target set by the World Health Organisation (WHO). Also, during 2019/20, 81 percent of all pregnant women made four (4) or more visits at antenatal clinics compared to 39 percent in 2015/16 implying that more pregnant women receive quality care

and advice on safe birth control methods. The number of pregnant women giving birth at health facilities increased from 64 percent in 2015/16 to 83 percent in 2019/20.

Population Dynamics: Total fertility rate was recorded at 4.9 births per reproductive woman in 2019, a decline from 5.2 births per woman recorded in 2016. One of the consequences of the high fertility rate amidst rapidly declining mortality is that Tanzania's population grows at a relatively high pace, and heavily youthful, with children between 0-14 years old constituting about 44 percent of the total population. The 2012 Census revealed that Tanzania age dependency ratio was 92, implying that there were 100 people in age 15–64 supporting 92 persons in age groups 0-14 and 65 years and above. The high child dependency burden has important ramifications for economic productivity. Parents with many children tend to struggle to provide for quality health, education, nutrition, emotional and other needs of their children, which undermines the quality of human capital in the next generation of the workforce. High fertility rate is also associated with low levels of female education and limited participation of women in the formal labour market. This implies that high fertility rate causes high dependency ratio which increases the burden of care and lower workforce participation particularly for by women and girls.

Governments in high fertility countries also struggle to provide quality education and health services for children and have limited resources available for investing in development infrastructure and other enablers of economic growth. As noted in the 2006 National Population Policy and Five Years Development Plan (FYDP) II, rapid population growth and the high dependency burden are the key factors undermining socioeconomic development in Tanzania. These policy documents note that rapid population growth retards growth in national output by slowing the process of capital formation, as increased consumption draws resources away from saving for productive investment. The strains caused by rapid population growth are felt most acutely and visibly in the public budgets for health, education and other human resource development sectors.

Stunting and Wasting Prevalence: Tanzania National Nutrition Strategy has continued to guide nutrition issues, aimed at reducing all forms of malnutrition. The nutrition situation among children under-five years has improved. The percentage of children under the age of five underweight has decreased from 13 percent in 2014/15 to 10 percent in 2019/20 while children born underweight at less than 2.5 kg has also declined from 6.5 percent in 2014/15 to 5.6 percent in 2019/20.

Prevalence of HIV: The prevalence of HIV/AIDS in the country shows a declining trend following improved prevention strategies, intensified HIV testing and counselling programmes as well as social and behavioural change programmes countrywide.

Tuberculosis Incidence: Tuberculosis has continued to be among the top causes of death in the country. During 2019/20, 92 percent of TB patients were treated and recovered compared to 90 percent who were treated and recovered in 2014/15. In addition, participatory TB and AIDS services have improved and HIV testing for TB patients has reached 99 percent in 2019/20, up from 93 percent in 2014/15.

Malaria Incidence: Malaria deaths in all age groups have decreased by 67 percent from 6,311 in 2015 to 2,079 in 2019. Out of 2,079 deaths for the year 2019, under-five accounts for 957 deaths (46 percent) of all malaria deaths. The confirmed cases of malaria have been registered to increase from 2015 to 2019 due to constant availability of diagnostic facilities especially malaria Rapid Diagnostic Tests (mRDTs). The introduction of Malaria Service and Data Quality Improvement (MSDQI) package has also increased the performance of the health facilities on malaria indicators.

2.4.3. Coverage of Health Insurance Schemes

The National Health Insurance Fund (NHIF) is a vehicle for accessing quality health services for all. As of March 2019, the Fund had registered 4,217,211 beneficiaries, equivalent to eight percent of the Tanzanian population. The number of NHIF members increased from 753,892 in 2016/17 to 858,446 in 2017/18 and to 966,792 in 2018/19. NHIF beneficiaries were equivalent to 7.4 percent of all Tanzanians, while Community Health Fund (CHF) beneficiaries were 23.6 percent of all Tanzanians. By 2019 the CHF had covered 13,029,636 beneficiaries, equivalent to 25 percent of the Tanzanian population. Hence, the combined coverage of NHIF and CHF between 2015 and 2019, increased from 20 percent to 33 percent. Tanzania is now reviewing its Insurance Act 2019, with a view to establishing a Single National Health Insurance (SNHI) fund, and thus replace the current NHIF and CHF systems.

2.4.4. Access to Sources of Safe Water and Improved Sanitation

The Government, in collaboration with various stakeholders, has continued to implement water supply projects in rural and urban areas. Between 2015 and 2020, a total of 1,423 water supply projects were constructed with the cumulative number of 131,370 Water Points (WP) benefiting 25,359,290 people, equivalent to 70.1 percent of the rural population. However, basing on WPs functionality, out of 131,370 constructed only 86,780 (65.06 percent) were functioning, 8,481 (5.9 percent) were functioning but needed repair, 32,109 (24.44 percent) were not functioning and 5,888 (4.6 percent) were abandoned. This shows that more focus is required on sustainability so as to ensure the little resources available are utilized effectively to achieve high impact. Reviving the non-functional water points shall be a priority rather than starting new projects. In the urban areas, the proportion of population with access to piped or protected water source reached 80 percent. Investments in the water sector including the Rural Water Supply and Sanitation Programme (RWSSP) explain the observed improvements

2.5. Poverty Reduction and Economic Empowerment

2.5.1. Human Development Index, Status of Poverty and Inequality

Human Development Index: Tanzania's Human Development Index (HDI) has improved from 0.52 in 2015 to 0.528 in 2018, above the average of 0.507 for countries in the low human development group. When the HDI is disaggregated into its components, it is evident that the country has made substantial achievement in life expectancy (from 63.1 years in 2015 to 66.0 years in 2019) and literacy rate has also improved whereby Expected Years of Schooling have gone up from 5.3 in 2010 to 8.0 in 2019 and Mean Years of Schooling have gone up from 5.1 years to 6.0 years over the same period. Other human development indices that show major improvements include: Gender Inequality Index - improved (declined) from 0.556 in 2013 to 0.539 in 2019 and Gender Development Index - the Gap in HDI between women and men has remained stable at around 0.936 over the period 2015 to 2019.

Poverty Status: Analysis of Household Budget Survey (HBS) indicates that the incidence of basic needs poverty has declined from 28.2 percent in 2011/12 to 26.4 percent in 2017/18 whereas food poverty has declined from 9.7 percent in 2011/12 to 8.0 percent in 2017/18. This is a result of continued efforts by the Government in improving living conditions, social welfare, poverty reduction and improvement in human development outcomes. Access to basic services and to productive assets such as improved lighting sources, increased access to roads, markets and water, health and education are the factors behind such outcomes.

Like previous surveys, the analyses of the 2017/18 HBS shows that the incidence of poverty or poverty headcount index for basic needs poverty in mainland Tanzania is still higher in Rural Areas (31.3 percent) than in Urban Areas (15.8 percent).

National Multidimensional Poverty Index: Tanzania like many other countries is set to develop a national MPI for assessing multi-dimensional poverty levels in the country context for sharper policies to eradicate poverty. The methodology for computing NMPI has been developed. It is expected that the first NMPI for Tanzania will be computed and launched using data from the HBS 2017/18. In addition, the intention is to develop a standard set of questions to be included in the national surveys for facilitating measurement of the NMPI over time. This will enable monitoring of the dimensions/indicators chosen for the country over time. In this regard, having NMPI from time to time during implementation of FYDP III will enable assessment and monitoring of poverty related indicators to be included in the FYDP-III Monitoring and Evaluation Strategy/plan.

Inequality: The 2017/18 Household Budget Survey (HBS) showed a rise in consumption inequality from the Gini coefficient of 0.34 in 2011/12 to 0.38. The rise was also observed in Other Urban Areas category from 0.37 to 0.38. Inequality in Dar es Salaam rose from 0.35 to 0.42 and for Rural Areas, rising from 0.29 to 0.32. In this case, there is more inequality among the individuals in Dar es Salaam (0.42) than in Other Urban Areas (0.38) and Rural Areas (0.32). This is attributed to the fact that most individuals in rural areas migrate to Dar es Salaam, to take advantage of the industrialization and rising urban incomes. A part of the migration stream may be formed by lower-income individuals that are mostly unskilled and illiterate. These people mostly have individual concerns and mostly they move into the informal urban sector. The disparities in poverty levels in Tanzania suggest that interventions to fight poverty need to be tailored at Local Governments level especially regions and districts depending on the nature and levels of poverty. Table 4 below shows trends of inequality in mainland Tanzania, Dar es Salaam, urban area and rural area.

Table 4: Trends of Inequality in Mainland Tanzania

Year	Dar es Salaam	Other Urban Area	Rural Area	Mainland Tanzania
1991/92	0.30	0.35	0.33	0.34
2000/01	0.36	0.36	0.33	0.35
2007	0.34	0.35	0.33	0.35
2011/12	0.35	0.37	0.29	0.34
2017/18	0.42	0.38	0.32	0.38

Source: 2017-18 HBS

The rise in inequality (as from the HBS 2017/18) calls for in-depth policy actions aimed at overcoming the structural forces that create and perpetuate inequality, and efforts to accelerate progress towards poverty reduction which, in turn, ought to be part of the development processes.

2.5.2. Employment Creation

In recognition of the scale of unemployment and its potential impacts, during 2016/2017–2018/2019, the Government, in collaboration with stakeholders, has implemented employment-creation policies, programmes and projects to empower youth in terms of wage employment and self-employment. Also, the Government increased resource allocation towards capital (loans) for the youth, women and People with Disability (PWD). The development projects such as construction of Standard Gauge Railway (SGR), road construction, construction of 487 health centres and 101 hospitals, construction of airports; construction of 1,143 water projects; and establishment of industries in every region – all have been creating an estimated 1,167,988 new jobs during the period between 2016 and 2019 (Table 5).

Table 5: Jobs Created by Main Sectors from 2016/17 to 2018/19

Main Sectors	Number of Jobs Created
Public	112,645
Development Projects	663,227
Private	451,464
Total	1,167,988

Source: Administrative Data, PMO-Labour, Youth, Employment and Persons with Disability.

According to the data in **Table 4** above more jobs were created in the private sector compared to the public sector, implying the significance of the private sector in fighting poverty through employment creation. The increase in the number of jobs created means more people are employed, social protection improved and the number of people who are marginalized reduced.

2.5.3. Gender Equality and Women Economic Empowerment

Women participation in various spheres is vital in ensuring sustainable development in achieving gender equality and eliminating gender-based violence. The Ministry of Health, Community Development, Gender, Elderly and Children, in collaboration with PO-RALG, has continued to implement various programmes to empower women with the aim of increasing economic opportunities and building business capacity, access to capital, markets and credit facilities. Between 2015/16 and 2019/20, a total of TZS 63.49 billion were provided to 938,802 women entrepreneurs in various Local Government Authorities in the Country as depicted in Table 6.

Table 6: Trend of Loans Issued to Women Entrepreneurs

Year	Loans Issued	Number of Groups Funded	No. of Women Entrepreneurs Funded
2015/16	3,388,747,160	2,225	21,167
2016/17	8,816,700,165	5,899	772,245
2017/18	16,319,517,502	6,852	39,449
2018/19	11,128,114,993	4,898	44,210
2019/20	23,836,238,260	6,859	61,731
Total	**63,489,318,080**	**26,733**	**938,802**

Source: PO-RALG

The Government has also continued to provide soft loans to women entrepreneurs through the Women's Window established at the TPB Bank. In 2019/20, loans worth TZS 3.586 billion were offered to 14,271 women as compared to TZS 2.05 billion issued to 3,035 women entrepreneurs in year 2018/2019. In addition, entrepreneurship training has been provided to 718 entrepreneurs including 334 women and 384 men in Dodoma, Mwanza, Geita and Mbeya regions. Training has enabled women to attain skills on how to increase value of the products, capital share, market research, savings and financial management which implies improved welfare and hence, reduction of poverty.

2.6. Interventions to Foster Investment

In this section, ***enabling environment refers*** to measures undertaken by Government to improve 'hard infrastructure' and soft infrastructure (ITC-based), as well as interventions that attract private investors. Most of these are financed by the Government since they are large in scale and need large capital investment (often larger than private companies can readily venture into) (sub-section 2.6.1); while in sub-section 2.6.3, business environment covers administrative facilitation, public-private partnership arrangements and policies that the Government has implemented in order to ensure smooth, transparent and corruption-free environment for investment and trade.

2.6.1. Improvement of Hard Infrastructure

Roads: Between 2015 and March 2020, the Government constructed 3,537.0 km of paved roads, and 82.6 km for decongesting traffic in urban areas. By June 2020, 1,298.44 kilometres of paved roads were under construction, some 300.9 km of trunk roads had been rehabilitated. Construction of twelve (12) large bridges had been completed namely, Magufuli, Magara, Kavuu, Ruvu Chini, Mlalakuwa, Momba, Lukuledi, Lukuledi II, Mara, Sibiti, Mtibwa and Nyerere (Kigamboni). Construction of five (5) bridges are in progress namely: Tanzanite Bridge, Mitomoni, Wami, Kitengule and Ruhuhu. Other major bridges which were then under mobilisation for works include Kigongo – Busisi (now under construction), Sukuma, Simiyu, Mkenda, Mtera, Godegode, Malagarasi Chini and Ugalla. Among the successfully completed projects, by 100 percent or nearing that mark

within this year includes; the Manyoni - Itigi road (245 km), Masasi-Songea-Mbinga section of the road leading to Mbamba Bay (less than 20 km remaining by October 2020), TAZARA Flyover and Ubungo Interchange (Completed and already in use). Highly advanced projects likely to be completed before June 2021 are the Tanzanite Bridge, Itoni-Ludewa road, and Tabora-Mpanda road.

Railways: *Standard Gauge Railway (SGR)*: The Government is constructing a USD 7.6 billion Standard Gauge Railway (SGR) along the central corridor. The implementation started since 2017 with two slots between Dar es Salaam and Makutupora in Singida region. The first slot covers a total of 300 km between Dar es Salaam and Morogoro. The second slot covers a total of 422 km between Morogoro and Makutupora. The construction between Dar es Salam and Morogoro has reached 90 percent, and the construction of 422 km between Morogoro and Makutupora has reached 49.2 percent.

Rehabilitation of the Metre Gauge Railway (MGR): The Government through Tanzania Railway Corporation (TRC) is implementing Tanzania Intermodal and Rail Development Project (TIRP) with an aim of delivering a reliable open access infrastructure on the Dar es Salaam-Isaka (970 km) section of the central railway line. The focus is on the rehabilitation to achieve a minimum permissible axle load capacity of 18.5 tons per axle, re-laying of 970 km of railway line from Dar es Salaam to Isaka with 80 pound/yard rail and procurement of rolling stock. The planned major maintenance for the central railway between Dar es Salaam and Isaka (970 km), the slot of Dar es Salaam – Kilosa (283 km) had reached 94 percent and Kilosa – Isaka (687 km) had reached 99.8 percent by 2020. The Government has also constructed Mwanza and Shinyanga Inland Container Depots in order to facilitate cargo handling. Also, the Government has successful revived the Dar es Salaam – Tanga and Moshi-Arusha railway lines which were not operational for the past 30 years.

Railways Transport Facilities: The Government strived to ensure that existing Metre Gauge Railways operates efficiently and effectively. Steps taken include re-manufacturing of 14 shunting locomotives; rehabilitation of 347 freight wagons, 20 commuter coaches and 13 long distance passenger-coaches; and procurement of 44 container carriers, 22 new passenger coaches and three (3) new locomotives.

Ports: Tanzania has three (3) major seaports (Dar es Salaam, Tanga and Mtwara), three (3) minor seaports (Kilwa, Mafia and Lindi) and three (3) major lake ports (Mwanza, Kigoma and Itungi - Kyela). The Dar es Salaam Port is the largest port in Tanzania. The cargo handled by Dar es Salaam Port has increased by an average of 26,463 metric tonnes per annum, from 14.8 million tonnes in 2014/15 to 14.9 tonnes in 2018/19. The positive trend is attributed to the ongoing modernization, deliberate business environment reforms, deployment of new and modern cargo handling equipment as well as an increase in daily working hours at the port from 12 to 24 hours.

The Government has also constructed the Kwala Dry Port in Pwani Region to decongest Dar es Salaam Port at a cost of TZS 35 billion. Investment has been done in cargo handling equipment and scanner. The Tanga port has been under expansion that included dredging the quay to allow larger vessels to anchor as well as rehabilitation of warehouses at Berths No.1 and No.2. Its capacity has been increased by 700,000 tonnes to 1,200,000 tonnes per annum. Rehabilitation, fendering and cathodic protection to Quay No.2 was implemented between September 2016 and June 2017. The Port of Mtwara was expanded to increase its capacity from 400,000 to 750,000 tonnes. Works included expanding concrete surface by 600m2 as well as construction of a 300 metres long berth that had reached 61 percent by June 2020. On Lake Victoria berths have been constructed in Lushamba, Ntama, Magarini, Mwigobero, and Nyamirembe. On Lake Tanganyika a berth has been constructed in Kagunga; in Lake Nyasa berths have been constructed in Kiwira and Itungi.

In terms of marine transport facilities, the Government has built two cargo ships (MV Ruvuma and MV Njombe) with capacity to carry 1,000 tons each and one multi-purpose vessel (MV Mbeya II) with the capacity of 200 passengers and 200 tons on Lake Nyasa. On Lake Victoria, old ships like MV Victoria and MV Butiama have undergone major repair and currently they are operational. Also, construction of a new ship with a capacity of 1,200 passengers and 400 tons cargo.

Air Transport: In the aviation industry, the National Carrier (Air Tanzania) was revamped. Eight (8) aircrafts were procured and received between 2016 and 2019, with three (3) additional aircrafts expected to be delivered in the near future. The acquisition of the aircrafts has been undertaken in conjunction with the construction, rehabilitation and expansion of regional (domestic) and international airports. As a result, number of flights has increased from 225,103 in 2015 to 292,105 in 2019 bolstered by increase in flights frequency per week of major airlines in the country (ATCL; 6 to 30, Rwanda Air; 9 to 14, and Precision Air; 17 to 19). Passenger traffic have also increased, from 4,207,286 passengers in 2016 to 4,268,896 in 2018.

2.6.2. Development of Soft Infrastructure

A total of 27,912 km of National ICT Broadband Backbone has been constructed which 7,910 km were constructed by the Government. Similarly, several measures have been taken to ensure all stakeholders, including the private sector and the public at large, benefit from access to these public assets so as to promote socio-economic development. In particular, ICT services have been strengthened through laying down submarine cable. By April 2019 mobile communication coverage was 94 percent in terms of population and 66 percent in geographical coverage. These developments have greatly transformed lifestyles among the population especially access to both communication and mobile financial services. Nonetheless, capacity building remains essential to encourage all stakeholders to use ICT at home, at school and in business. Improvement in ICT is also expected to improve learning outcomes as well as enhancing activities in agro-business value chain.

2.6.3. Business Environment

Tanzania is ranked 141 among 190 economies in the ***Ease of Doing Business report***. According to the latest World Bank annual ratings, Tanzania's rank shows an improvement from 144 in 2019 (Table 7). The ranking indicates that Tanzania has not achieved the goal of double-digit position.

Table 7: Tanzania's Position in the Ease of Doing Business Reports (2015-2020)

Year	2015	2016	2017	2018	2019	2020
Position	131	139	132	137	144	141

Source: World Bank (2020)

The Government has undertaken a number of measures towards improvement of the business environment. These include the following:

(i) Streamlining the procedures for obtaining various permits and other services with the view to reducing the cost of doing business. Between 2017/18 and 2020/21, a number of fees and penalties related to

agricultural and livestock subsectors were abolished through Finance Act. Further, the mandate for administration of food and cosmetics was moved from former TFDA (now TMDA) to TBS in order to remove the duplication of mandates. In 2019/20 a total of 60 different fees and charges related business licenses, permits and registration certificates including inspections which were administered by the FCC, BRELA, TBS, OSHA, and Fire and Rescues levies were abolished;

(ii) Various institutions have introduced electronic systems in delivering services. These include Online Registration Systems for registration of companies, business names, trade and service marks, patent rights and industrial licenses; Online Business Licensing through National Business Portal; Tanzania Electronic Single Window System (TeSWS) for simplification of cargo clearance at the ports and other border posts; Online issuance of licenses and permits by OSHA, TMDA, TBS, NEMC and Ministry of Agriculture, Ministry of Natural Resources and Tourism; introduction of GePG for payment of fees, penalties; and introduction of Online Passport, VISA and work and resident permit;

(iii) The Government has established One Stop Boarder Posts at Rusumo, Mutukula, Holili, Kabanga, Horohoro, Sirari, Namanga and Tunduma in order to simplify cargo clearance;

(iv) The number of roadblocks along the central corridor has been reduced from 15 to three (3). The reduction of roadblocks has reduced time and cost in transportation of transit goods;

(v) Improving the One Stop Centre at TIC by increasing the number of institutions operating under the centre to 11.

Despite efforts to drive reforms with a view of achieving a vibrant economy, several policy and regulatory hurdles have persisted. In the light of this, the Government in collaboration with private sector formulated ***Blueprint for Regulatory Reforms to Improve Business Environment*** and subsequently prepared the Blueprint Implementation Roadmap for Improving Investment Climate. The Roadmap will be supported by a robust monitoring and evaluation framework along with the robust communication strategy intended to inform and engage both public and private stakeholders.

2.6.3.1. Private Sector Facilitation

The Government recognizes the important role played by the private sector in implementing FYDP II. The private sector invested in different projects including in value-addition manufacturing industries.

The Government played a facilitative role of promoting the private sector through following initiatives:

(i) Established one-stop facilitation centre under TIC which houses more than ten (10) Government institutions and agencies providing access to various services related to permits, licenses and approvals to local and foreign businesspeople, as well as investors to shorten time of going around individual offices. As of February 2020, total of 146 projects worthy of USD 1,514.57 million which are expected to provide more than 26,384 employments were registered;

(ii) Recognition of private property and protection against any non-commercial risks. Tanzania is an active member of the World Bank Group Foreign Investment Insurance wing, the Multilateral Investment Guarantees Agency (MIGA). Likewise, Tanzania is a member of the International Centre for Settlement of Investment Disputes (ICSID), also affiliated to the World Bank Group;

(iii) The Income Tax Laws provides for 50 percent capital allowances in the first year of use for Plant and Machinery used in manufacturing processes and fixed in a factory, fish farming; or providing services to tourists and in a hotel.

(iv) Zero percent (0 percent) import duty on project capital goods, computers and computer accessories, raw materials and replacement parts for agriculture, animal husbandry and fishing, human and livestock pharmaceuticals and medicaments, motor vehicle in a Completely Knocked Down (CKD) form and inputs for manufacturing pharmaceutical products;

(v) VAT Exemption on import of goods by a registered and licensed explorer or prospector for the exclusive use in oil, gas or mineral exploration or prospection activities;

(vi) Reduced Corporate Rate for a New Established entity dealing with manufacturing Pharmaceuticals, leather and sanitary pads; and

The Government in cooperation with Tanzania Private Sector Foundation has established an online complaints and feedback platform to help improve business environment in the country. The platform will start operating in financial year 2020/21.

2.6.3.2. Public Private Partnership (PPP)

In facilitating and supporting private sector participation in Public-Private Partnership (PPP) projects, the Government has strengthened applicable legal and institutional frameworks. Specifically, the Government has amended the Public Private Partnership Act, CAP. 103 with a view of making better provisions for supervision and co-ordination of public private partnerships. It has also strengthened the institutional structure for coordinating PPP Programme. This includes placement of PPP programme under the Ministry of Finance and Planning. The aim is to simplify and fast-track approval of PPP projects. The Ministry of Finance and Planning has built a vibrant PPP-enabling environment to assist Government institutions to prepare PPP projects. Other initiatives include recapitalization of the Tanzania Investment Bank and establishing a window for long-term finance in the Tanzania Agricultural Development Bank.

Given that the enabling PPP environment is in place, Government institutions are expected to aggressively use the PPP instrument to finance projects that qualify to use the PPP route in line with the PPP legislation. The readiness to use PPP instrument is growing because of enactment of the Public Private Partnership Act, CAP 103. Pipelines projects under preparation have grown from 5 projects in 2018 to over 49 projects by December 2020. The projects are in various stages of implementation in line with the requirements of the PPP legislation 103. Success factors for PPP to be a viable financing instrument include enhanced political will at all levels, commitment and compliance on the established PPP Life Cycle that includes avoiding reversal to traditional procurement for approved projects to go through the PPP Route instead and strengthening of institutional arrangements including the PPP Centre. Other factors include Public Private Partnership Fund (to facilitate project preparation, viability gap funding and capacity building).

2.6.3.3. Good Governance and Accountability

Corruption and Rule of Law: During the implementation of FYDP II, the Government has continued to fight corruption with efforts being directed towards addressing various dimensions of corruption including political and bureaucratic corruption, public funds embezzlement, fraudulent procurement practices, and judicial corruption. Some of the actions taken during this period includes: (1) establishment of the Corruption and Economic Crimes Division in the High Court of Tanzania. This initiative has also introduced heavy penalties in all corruption-related cases to serve as a deterrence; (2) Construction of the National Electoral Commission (NEC) building; (3) Renovation of three High Courts (4); Completion of construction of five resident magistrate

courts (5); Completion of construction of 15 District Courts; (6) Completion construction of 18 Primary Courts;(7) Construction of Government buildings in Dodoma and establishment of Public Prosecutor Office and office of the Solicitor General. During FYDP II implementation the number of corruption cases ruled have increased from 10.4 percent in 2015/16 to 82.0 percent in 2019/20.

Review has also revealed that the fifth phase Government has improved integrity of public servants by reducing the level of corruption through: leadership commitment and political will; automation; enforcement of ethics and anti-corruption laws and regulations; investigations; disciplinary actions against corrupt public servants; and regular changes in different MDAs, RSs and LGAs including the leadership positions whenever things go wrong. The Government is striving to instil a general sense of discipline and accountability in the public service.

Additionally, the Prevention and Combating of Corruption Bureau (PCCB) established Public Expenditure trucking of development projects through District and Regional Offices and Asset Tracing and Asset Recovery Unit, which is responsible for tracing and recovery of assets or funds corruptly acquired. Progress made by PCCB in fighting against corruption is summarized in table 8.

Table 8: PCCB Corruption Cases Statistics, 2015/16–2019/20

Category	Allegations received	Investigation Files Completed	Ongoing Files under Investigations	Investigation Files Closed	File sent to DPP	New Cases filed into courts	Ongoing cases into courts	Conviction cases recorded	Acquitted cases recorded	Total Cases ruled	Asserts/funds recovered (billion)
2015/2016	7,303	788	3,525	34	336	443	578	249	275	524	53.9
2016/2017	7,452	956	2,818	103	575	435	602	159	234	393	14.68
2017/2018	8,724	906	723	78	467	495	624	178	118	296	70.3
2018/2019	8,234	894	1,160	15	388	497	672	206	135	341	82.8
2019/2020	13,313	1,079	1,380	72	443	586	633	267	114	381	96.02

Source: PCCB Annual Reports and Website

The trend of new cases filed in courts from 2016 to 2020, and number of cases prosecuted portrays the efforts and emphasis that the PCCB has taken in fighting corruption. These efforts enabled Government to recover around TZS 215.45 billion between 2016 and June 2020. According to Transparency International Corruption Perception Index, Tanzania's score has improved significantly from 32 scores in 2016 to 37 scores in 2019. A country's score can range from zero to 100, with zero indicating high levels of corruption and 100 indicating low levels.

2.6.4. Peace, Security and Political Stability

National development and prosperity depend upon peace, security and political stability. In order to ensure a country, have peace, security and political stability a number of strategic reforms has to be undertaken to include legal sector policy reforms and criminal justice system reform in a country;

Public Leaders' Ethics: During implementation of FYDP II, as a way to promote good governance and instil a culture of accountability among public leaders, the Government has directed its efforts towards enhancing compliance to public leaders' code of ethics through amendments of the Public Leaders Code of Ethics Act-PLCEA (2016); amendment of principal regulations to the functioning of the Ethics Tribunal; enactment of two new regulations, namely: Conflict of Interest Management (March, 2020) and Public Leaders Integrity Pledge (November, 2020). In addition, during the period under review, the declaration rate of public leaders' assets and liabilities has increased from 86 percent in 2015 to 98 percent in 2019. Similarly, complaints submitted to the Secretariat on public leaders' misconduct related to breaching of PLCEA has moderately declined.

2.7. Assessment of Financing of the FYDP II

The FYDP II Financing Strategy was expected to mobilise TZS 136 trillion. Out of the total amount, TZS 82.4 trillion was expected from traditional sources (e.g. revenues, grants and donations, and concessional borrowing) and TZS 53.3 trillion from non-traditional sources (e.g. bonds). The evaluation has revealed that the Government achieved the targets of collecting tax revenue by 98 percent. The domestic revenue as percentage of GDP increased from 13 per cent to 15 per cent. On the other hand, borrowing from non-concessional sources was more than twice the target, reaching TZS 12.2 trillion compared to the target of TZS 5.7 trillion. Borrowing from concessional sources was also above the target, reaching TZS 10.2 trillion from the target of TZS 6.2 trillion (64 per cent higher than the target).

The implementation of FYDP II was estimated to cost TZS 107 trillion, equivalent to an average of TZS 21.4 trillion annually for each of the five-year period. The public sector was expected to contribute about TZS 59 trillion, with the private sector expected to invest TZS 48 trillion. Implementation of FYDP II for the first four years revealed that public sector contributed TZS 34.9 trillion, equivalent to 76.5 percent of the four-year target of TZS 45.6 trillion. On the other hand, FYDP II review has revealed that the overall private sector investment to the economy had reached TZS 152 trillion. Further, the evaluation revealed that private sector direct investment to FYDP II priority areas for the past four years amounted to TZS 32.6 trillion, equivalent to 85 percent of the four years estimate of TZS 38.4 trillion. Main areas invested by the private sector include industrial development, private schools, hospitals, hotels, mining, transport and logistics.

2.8. Monitoring and Evaluation of FYDP II

The assessment of the implementation of the Monitoring and Evaluation Strategy (MES), one of the catalytic tools of implementing FYDP II targets and indicators set in 2016/17 show that despite having a well elaborated MES with strategic objectives, realistic interventions and indicators, the strategy and its interventions were not implemented fully. However, MDAs, RS, and LGAs have been applying M&E in projects being implemented outside the FYDP II. For FYDP III therefore, there is a need to revisit institutional arrangements and flow of tasks. Further improvements in the collection of routine data system will add relevant information into the system for tracking progress and enhance evidenced-based planning, policy and decision making at central and local levels of Government. Improvement of monitoring and evaluation will be done together with the improvement of the communication of FYDP III..

2.9 Strengths, Weaknesses, Opportunities and Challenges (SWOC) of the FYDP II

Table 9 shows the forward-looking assessment of the strength, weaknesses, opportunities and Challenges that emerge and have to be drawn upon in the course of implementing FYDP III.

Table 9: SWOC Analysis after Evaluation of FYDP II

Strengths	Weaknesses
i. Political will, peace and stable political atmosphere; ii. Abundance of natural resources – land, wildlife, minerals, forestry- high potential for diversification iii. Presence of legal and institutional framework for investments arrangements; iv. High economic growth averaging 7.0 percent over the last five years; v. Lucrative investment potentials in the sector - oil and gas, electricity generation and distribution projects; vi. Agribusiness opportunities in the agricultural sector; vii. Opportunities for expansion in the infrastructural sub-sector: aviation, construction industry (roads, railways, ports, real estate, ICT backbone; viii. Strategic geographical location linking land-locked countries (EAC, SADC markets), rest of the world; ix. Long littoral (coastal) line with ecosystems for 'blue' livelihoods activities x. A high growing population which offers labour force, growing middle class as domestic market assured	i. Low human capital development: low STI capacity; low specialised skills in the extractive industries ii. Problems related to disaggregated data availability for planning and monitoring; iii. Weak Monitoring and evaluation iv. Low private sector development and engagement v. Low per capita incomes

Opportunities	Challenges
i. Possibilities of improving enabling environment for t small firms' growth and survival, furthers agricultural transformation, and reduced vulnerability to negative domestic and international economic and weather shocks; ii. Emerging signs of increased participation of the poor in the growth process (like taxpayers' cards for small businesses (Machinga); opportunity if formalisation succeeds. iii. Further macroeconomic stability and economic diplomacy to win external market and attract foreign investments; iv. Availability of Investment Guides for regions and LGAs with information of industrial and human development opportunities; v. Fertile areas and irrigable land vi. Improved market infrastructures to support agriculture production; vii. Blueprint initiative that identifies list of cross-cutting reforms; viii. Infrastructure development for Special Economic Zone (SEZ)/EPZ located in border regions ix. Global and regional markets (e.g., SADC, EAC, AfCFTA)	i. Exogenous shocks- instability within the region; ii. Climate change iii. Natural calamities iv. Pandemics v. Global and regional geo-political instabilities (e.g. China Trade War, regional political conflicts)

2.10 Status of Flagship Projects

Table 10 presents a snapshot of the progress on the selected FYDP II flagship projects. This is to keep an even closer watch on the prospects for timely completion and especially impression on the capacity to have them adequately financed, including for the Operation& Maintenance.

Table 10: Flagship Projects

No.	Flagship Project	Implementation Status
1	Construction of Standard Gauge Railway	SGR implementation started since 2017 comprising of two slots between Dar es Salaam and Morogoro (300km) and Morogoro and Makutupora, Singida (422km). The construction between Dar es Salam and Morogoro had reached 91 percent, completion is expected in early 2021, and the construction of 422 km section between Morogoro and Makutupora, Singida have reached 61.0 percent.
2	Construction of Julius Nyerere Hydro-electric Power Project 2,115 MW	Construction of the power plant is in progress and the status is as follows: Main dam (6.72 percent); Diversion Tunnel is in progress and it is in final stage of completion; construction of Waterfalls (8.54) Tunnel Concrete Lining and Coffer dam is at 90 percent of completion. In general, construction works have reached 25.8 percent of completion.
3	Mchuchuma and Liganga Projects	The Government has taken an initiative to operationalize Mchuchuma and Liganga projects which have vast deposits of coal, vanadium, titanium and iron. So far, the valuation of properties belonging to people living within areas of the project has been conducted, and a total of TZS 11.037 billion is expected to be paid as compensation to 1,145 people. On the other side, the Government and the Investor are in the process of reviewing the contract and other legal issues concerning the project.
4	East African Crude Oil Pipeline (EACOP) from Hoima (Uganda) to Tanga-Chongo-leani port (Tanzania)	All the preparatory work for EACOP have been done and the implementation of the project will commence once contractual arrangements between participating companies are finalised.
5	Revamping of National Carrier (Air Tanzania)	The Government in the period between 2016 and December 2020, procured and received eight (08) aircrafts. In addition, three (03) more air crafts have been ordered and are expected to be delivered in the near future.

2.11 Overall Performance and Emerging Issues

2.11.1 Overall Performance

The overall assessment of the implementation of FYDP II reveals that the country performed very well in maintaining macroeconomic stability. About 93.8 percent of macroeconomic targets were met. In terms of Industrial sector performance of about 75 percent of the targets were met. Contribution of manufacturing sector to GDP increased to 8.5 percent in 2019 up from 7.8 percent in 2016. The sector also recorded an annual average growth of 8.3 percent in the same timeframe. Some 8,477 industries were established by June 2020, creating some 482,601 new jobs. In the manufacturing sector the set targets for FYDP-II were achieved by 66.6 percent. The interventions in the agricultural sector and sub sectors during FYDP II resulted in positive performance for attaining about 77 percent of set targets. The sector's real growth rate increased by an average of 5.1 percent in the past four years of implementing FYDP II. In mining sector all targets (100 percent) set during FYDP II were met. Annual growth in Mining sector increased to 17.7 percent in 2019 from 6.9 percent in 2015/16, while share of the sector to GDP increased from 4.9 percent in 2016 to 5.2 percent in 2019.

The share of Tanzania's exports to SADC has increased from 19.0 percent in 2015 to 24.5 percent in 2019. In tourism sector significant success were observed whereby, the number of tourists visiting Tanzania reached 1,510,151 in 2019 from 1,137,182 in 2015), accompanied with increased number of nights spent per tourist from 10 days in 2015 to 13 days in 2019. Earnings from tourism increased from USD 1.9 billion in 2015 to USD 2.6 billion in 2019. The overall performance for the targets of the infrastructure and services development was 91 percent. This has been attributed to achieving outcome targets during the FYDP-II implementation. Also, assessment has revealed that individual interventions that have attained almost 100 percent or more include connecting public institutions to e-Government (247 percent), increase in people using internet (177 percent), ports position in global ranking (105 percent), and regions connected to electricity (95.7 percent).

Overall performance in social services was high whereby about 70 percent of the planned targets were fulfilled as evidenced by the reduction of infant and under five mortality rates to 38.4 percent and 53 percent per 1,000 births, respectively; maternal mortality rate reduction by 25.7 percent, and increased births attended by skilled workers overall, Tanzanian's life expectance increased from 61 to 66.7 years. Access to water supply has increased to 85 percent in Dar es Salaam, 80 percent in Regional Headquarters and 64 percent in District Headquarters. The proportion of households using protected water source in the rainy season and during dry season reached 88 percent and 77 percent, respectively. The proportion of households with any toilet facility has reached 93 percent. The targets set for water and sanitation had been attained by 80 percent by December 2018. In the education sector achievements are mainly in respect of rolling out of fee-free education policy, construction of classrooms, increased enrolment into teachers' colleges, supplying teaching equipment, laboratory equipment and ICT. Also, Gender Parity in education enrolment has improved from pre-primary to Ordinary level. In terms of governance, during implementation of FYDP II there was a significant increase in the number of women in the parliament.

2.11.2 Implementation Challenges

During implementation of FYDP II a number of challenges were encountered. These somewhat slowed down the implementation of development projects. The challenges are technical/operational and financial in nature; others are sector-specific, and others cut across all sectors, mainly concerning institutional capacities and legal and regulatory frameworks. The second category of challenges are those that specifically relate to implementation effectiveness.

Challenges Faced by Sectors

The most common sector-specific challenges are conveniently listed under 'sector-groups' with a caution that the degree to which they affect the individual sectors differ, and that at more detailed technical/technology related issues differ widely.

The following are worth highlighting:

(i) Productive sectors (agriculture, construction, manufacturing): low levels of technology application; insufficient storage and value-addition facilities; high costs of production; and inadequate availability of inputs and raw materials; financing (capital) for investment;

(ii) Industrial development: low skills levels, knowledge and capability-building need to be improved through vocational/technical training, apprenticeships etc.; inadequate capital; low commercial banks credit. Industrial credit accounts for 10.5 percent while the largest share of credit is given to personal loans which account for 27.4 percent followed by trade at 20.5 percent) and Low FDI flow due to increasing of domestic investment in areas where FDIs flows were previously attracted as well as global shocks;

(iii) Infrastructure sectors: inadequate capacity and capability of the local construction industry; rapid technological changes including security threats; unplanned urbanization; and lack of regular and efficient maintenance mechanisms; and

(iv) Social services: Limited access, equitable and quality especially in remote rural areas; and

Limitations to Implementation Effectiveness

(i) Delays in Execution of Implementation Strategy: The FYDP II Implementation Strategy came into action in 2017 two years after endorsement of FYDP III. Implementation Strategy involved four documents i.e., FYDP II Action Plan, Monitoring and Evaluation Strategy, Financing Strategy and Communication Strategy. Delays in the execution of these important tools led to delays in the implementation of some of the activities and projects; it also affected the measures put forth in mobilising resources to finance FYDP III;

(ii) Difficulties in Compiling Information on Private Sector Investment: It has been a challenge to document information regarding the contribution of private sector on plan implementation as there is no proper methodology to capture private sector contribution. For the projects that have been identified in FYDP II, the turn up for private sector investment was not impressive and the information of the interventions and businesses conducted by private sector were sporadic, which that made it difficult to make informed decision on the magnitude of their investments;

(iii) Weak Preparation of Projects: Project preparation starts from the moment the idea is conceived. Many sectors do not have an adequate number of personnel with sufficient expertise on to prepare the projects. As a result, most of the projects were too poorly developed to attract finances from domestic and international funders;

(iv) Unsteady Flow of Funds for Development Projects: Timely disbursement of funds for development projects has adversely affected by factors such as long negotiations with lenders, circular nature of revenue collection, lengthy procurement and untimely disbursement of funds from DPs. For such reasons, some institutions have failed to utilize the funds on time. The other scenario is increased cost of implementing the projects due to delays of payments for the certificates raised by the contractors;

(v) Private Sector Involvement in Financing and Implementation of development interventions: Despite the significant contribution of the private sector to the economy during the implementation of FYDP II, there are number of challenge which limit the direct participation of private sector in financing and implementation strategic and priority projects of FYDP III;

(vi) Availability and quality of data: one of the major concerns found during the implementation of the FYDP II is relates to availability and quality of data. In some cases, datasets are incomplete, making it difficult to make precise analyses of trends and projections.; and

(vii) Weak M&E Reporting at All Levels: Lack of an integrated M&E framework was an impediment to measuring actual impacts of development at all levels. This made it difficult to identify critical issues that needed deeper analysis and right policy responses in a timely manner. There is lack of capacity to synthesize information that is collected for timely strategic decision-making and accountability. Overall, there is inadequate human resources capacity with respect to staffing and specific technical expertise to identify and disaggregate available data by locality and socio-economic groups. Coordination, management and reporting of new data among multiple partners involved in implementing the national policies need to be improved. With each sector doing its own M&E, consolidating of the reports becomes tedious and may sometimes be ignored.

2.12 Way Forward

Maintaining Macroeconomic Stability: Macroeconomic stability requires interventions, which address balance in fundamental macroeconomic variables such as inflation rate, exchange rate, interest rate, balance of payments, fiscal deficit, and external debt, promotion of external trade as well as effective management of both demand- and supply- side can ensure economic stability. One of the key factors for a stable macro economy is expanding the scope for tax and non-tax sources of domestic revenue. Macroeconomic management shall pay close attention to possible exogenous risks and trade practices that may destabilise external balance stability.

Improving Quality of Service is Critical: With regard to social services, investments dedicated to quality-of-service improvements have to be implemented. This is far from suggesting that quantity (e.g., coverage, outreach, etc.) is no longer a concern. There will remain a need for better, more precise planning and forecasting of "quantity", that is, an optimal number of physical facilities and distribution of the same in the country as total population rises. Examples include construction of school/college buildings, health facilities and equipment, sanitation/ sewers etc. This is important since quality also depends on the state and adequacy of the physical facilities.

Skills development interventions: Human resources capacity is a cross-cutting challenge in terms of both level of staffing and quality (proficiency) across sectors. Sectors have to devise short and medium-term training programmes to fill up positions with the right competencies. However, as noted in the Introductory chapter, this will best be pursued through concerted skills development interventions involving partnerships linking: (i) technical and vocational education and training (TVET) and higher-degree programmes, with more emphasis on the former, that is, the TVET channel; (ii) Government; and (iii) the private sector (industry) and other non-state actors, mainly the Faith-based, community-based and civil society actors.

Improving engagement framework with the private sector: During the FYDP II, the political commitment and stance on promoting private sector investments is strong and clear. The major bottleneck is translating these political and policy directives into follow-up actions or implement them to the letter at all relevant levels of government (central, regional, local). There will be a need to revisit the strategies for productive inclusion of domestic investors-small and medium scale-in the competitive economy and accelerate the pace of formalisation of the informal sector.

3

PROMOTING PRIVATE SECTOR AND NON-STATE ACTORS' PARTICIPATION IN ECONOMIC DEVELOPMENT

3 CHAPTER THREE

PROMOTING PRIVATE SECTOR AND NON-STATE ACTORS' PARTICIPATION IN ECONOMIC DEVELOPMENT

3.1. Overview

This chapter builds a case for a transformative participation of the private sector and non-state actors in the competitive economy as a catalyst for sustaining Tanzania's middle-income status and improved human development. The chapter adopts a backward and forwards approach to examining private sector and non-state actor's participation in the competitive economy. This includes a situational and institutional appraisal of the status quo vis-à-vis aspirations of FYDP III. Analysis offers a basis for creating effective coordination and regulation of transformative private sector development and participation in the national economy. This chapter offers guidance to stakeholders on the development of a willing, ethical and engaging private sector, capable of defining, reproducing and repositioning itself within the evolving middle income economy. The chapter, therefore, calls for joint efforts to increase the growth and dynamism of the private sector and non-state actors, increase formality, enhance good governance, improve private sector exploitation of trade and investment opportunities, and increase sustainability of private sector and non-state actors' activities. These will in turn facilitate economic growth, employment, competitiveness, and human development.

3.2. The Private Sector in Tanzania

The United Republic of Tanzania has been undertaking private sector reforms since the mid-1980s. These reforms have geared at facilitating the withdrawal of Government from active economic production and redirecting its resources and energy towards the maintenance of law and order, provision of social services and creating a conducive business environment and investment climate, with a view to increase private sector participation in the economy. During the 1990s, the private sector grew quite rapidly from its nascent stage consequent to the policies of economic liberalization and structural adjustment, which included the divestiture of State-Owned Enterprises (SOEs) and financial sector reforms. Over the past 10 years, its

expansion has been characterised by substantial inflows of FDIs into the extractive industry. There have been limited FDIs inflows into broad based inclusive sectors, in particular agriculture and agri-business.

The private sector landscape in Tanzania includes many actors including small farmers; livestock herders; mini, micro, small and medium scale entrepreneurs; social entrepreneurs, commodity, and services brokers, and associations of various entrepreneur groups. However, the domestic private sector is dominated by informal businesses. The 2012 National Baseline Survey of Micro, Small and Medium Enterprises, estimates that 4 out 5 private sector workers are informal activities. Mini enterprises involve one to three people. Micro enterprises are those engaging up to 4 people in most cases family members, employing capital amounting up to 5 million-and having a turnover of TZS 12 million per annum. About 54.3 percent of MSMEs are women-led businesses. Most mini and micro enterprises fall under the informal sector. They also include survivalist enterprises; whose income generation is less than the minimum income standard or poverty line. Often there are no paid employees and asset value is minimal. Examples here include vendors, brokers, itinerant traders, and hawkers. Mini and micro enterprises tend to have low survivability and are difficult to target and difficult to serve.

This structure reflects a private sector generally constrained by four major problems:

(i) Pervasive informality of the private sector, some 4.3 million households are employed in the informal sector, often with inadequate access to support services and decent work opportunities.

(ii) Unsustainable private sector participation, the average lifespan of small businesses in Tanzania is 4.1 years, meaning that most private sector establishments tend to be short-lived further exacerbating their economic vulnerability.

(iii) Weak legal framework which confounds key functional features of private sector operations aimed at enhancing the registration of property, easing access to credit, protecting minority investors, paying taxes, trading across borders, and enforcing contracts.

(iv) Weak competitiveness of private sector, with many private sector actors unable to adequately respond to market demand through prices and quality, which restricts their participation in domestic and international markets.

Despite the above generalised bottlenecks, the private sector recorded a 68 percent increase in capital formation in 2016 - 2019, creating some 716,624 jobs largely driven by renewed Government commitment to private sector development. The implementation of private sector friendly policies has led, among others, to the expansion of the private sector, improved contribution to the economy, increased private investment, employment creation, technology and skills transfer, and entry of foreign actors into the economy. Achievements recorded include the increase in private capital formation to TZS 41.8 trillion in 2019 from TZS 24.9 trillion in 2016, and a growth in the private sector stock of foreign investment to US$ 16.2 billion in 2018 from US$14.6 billion in 2016. Tanzania's private sector has been at the vanguard of economic transformation in with its share of non-farm employment increasing to 30.2 from 21.9 percent in the period 2006-2016. This increase is responsible for much of the decline in the real share of agriculture to GDP from 28.4 percent in 2006 to 26.6 percent in 2019.

Despite the private sector's increasing contribution to economic growth and employment creation, informality has prevailed and reduced the trickledown effect of this growth. Discounting agriculture (which is predominantly informal), the National Integrated Labour Force Survey (ILFS 2014) estimates that the informal sector employs some 21.7 percent of all workers in Tanzania. Informality refers to an absence of legal recognition of existence. Informality is often characterized by, among others, limited access to: - capital, legal protection of employment and incomes, irregular pay, poor working conditions etc. The International Labour Organization (ILO) contends that informality is among the primary contributors to the denial of decent work opportunities. The MSME Survey 2012 estimates that only 3.9 percent of all non-farm MSME in Tanzania are formally registered. Further, the ILFS 2014, found that employment in the informal sector has increased by nearly three-folds from 1,682,383 workers in 2006 to 4,344,580 in 2016. In relative terms, the informal share of non-farm private sector employment increased from 46.1 percent to 71.8 percent. Indeed, ILFS 2014 found that the monthly median earning in the informal private sector was TZS 120,000 compared to TZS 220,000 in the non-farm formal private sector, and TZS 500,000 in the public sector.

3.2.1. Participation in Agriculture

Tanzania's economy has continued to be dominated by Agriculture. Agriculture employs about 66.3 percent of Tanzania's workforce. Much of Agricultural production lies in the private sector. Research indicates that for the period 1960 to 1970, the private sector through small holder farming and small-scale commercial farms sustained 90-96 percent of the minimum food security in the country. Following agricultural market reforms of the 1990s, food production reached 100 percent of the FAO the food security requirement. However, while the private sector has sustained food security over a long period of time, it is still producing for subsistence.

Apart from supporting food security the private sector has been behind a steady rise in cash crop production. Tanzania's main export cash crops are tobacco, cashew nuts, coffee, tea, cloves, cotton, and sisal. Cashew nuts, responsible for 75 percent of livelihoods of over 700,000 households, is Tanzania's most important exported cash crop and its contribution grew to USD 353.1 million in 2019 from USD 201 million in 2016, followed by coffee whose exports grew to USD 153.4 million from USD 109 million in the same period. With increased support through an enabling production, marketing and export environment backed by improved awareness of standards, increased access to capital, acquisition of new knowledge on production, storage, processing, packaging, logistics, quality assurance and marketing, the private sector which is behind all this success can increase its share of the local and foreign markets in agricultural products.

3.2.2. Participation in Other Productive Sectors

The National Census of Industrial Production, 2013 published in 2016 (CIP 2013) indicates that the private sector accounts for 99.6 percent of all industrial production in Tanzania, through either sole ownership (99.5 percent) or public private partnership (0.1 percent). The private sector's participation in industrial production primarily focuses on the manufacturing of: - food products (39.9 percent); wearing apparel (27.0 percent); and furniture (13.8 percent). Consistent with the enhanced industrialization drive of Tanzania's long term perspective plan (LTPP), there is scope for increased private sector growth and diversification in the manufacturing of value-added consumables such as fabricated metal products, textiles, leather and related products, rubber and plastics, and pharmaceutical products. Therefore, given the necessary support, both large and small-scale enterprises have a big potential to become the epicentre of the new industrialization drive.

Against this background, this chapter critically examines the bottlenecks and constraints facing the private sector, outlining relevant interventions to align private sector engagement with strategic economic development processes as reflected in FYDP III.

3.3. The Non-State Actors in Tanzania

There are over five thousand registered non-governmental organizations in Tanzania working on the different areas of human development, economic development, and environmental protection. The non-state actors (not-for profit private sector) has been playing a historically important role in supporting in the delivery of many key social services, particularly health, education, and training. As of 2020, the not-for profit private sector owns approximately 50, 40 and 25 percent respectively of higher learning institutions, primary health, and education facilities in the country. The sub sector has also been an early pioneer of Public Private Partnerships with several establishments benefitting from both direct and indirect input by the Government.

This Plan seeks to consolidate the contribution of non-state actors in economic development through appropriate institutional arrangements to promote harmonious co-existence of the sub sector and its profit-seeking counterpart, as well as the public. Further, FYDP III will strive to promote diversification of the sub sector's investment portfolio to other strategically important value-added production and employment generating activities. These include the promotion of not-for-profit social enterprises catering for women/youth and People with Disabilities (PWD) groups in food processing, handcraft, agricultural business, in social and environment sectors i.e., in education, health sectors, climate change, environmental protection.

3.4. Regulatory and Policy Limitations Impacting Private Sector and Non-State Actors Development

3.4.1. Private sector

The private sector in Tanzania is governed by multiple legislations and institutions. The government has taken a number of steps including: The Business Environment and Investment Improvement Program 2010, the Tanzania Business and Resource Formalization Program (MKURABITA) 2004, issuing national IDs, preparing a plan to improve business management systems to strengthen the investment environment in partnership with the private sector, and to amend the Rules of the Conservation and Environmental Management Act by reducing fees and levies; Adjusting the responsibilities of the Tanzania Bureau of Standards (TBS) and the Medicines and Medical Equipment Authority (TMDA) to eliminate overlap of responsibilities; issue a Guide directing Local Government Authorities to issue building permits within seven working days; Introduction of electronic payment system and levies by the Government; the establishment of a single 24-hour port service delivery centre and the establishment of One Stop Border Posts. These measures have led to increased participation by various private sector participants in the national economy.

Despite above initiatives taken by the Government, still there is complexity or costs of cross border trading, starting a business, weakened protection of private investments, paying taxes, and weakened enforcement of contracts. The Government will continue to address these challenges through regulatory and operational reforms, to enable access to credit, timely access to building permits and property registration. The goal is to ease and reduce financial and time burden to the private sector and building trust between the private sector and the public sector.

Implementation of FYDP III is geared towards addressing infrastructure challenges; research and innovation challenges; and policy and regulatory barriers in the operation of the private sector:

(i) **Infrastructure:** The government will continue with the construction of transport and transportation infrastructure, energy, water and storage in order to reduce production and transportation costs and make the private sector more competitive.

(ii) **Research and Innovation:** The Government will continue to invest heavily in the education and development infrastructure of the nation with the specific aim of producing more skilled professionals at all levels in line with the needs of the private sector. In addition, the Government invests in quality seed research and various technologies to enable the private sector to benefit from the results of such studies and increase productivity and competitiveness. In this regard, the Government will develop a system that ensures that the public, private sector and research and innovation institutions work closely with each other.

(iii) **Levies and Fees:** The Government will continue to improve the system of levies and fees to reduce the number of levies and fees that lead to increased operating costs and thus make the industry less competitive and thus affect performance and growth.

(iv) **Capital and Loans:** Small, medium, and micro enterprises (MSMEs) are failing to secure financial resources from banks and financial institutions due to those institutions requiring collateral, accurate accounting information and documentation of borrowed projects. To address these challenges, the third plan will set out the steps to take to ensure that credit for this sector is available.

(v) **Investment Land:** Through the FYDP III, the Government has put in place various measures to facilitate access to land for the construction of investment infrastructure such as farms, factories, health services, schools, hotels, and other properties.

(vi) **Partnership between the private sector and the Government:** the challenges of the private sector cannot be solved by the Government alone without the sincere participation of the private sector. FYDP III sets out a framework for public-private partnerships with a view to negotiating and finding common solutions and building mutual trust.

3.4.2. Non-State Actors

Non-State Actors in Tanzania are governed by multiple legislations under different Government institutions. These includes: the Non-Governmental Organizations Act of 2012 under the Ministry of Health, Community Development, Gender, Elderly and Children; The Trusteeship Incorporation Act of 2002 under the Ministry of Justice and Constitutional Affairs; and The Societies Act under the Ministry of Home Affairs. The Government enacted new law in 2019 on how Non-governmental organizations (NGOs) should operate in the country but the law is yet to be fully operational. FYDP III aims to address policy and regulatory barriers in the operation of Non-State actors.

3.5. Policies and Institutional Position on Private Sector and Non-State Actors Development

The Government recognizes the importance of putting in place an enabling business environment and a conducive investment climate for private sector and non-state actors' development. To this end, the Government is carrying out several reform initiatives. These include establishment of the Tanzania National Business Council (TNBC) as a forum for regular public and private sectors' consultations to resolve private sector

development challenges, the Roadmap for Improving Business and Investment Climate – 2010, Blueprint for Legal and Regulatory Reforms 2018, introduction of Small Entrepreneurs' Identity Cards, establishment of local content units, and elevation of the Investment portfolio to the President's Office.

The Government has also undertaken deliberate efforts to consolidate Non-State Actors registration and management in the country by cancelling all company limited by guarantee registration and conducting a national wide validation exercise of registered non-governmental organizations. The Government is working with the sector stakeholders to strengthen the NGO registrar's office and the National Council of NGOs (NaCONGO) to enable them to fulfil their mandate in line with the Non-Governmental Organisations Act, No. 24 of 2002 (the NGO Act), and its amendments as introduced by the Written Laws (Miscellaneous Amendments) (No.3) Act 2019 (the Miscellaneous Amendments Act). These policy and institutional reforms have helped to reshape the private sector and non-state actors view and response. To be optimal, these all could have greater impact if there is coordination of relevant strategic interventions, serving the private sector.

Structured dialogic platforms through Tanzania National Business Council (TNBC) at national, ministerial, regional, and district administrative levels, have provided room for resolving private sector business issues and promote social economic development through consensus building and mutual understanding. However, the capacity of private sector umbrella organisations to represent its members in the PPDs has been weak, lacking data and unified position, and not well researched agenda. The umbrella organisations including TPSF, CTI or TCCIA have not been able to attract all private sector players in their lines of operation. This is because they have not been able to develop initiatives to resolve cross-sectoral constraints. Further, it is important to have a wider framework of new firms such as new private sector operators, People with Disabilities (PWDs) to be included at sector level. An expanded scope of framework by engaging other institutions such as National Productivity Unit could also be important to improve insights of the private sector on issues of efficiency, competitiveness and quality service deliver. Therefore, the ongoing links between the public and private sector should be strengthened.

3.6. Local Content and Local Economic Development

The realisation of a competitive semi-industrialised economy depends on harnessing business linkages between incoming FDI and local business firms and MSMEs as part of promoting the maximisation of local content inputs. This is necessary to deepen domestic business and social entrepreneurs' participation in sectors with a high potential for broad-based inclusive participation including agriculture, mining and tourism. Local content is even more critical in new and emerging sectors such as oil and gas where innovative programmes and measures to create opportunities for enhanced domestic inclusion in emerging investment opportunities are required. The Government will continue to take measures for the development of a local content policy for the oil and gas sector. The Government will also continue to develop solid legal and administrative guidance, including balancing quality, price, time, and source considerations.

To be effective, local content and local economic development strategies will be formalised for certainty and predictability, thereby allowing businesses to incorporate them in their supply chain management plans and practices. FYDP III will see the development of a 'thriving' local entrepreneurial (private enterprise) class and clearly articulated not only as a viable for sustainable employment generation but also for faster economic growth.

3.7. Proposed Strategic Interventions for Private Sector and Non-State Actors Development

The proposed interventions at sectoral interventions take into consideration the critical role of the private sector and non-state actors, including knowing well and attending to the needs of the implementing private sector players and non-state actors. The Government recognises the imperative to support the private sector for the strategic interventions to bear the intended results. Specific interventions that the public sector will encourage to facilitate private sector and non-state actors' participation in FYDP III's implementation include the following broad categories: (A: Improving the business climate; B: Expanding access to critical economic and social infrastructure, and C: Supporting enterprise development.

(a) Improving Business and Investment Environment:

A conducive environment for business planning and operation is essential for the development of a vibrant, competitive and sustainable private sector. Interventions for improving business environment shall prioritise:

(i) Macroeconomic stability: The Government shall promote sustained macroeconomic stability characterised by economic growth at a rate averaging 8.0 percent per annum, low annual inflation not exceeding 5.0 percent, currency stability and an adequate foreign reserve position;

(ii) Continued collaborative implementation of the Blueprint for Regulatory Reforms to Improve the Business Environment;

(iii) Strengthen public-private policy dialogue through devolved and strengthened TNBC, NEEC and NaCONGO structures; and

(iv) Improve market regulation to facilitate fair competition at affordable compliance costs.

(b) Expanding Access to Social and Economic Infrastructure

Adequate infrastructure (including formality and security of land tenure, transport, electricity, water and ICT infrastructure) is an essential input for smooth and cost-effective operation of business. Similarly, access to quality of social services like education, health and judiciary reduces the risk of high operational cost for enterprises, thus contributing to faster private sector development. In this regard, the following interventions shall compliment the effort to promote private sector and non-state actors' participation in Tanzania's economic development:

(i) Continued investment in human capital (health, education, etc.) and governance systems as indicated in relevant sector programmes;

(ii) Investment in economic infrastructure as indicated in relevant sector programmes;

(iii) Investment to secure Tanzania's positions a regional logistics hub with efficient air, land, marine, inland water transport and ICT connectivity.

(c) Supporting Enterprise Development

Effective change requires information, data, and analysis on the opportunities and constraints enterprises face as they strive to diagnose situations, facilitate evidence-based decision-making and assess the effectiveness of their decisions. FYDP III put in place measures to increase the survival rate of start-ups. Measures in this regard shall include::

(i) Provide inclusive business support services, including by providing and sponsoring entrepreneurship training for eligible entrepreneurs, facilitate registration/formalisation, sharpen business plans and back up for engagement with potential financiers;

(ii) Assist to provide information on opportunities, advocacy and investment promotion generally;

(iii) Promote specialised financing windows for eligible enterprises;

(iv) Organise or support business incubation laboratories, including for innovators;

(v) Support the development and awareness of Business Development Services (BDS) to support private sector competencies along the value chains of priority sectors and use market access opportunities; and

(vi) Promote local content and local economic development strategies.

3.8. Building Trust in the Public-Private Dialogue (PPD)

Review of country experiences show that, often a time, Public-Private Dialogue (PPD) becomes ineffective due to mutual distrust between the Government and the private sector. For the private sector and non-state actors to thrive and make a significant contribution to the economy, both parties must trust each other. This will make it possible for each party to fulfill its role. The Government has a responsibility to create an enabling and safe environment for the private sector and non-state actors but also the private sector and non-state actors has a responsibility to conduct its activities transparently and to provide accurate information to the government.

The FYDP III lays the groundwork for dialogue as a key pillar of trust building by ensuring that there are mechanisms for listening to and working on private sector complaints, arguments, and opinions. In the private sector, the FYDP III strategies require transparency and accurate business information, fair competition, and the proper use of investment incentives offered by the Government. FYDP III has set the stage for having a top leadership of the country with a sincere commitment to engaging the private sector. It is believed that the gap between high-level Government officials and a group of businessmen will decrease. An example is cited of Malaysia where, way back in 1983, the President of the country introduced the '***Malaysia Incorporated Concept***' by which the top leader convinced the private sector to see national development as a corporate entity in which both the public and private sectors were partners. Stronger national development meant the best possible returns for both partners. The '***Malaysia Incorporated Concep***t' reconciled the divergent perceptions by both parties that had existed for a long time. Further, Malaysia adopted the ***Integrity Pact*** which helped the Government, business, and civil society to check corruption in the field of public procurement.

Mandatory background checks (due diligence) will be carried out by State authorities as required by the law; in which case the private sector would need to provide accurate information: this is where the trust of the private sector gets tested.

Box 1: The State of Start-ups

Tanzania is a country in which 75 percent of its population is under the age of 35. It is estimated that about one million young people enter the labour market each year while 200,000 of them successfully find employment immediately, the remaining 800,000 are not guaranteed with official employment. Thus, entrepreneurship is becoming a major way for these young people to develop themselves, especially by starting small and medium enterprises (Start-ups, Small and Medium enterprises, and Social Enterprises), while focusing more on using digital technology and innovation in solving socio-economic challenges. The growth of modern networks and technologies and the presence of many enthusiastic young people with entrepreneurial mindset make it possible for such businesses to grow faster. The existence of an enabling environment for such businesses is, however, essential to address the challenges encountered by many youths in transforming their ideas and vision into personal income and social support, and even making their businesses fail to grow.

Innovation and potential to grow fast is a key difference with traditional SMEs. In order to reap benefits derived from start-ups businesses and address above mentioned challenges, FYDP III will focus on initiatives that aim at putting in place legal and operational business systems that recognize specific needs of youth-owned, women, people with disabilities and start-ups and businesses.

Similarly, the measures planned under the Master Plan for Financial Development 2020/21 to 2029/30 Government will promote domestic procurement as an important area of strategy to increase the use of domestic resources for all public sectors, the use of public entities by developing a local procurement strategy and encouraging the use of the Internal Procurement Opportunity Assessment as part of the Environmental and Social Impact Assessment for all major projects. Companies will be encouraged to participate in a special local procurement program as part of corporate social responsibility information. The government will conduct an analysis of the potential for special incentives for effective implementation of such strategies.

4
STRATEGIC POSITIONING FOR IMPLEMENTATION OF FYDP III.

4 CHAPTER FOUR

STRATEGIC POSITIONING FOR IMPLEMENTATION OF FYDP III.

4.1. Overview

As indicated in Chapter I, the FYDP III aims to guide the national effort towards the attainment of TDV 2025, making Tanzania a middle-income, competitive and semi-industrialised economy with shared growth and high-quality human development. The chapter presents the basic considerations, thrust and justification for the proposed conceptual framework by identifying areas most pertinent to guarantee attainment of the TDV objectives. It amplifies, among other things, science, technology and innovation in raising the country's competitiveness for more gainful participation in global trade.

Section 4.2 focuses on the role of FYDP III in consolidating the country's status as a middle-income country. Sub-section 4.3 outlines the 'norms' that guide the nation's choices of specific means (interventions) and implementation in pursuit of TDV 2025. Section 4.4 reviews literature on global competitiveness and draws lessons for Tanzania. Section 4.5 brings together the conceptual framework for linking competitiveness, industrial-isation and trade, whereby good governance and social development are featured to make FYDP III truly consonant with TDV 2025 objectives. Section 4.6 presents a thematic approach that combines theme that Government and private sector will reflect on in designing and implementing more pointed strategies, for faster realisation of the TDV 2025 objectives.

4.2. Consolidating the Middle-Income Status

FYDP III builds on lessons and carries forward the achievements from previous national development frameworks, beginning with the poverty reduction strategies and later (as guided by) the LTPP.FYDP I emphasised on unleashing growth potentials through infrastructure projects while FYDP II reinvigorates industrialisation. As with poverty reduction strategies, the FYDP I & II stressed progressively high human development as the ultimate goal.

Building hard and soft infrastructure for Least Developed Countries (LDCs) for instance Tanzania is a continuous process so as industrialisation. The proposed interventions under FYDP III aim to continue expanding the networks of transport infrastructure, water supply, the national grid (electricity) and communication including high speed internet to all rural and urban locations of the country. The infrastructure networks will support access to markets and easier delivery of social services. Economic policy will focus on promoting

macroeconomic stability and business environment for enterprise growth, ensuring sustainable use of the country's natural resources as well as exploiting the potentials of geographical location. These create and strengthen the productive capacity and basis for stronger growth of the economy.

Attaining a middle-income status boosts the expectations for consolidating the position by 2025. However, it is understood greater momentum is required, since as noted in Chapter Two, the country has consistently fallen short of the annual GDP growth target of 8 percent or more stipulated by TDV 2025. Efforts to strengthen industrialisation, trade and competitiveness agenda are expected to improve productivity and export performance. The FYDP III theme integrates multiple, linked objectives of building a strong, competitive economy, an economy that is industrializing and exporting more value-added products and services while consolidating domestic market. Achieving an increasing share in global trade requires:

(a) Good understanding of the mega-trends, opportunities and challenges posed by the current global economic order, hence the need to explore more the concept of international competitiveness; and

(b) Building a strong productive base through continued structural transformation characterized by shift of factors of production and the relative shares of agriculture, manufacturing and services in total output (GDP), as well as sophistication of final products.

For this reason, the FYDP III incorporates the drive for greater competitiveness, to domestic and international levels, in all sectors, driven by STI-based capacity to diversify production and exports. Besides economic growth, other objectives of TDV 2025 is to improve human development have to be attained. Thus, more growth is required to generate adequate financial resources to finance social development interventions. Faster growth will also enable the country to avoid slipping back to the low-income country bracket. The FYDP III is, therefore, expected to drive the country towards upper middle-income status.

In addition to expanding exports, Tanzania has reason to nurture the domestic market for most of her value-added (manufactured) products as the economy develops in terms of both income and quality of life befitting the middle-income status. A steady domestic market, as per capita income rises, will allay some of the risks due to unforeseen shocks to Tanzania's performance in foreign markets. In general, strong economic growth will help build resilience and preparedness for possible other shocks such as pandemics, extreme weather, fluctuations in external commodity prices, new/competing suppliers and geopolitics.

In the endeavour to ***Realising Competitiveness and Industrialisation for Human Development***, FYDP III adapts to Tanzanian circumstances and draw lessons from industrialised and industrialising countries in developing strategies and setting priorities. International and regional economic arrangements and conventions on environment and climate, among others, provide insights on a range of strategic guides on the social dimensions of development.

4.3. Guiding Norms and Values for FYDP III

The FYDP III recognises the paramount of national unity and social cohesion, rule of law, respect for human rights, equitable society and peace and security as prerequisites for sustainable and inclusive socio-economic

development. Tied to these values are good governance, continued fight against corruption and proper use of the nation's natural and financial resources.

Under the FYDP III and beyond, economic policy will aim at building an economy that is inclusive, competitive and integrated, underpinned by industrialisation and services driven by modern science, technology, and innovation (STI). For FYDP III to have the desired socio-economic impact, economic management will, at the minimum, observe the following supporting conditions:

(i) That economic growth (GDP) steadily grows at not less than 8 percent per annum, aiming specifically at consolidating the country's status as a middle-income country; both in terms of income and indicators of social development; and that the country does not slip back into low-income country bracket;

(ii) That Tanzanians shall maintain and uphold full right to their economic choices, with regard to ownership and exploitation of the country's natural resources of land and air space, water, mineral wealth, petroleum and natural gas, wildlife and forestry resources, and that the resources shall benefit all citizens;

(iii) That the country shall exercise very close oversight over extraction of the natural resources. This will include building local technical capacity in the technologies of extracting, processing and other value addition activities; increased local capacity for contract management and negotiations over production and sharing of benefits thereof; maximizing local content; and that extraction shall be sustainable in terms of environment for the benefit of current and future generations;

(iv) That the country continues to expand the basic economic infrastructure (networks of surface, marine, and air transport; power and water); and that all development projects make clear budget provision for ***Operations and Maintenance*** (O&M); and protection of infrastructure against vandalism and any forms of sabotage in order to sustain the flow and quality of infrastructure services;

(v) That the country continues to expand the digital infrastructure - the National ICT Broadband Backbone - for country-wide quality mobile telecom networks in order to enable the citizens to benefit from the digital revolution including development of digital-based services in finance, health, education, public administration, judicial services and market information;

(vi) That agricultural sector will be transformed and commercialized consistent with considerations of climate smart agriculture (CSA) that farmers shall be incentivized to invest beyond food security needs, sustainably increase productivity and incomes, adapt and build resilience to climate change, and where possible reduce and/or remove greenhouse gas emissions;

(vii) That, through international relations, Tanzania will actively work for global and regional peace and use economic diplomacy to guide and promote foreign trade and investments while standing up for fair competition within the country and between the countries and the rest of the world;

(viii) That improved, transparent business-enabling conditions are put in place and implemented for private enterprise growth and for the formalization of the informal sector. In this regard, minimum requirements shall include:

a) Consolidation and harmonization of the regulatory conditions for registration, paying fees and levies and other requirements in order to make it easier for businesses to comply, including in paying taxes.

b) Revisit the mandates of regulatory institutions for clearer separation of revenue-generation and facilitative roles.

c) Application of digital capacities to curb corruption practices including minimizing corruption-prone person-to-person contacts in the course of such facilitation.

(ix) With regard to employment creation, apart from nurturing private enterprise growth, more interventions

shall be pursued to promote productive and decent job-creation through:

a) Radical review and strengthening of existing support schemes for youth, women and people with disabilities for special skills and low-interest rate loans; and

b) Targeted support to technical/engineering graduates who develop tech-start-ups with special interventions for young women engineers.

c) In both (a) and (b) cases, monitor, support and evaluate their growth and loan repayment for more others to benefit.

(x) That government engages in investment/business activities that are of strategic, national interest and those in which the private sector has least interest or is not financially able to undertake; and that both state-owned and private enterprises shall strive to sharpen their competitiveness in local and global markets;

(xi) That the scope for public-private sector dialogue is expanded and that issues of mutual mistrust are addressed; and

(xii) That stable and predictable investment/business environment is maintained in order to attract both local and foreign investors. Among other steps, efforts will be made to:

a) Maintain macroeconomic stability - high GDP growth, domestic revenue mobilisation and anti-inflation measures, supported by stable stance with supportive monetary, fiscal and financial policies;

b) Reduce dependence on foreign aid;

c) Expand and improve human capital base, for a population that is educated and learning, and is skilled especially in science and technology;

d) Ensure the workforce is adequately motivated and compensated;

e) Improve and protect welfare and working conditions of workers in all sectors; and

f) Strengthen environmental conservation and protection in order to mitigate adverse effects of climate change.

4.4. Experience from Global Context of Competitiveness

A competitive economy may be conceived as the one whose nationals and firms are able to sell goods and services, under free and fair conditions, in global trade at competitive prices and quality. This presumed frictionless international trade. For an individual country, the objective is to raise domestic employment and the nation's global market shares in trade and inflows of foreign capital, while strengthening its productive base and acquiring capability to flexibly diversify its structure of production and exports in response to changing market conditions.

For a variety of reasons, international competition is not always fully free and fair. For economic and even political reasons, countries apply tariffs, non-tariff barriers and even outright sanctions. In recognition of this, the multilateral trading system provides for options for countries to agree such "market access" and/or preferential trade arrangements which the signing parties consider to be mutually beneficial. But such arrangements barely conceal the underlying 'mutual competition' among countries; rather, behind the scenes, nations strive to ensure the better conditions for their national enterprises to excel in order to secure and raise

export markets (shares), attract foreign capital and maximise on or protect domestic jobs. The nations do so by managing an attractive business/investment policy environment, considering infrastructural services, quality of the labour force, efficiency of customs, stable tax and regulatory framework, among other factors.

In many of the compilations of rankings of countries by competitiveness, several factors appear that nations' policy makers focus on in their attempts to assist their national enterprises to grow and compete internationally and to attract new (foreign) investments. When put together, these factors imply actionable areas for government and domestic firms. These include: macroeconomic stability; quality of infrastructure (transport, energy/electricity, telecommunications); human capital (talent, skills, wellness, creativity, integrity); efficiency of institutions; level of capital/financing; transparency of the transparent regulatory frameworks; cost of doing business; exchange rate stability; and the role of Government in supporting Research and Development.

Factors that enhance competitiveness also play a role of influencing attractiveness of the country to foreign direct investment. Countries strive to reduce domestic costs of production (by putting in place more efficient infrastructure) and increase labour productivity as a basis for creating ***competitive advantages***. Competitive advantages are simply value-addition activities that are underpinned by STI, above and beyond the simple (elementary) processing of traditional comparative advantages. Innovation makes possible new products/varieties (diversification of production base and of exports), lowering costs and increasing output and standards (quality). Innovations introduce new techniques, new products and new methods of organising production, exchange and networking. Experience from advanced industrial countries and industrialising Asia, show that government funding of STI and R&D infrastructure has been instrumental in supporting innovations. In some instances, governments apply forms of coercion to ensure that results of R&D and innovations are put into practice to improve the competitiveness of national businesses.

Experience therefore shows that it is human capital - more specifically - superior knowledge and technological development that can cause a transformational change in export performance, reflected in the knowledge and technology content of manufactured exports. This is important for Tanzania; whose exports have long been concentrated in a few primary exports. STI-based human capital should make possible diversification and ability to take part in the evolving Global Value Chains (GVCs). In general, the benefits of competitiveness go to countries that excel in science and technology-led creation of 'competitive advantage', which is a superior enhancer of export performance, that is, as and when the shares of medium and high technology content in total manufactured exports increase.

With regard to foreign direct investment specifically, governments of developing and developed nations alike have, for the last six decades, created public institutions, commonly known as ***investment promotion agencies*** (IPAs), to assist in facilitating foreign investors. Inflows of foreign investors mean new, additional capital that comes along with new (advanced) technologies, managerial and marketing know-how, networking, and have the potential to boost exports. Developing countries like Tanzania, in addition, have to pay further attention to facilitating domestic investors in support of a nascent private sector.

Another perspective for Tanzania's current and future development endeavours is to avoid '***global rush***' by advanced industrialised countries, for natural resources, particularly minerals, oil and gas resources in developing world, including Africa. For the developing countries, the choice is to ***either***:

(i) to continue exporting the resources in their natural state (unprocessed), with only limited local processing or (ii) to do a good deal of local value-addition before exporting them. Option number

(ii) is the correct route to take for the national interest in developing countries.

However, this option requires a combination of

(i) strong 'national human capital' in terms of knowledge, science and technology and

(ii) political willpower to wrench the best deal for the country. The same may be argued for all other natural resource sectors including fisheries and forestry resources.

A study of Asian economies that became lower-middle income and graduated to upper-middle income between 1960 and 2014, and became successful exporters, found that apart from individual country-specifics, such as demographics, financial sector development, and hard-working populations, the respective governments:

(i) Prioritized (and still prioritize) spending on human capital development as a basis for local value-addition, R&D and innovation;

(ii) Laid basic infrastructure;

(iii) Instilled good governance, both state and corporate;

(iv) Supported the development of a strong 'indigenous capitalist class'; and

(v) Designed and pursued export promotion and policies that quickly helped them transit from import substitution. In particular, the countries purposefully built local technological capabilities that enable them to develop, fabricate plants over time, and thus gradually reduced over-reliance on imported plants and technologies.

In countries like South Korea, Brazil, Chile, Indonesia, Malaysia, Singapore, Thailand and Vietnam, the Government created a persuasive vision and rallied the majority of the population behind that vision. The leadership was complemented by a responsive, disciplined population, and focused on enterprise development. In response, the local capitalist class developed the capacity of participating in the global value chains at par with more seasoned multinational corporations.

4.5. Framework of FYDP III

4.5.1. Highpoints of the FYDP III

The FYDP III conceptual framework is built around the focus on consolidating the middle-income status and quality of desired outcomes. The concept links the following five sub-themes, the implementation of which will require cross-sector coordination/collaboration:

(a) More active pursuit of ***competitiveness,*** driven by new knowledge and STI and digital revolution in all sectors. There is greater scope for value-addition activities to achieve - modernisation and improvements in productivity and quality of goods and services.

(b) FYDP III shall ***deepen industrialisation and services provision*** which are reinforced by new knowledge, STI and digital revolution: More specifically, the country will raise the number of manufacturing establishments, with STI-led value-addition in all productive sectors and services. This will make a more sustainable basis for strong domestic supply and export. In addition, a qualitative noble transformational change in the composition of the country's exports is to attain a greater proportion of ***medium- and high-content manufactured exports.***

(c) ***Trade and Investment: Export growth can be attained under conditions of***: continuously

(i) enhanced competitiveness

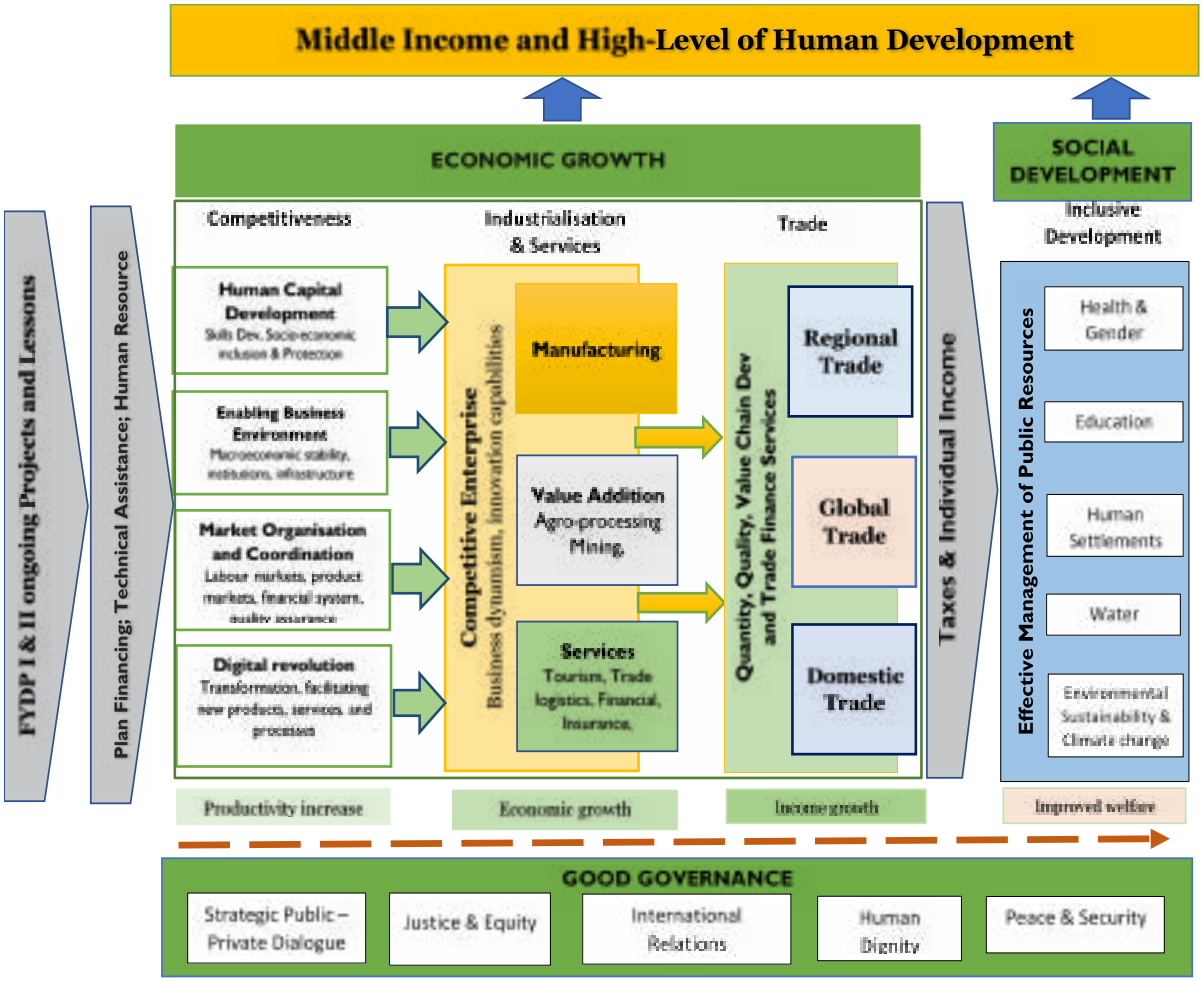
(ii) and deepened industrialisation and service provision. The best scenario is where most exports embody medium- to high-technology content, since such exports of goods and ***services command*** steadier prices than primary exports. Recognising the role of private sector in production and trade, FYDP III calls for the ***role of Government in promoting*** and facilitating private investment and private sector participation in international trade. In the meantime, as the country continues to import mainly capital and intermediate inputs for industrial development, the long-term goal shall be to have an industrial strategy that enables the country to increase capacity to manufacture at least some of these goods locally.

(d) The ***quality*** of the desired outcomes of FYDP III – is synonymous with the high-level human development and in tandem with TDV 2025. This will be achieved through spending on ***social development*** interventions, with particular attention to improved access to education, health, water, public administrative services, law and order, etc. in order to maximize inclusiveness of development.

(e) Skills development will amplify skills development as a way of addressing the low soft skills (as identified in Chapter II). Such skills development from the early levels of schooling (nursery levels) all the way up, will prepare the youth for self-employment. Attention will also be paid to raising the levels and quality of the technical and vocational education and training (TVET) channel, as well as the rare, highly specialised skills in order to raise and sustain productivity and competitiveness and the capacity of the local expertise in developing/exploiting the country's vast natural resources and manning large engineering development projects. The skills development interventions reinforce those proposed as factors that enhance skills development.

The sought-for competitiveness, industrialisation and service deepening, and trade and investment together lead to economic growth while social development adds up to the quality of economic growth. The framework (Figure 2) features governance as a fundamental condition without which economic growth and social development interventions cannot take place on a sustained basis.

Figure 2: Conceptual Framework for the FYDP III



4.5.2. Good Governance

Governance entails a bundle of national priceless values which include: national unity and social cohesion of the people of the United Republic of Tanzania; peace and security; a just and equitable society, upholding human dignity; rule of law; and political stability. The concept further, demands accountability of both the citizenry and those in position of leadership. Clear provisions are made in FYDP III to guarantee participation of all citizens in making key choices in production (work) and in the distribution of the proceeds of growth.

Under governance there is Government commitment to foster strategic public-private sector engagement and government leadership in promoting international economic relations. In the case of the latter, Tanzania is pursuing 'economic diplomacy' towards improved global, regional and national peace and security, equality and respect of territorial sovereignty. These are conditions without which production and trade activities cannot take place smoothly within and across nations. Economic diplomacy fosters the promotion and facilitation of flows of investment, trade and ideas (knowledge, experiences, negotiations, settlements) for mutual (win-win) gains from trade and economic independence. Domestic trade and investment promotion institutions and diplomatic missions will, together, organise information about the country's investment opportunities and tourist attractions and communicate the same in foreign countries.

Going forward, the FYDP III will bank on the trust and public confidence that has been inspired by concrete good-governance and improvements in public services during the implementation of FYDP II. Firm steps taken during the period include stern court and other actions against corruption; removal of ghost workers from public service; curbing theft of minerals and other natural resources; and brakes on the trade in and use of narcotics. Increased discipline at workplaces, including in the use of public finances on concrete projects and social programmes rekindled public goodwill and endeared the citizenry to the agenda of protecting the nation's natural resources and national cultural values and ethics.

4.5.3. Economic Growth

Economic growth invokes the desire to enable the increase in productivity and innovation in all sectors of the economy. Both productivity and innovation entail ***competitiveness*** at individual, firm and national level. Most of all, competitiveness is expected to lead to improved export performance. Under this block there are three closely related sub-blocks: Competitiveness or 'a competitive economy' as per TDV 2025 document (p.12), with key 'determinants' in Figure 4.1. This is followed by industrialisation and Service; and trade and investment. ***Industrialisation and Services*** is now established sine-qua-non for economic transformation, considering the relative significance in national output of (a) ***Manufacturing;*** (b) ***Agriculture*** (crops, livestock, forestry, fishing), mining and (c) ***Services*** and ***Trade*** within which 'export-led' growth is embedded, and analysed along with foreign direct investment.

4.5.3.1. Competitiveness

Figure 4.1 shows the factors that influence the level of competitiveness of the economy: (a) human capital enhancement (b) enabling business/investment environment, (c) market organisation and (d) digital revolution (also known as 4th Industrial Revolution). In most literature, these appear in various models and international comparisons of the various aspects of competitiveness. It is noted, however, that these factors interact one way or the other, mainly in the ways they relate to or reinforce private enterprise development.

(a) Human Capital Development

Competitiveness is advanced primarily by human capital. Human capital development involves creation and use of knowledge and STI to increase productivity and competitiveness in all sectors. It is advancement in human capital that increases the knowledge and technological content in productive activities and products in all sectors such as manufacturing, agriculture, mining, construction and services. For countries like Tanzania, it is important to exploit the advantages of late comers by intensifying training and grasping the latest digital technologies which are set to take productivity and innovative capacities to new levels in all industries and services.

Further, human capital propels innovative capabilities, including in managerial and networking capacities. It imparts technological flexibilities that allow the innovating firms to respond quickly to changes in demand and tastes. It is noted that TDV 2025 envisioned an economy that is not only competitive but also one "with the capacity to articulate and promote national interests and to adjust quickly to regional and global market shifts". The capacity to 'adjusting quickly' to market shifts' can be met by STI-driven capacity. Innovating firms are capable of carrying out product innovations into new products, designs, variety/uses and process innovations or ability to fairly quickly adjust scale, increase plant efficiency, save on inputs for more output, reduce costs and increase in productivity. All this are key to keep the firm competitive and growing.

The factor 'human capital' is cumulated from early child development, nurtured by good health, nutrition throughout the schooling and working experience, focusing in the disciplines of science, technology, engineering and mathematics (STEM). Investment in STEM has long attracted attention in advanced countries as an effective way of boosting innovation, mainly in manufacturing. STEM is also credited for the exponential technological progress in Asian countries. Further, concerted efforts are key in encouraging female students to pursue STEM subjects. In addition, giving priority to youth and people with disability in the area of human capital development is helpful for both youth and people with disability.

The FYDP III exhorts availability of resources to ensure basic, advanced and tertiary education and technical/vocational training are equipped for STI and inclusive digital learning/teaching. This will include continuing to expand physical infrastructure and facilities in line with projected changes in the demographics, in order to allow quality education and health provision that meet standards (number of students/pupils per class, student/teacher, student/teacher ratios, teaching aids; doctors-population ratios, for instance). Adequate quality of education that meet the prescribed standards will ensure availability of quality human capital resource for the nation.

In short, distinctive actions for accumulation of human capital may be itemised as follows:

(i) Basic and advanced level education: Continue improving reach and quality of basic and advanced level education, equipped for next-level STI and digital learning and teaching.

(ii) Universities and technical colleges and R&D institutions to re-reorient the curricula around STEM subjects with more fieldwork/practical attachments. To that effect, formal links between the institutions of higher education and vocational and technical training and the labour market (public sector and corporate/private sector) shall be emphasised in order to reduce/eliminate skills mismatch.

(iii) Strengthen technical and vocational education and training (TVET) channel by (a) strengthening and expanding current technical and vocational education and training (b) designing a higher-level training programme (3 to 4 years advanced) for deepening technical expertise beyond the current programme to create a new crop of super-technicians;

(iv) Provide a special fund (out of existing ones) for the graduates from colleges to incentivise them to design 'joint' business-cases (projects) and fabricate prototypes (innovations); Design/implement programmes enable technology start-ups to link up with and benefit from the proposed national digitalisation strategy.

Role of Innovative Institutions

The Government, through its 'innovation institutions' will plan the best way to fast-track efforts in this direction. This will involve revisiting the original mandates and assess what it should take for them to produce solutions to farmers, manufacturing enterprises and other users of technologies. These institutions include the Commission for Science and Technology (COSTECH), the Tanzania Engineering and Manufacturing Design Organisation (TEMDO), Centre for Agricultural Modernisation and Rural Technology (CAMARTEC), Tanzania Industrial Research and Development Organisation (TIRDO), Small Industries Development Organisation (SIDO), and for public health (National Institute for Medical Research, NIMR). On board also are the universities or equivalent higher education institutions which cover several disciplines, teaching and carrying out research.

The research findings will be implemented through a series of activities such as rounds of technical specifications and designs, experimentation, prototypes, reliability tests, consumer and user safety tests as well as patenting and/copywriting. Finally, mass-production will be undertaken after project appraisal protocols.

(b) Enabling Business and Investment Environment

Business and investment environment entail a number of issues, including: creating right set of institutions, policies, laws, and regulations that are efficient in facilitating businesses and investment to become profitable and sustainable. Besides, it is necessary to ensure macro-economic stability and supportive infrastructure that reduce costs of doing business, and transparent and predictable legal and regulatory frameworks.

The FYDP III will continue to expand networks and improve quality of infrastructural services to improve efficiency and lower costs of operations. In addition, improved infrastructure promotes inclusiveness through facilitating access to other social amenities such as clean and safe water, health and education facilities, markets and financial services.

While indeed a lot has been done to address the cost of doing business through implementation of the ***'Blueprint'*** action plan, there are still some issues that need to be addressed. These include unfair competition, the scope of public-private sector dialogue and ***mutual mistrust*** between the private and public sector.

Actions have to be taken to increase competition. This implies that competition should be fair or made to be so through stringent enforcement of relevant legislation. Tendencies for 'predatory practices' by more powerful companies against smaller and upcoming enterprises must be checked.

The scope for the public-private sector dialogue will be extended or as much as possible be made representative enough of the micro, small and medium enterprises at sub-national levels. Sector characteristics need to be taken into account in order to accommodate the relevant needs.

As entrepreneurs seek to comply with regulations governing ease of starting, registering, operating a business, paying taxes, obtaining permits, capital, and networking, issues of ***mutual mistrust*** between the private and public sector will be addressed. In particular, the mistrust will be resolved through mutual understanding of the two sides (business community and relevant public sector authority) and putting in place a clear and transparent mechanism that promote compliance.

The institutions involved in facilitating investments applications, registration, permits, etc. will review their operational procedures and explore the possibility of jointly working out a consolidated investment facilitation arrangement that is straightforward, short and transparent (regarding permits, licenses, etc.).

(c) Markets

'Market' is another factor that appears in international rankings of competitiveness in various settings. The main markets are for goods, services and factor inputs (land, labour and capital). Both domestic and foreign investors are interested in the quality and marginal productivity of factor inputs and how efficiently the market functions and are regulated. In labour, investors look for talent/skills and integrity. For Tanzania, land is another factor that features as a challenge for investors. Financial sector development is critical in mobilising and channelling of capital to most profitable ventures. Markets also involves import and export of goods and services. Existence of regional and international trade 'agreements' on trade in goods and services, and 'trade wars' even among signing parties (partners) implies that international trade is 'not so free' after all.

It is important for countries like Tanzania to devote attention and resources to enable domestic private sector to acquire technical knowledge required to meet quality, health, environmental and other international standards. Tanzania's horticulture sector is one of the sectors that has successfully met the international standards and hence managed to penetrate external markets. The FYDP III will, therefore, champion an export development strategy that sorts, at sector level, and develops such technical capabilities.

(d) Digital Revolution

Digital revolution (also, digitalisation) includes current and rapidly growing range of new technologies based on digital applications that are accelerating efficiency in production, services and governance systems. They include innovation like robotics, artificial intelligence (AI), the "internet of things" (IoT), industrial biotechnology, nanotechnology and advanced materials, cloud computing, block chain, energy storage, 3D printing, Big Data, to mention just a few.

Although it is not readily feasible to gain entry into many of the frontline digital technologies, several countries including in Africa are already seeing a rising number of innovation start-ups, such as in Artificial Intelligence (AI), cloud computing and block chain. For example, West Africa, block chain is enabling efficient verification of property records and transactions. Block chain is immutable, impersonal and can therefore reduce risk of fraud or favouritism. Financial inclusion has been attributed to application of electronic payments platforms and virtual savings and credit supply platforms.

FYDP III calls for deployment of STI and an enabling environment for private enterprise investment in the research on digital technologies of the 4iR. Envisioned too is job creation potential for a population (especially the youth) that is becoming tech savvy thanks to expanding mobile telephony and the internet. To be 'future ready' for digital-technology uptake, investment in cutting-edge STI and ICT infrastructure and digital skills are paramount. The services sector is claiming a big share in the GDP (national accounts) and it is one of the areas that stand to benefit immensely from digitalisation.

A national digitalisation strategy shall help in guiding efforts through a fairly new terrain of digitalisation by considering:

(a) Need for a flexible and dynamic legal and regulatory framework to guide digital-innovation activities such as research and new tech start-ups. The framework would consider fair competition, protection of patents (intellectual property rights), registration, cyber security and ethical issues among others;

(b) Financing strategy involving public and private sectors in support of tech start-ups; and

(c) Establishment of Industrial R&D and innovation Parks to link universities and private sector in order to track the transition of AI or block chain any other innovation from lab to market.

4.5.3.2. Industrialisation and Services

Industrialisation has three boxes (i) Manufacturing (ii) Agriculture, Mining and other ***Extractive*** Industries, and (iii) Services. The key underlying notion to industrialisation is value-addition, occasioned by knowledge and skills accumulated through experience and training. The principle applies to all productive sectors and services, improving productivity and inventiveness to enhance competitiveness. In Figure 4.1 the entire area within which the three boxes are located is populated by ***competitive enterprises***, both private and state-owned. A balance is to be agreed: which enterprises the state enterprises run and which ones the private sector runs. The state administers regulation (***Enabling Business Environment***) and policies guiding the entire set of competitiveness factors.

(a) Manufacturing

According to the National Accounts of Tanzania, Manufacturing includes manufacturing of; food prods; beverages; tobacco products; textiles; leather and related products; wood products; chemical and chemical products; pharmaceutical & medical chemicals; rubber and plastics products; basic metals; computer & electronics products; machinery and equipment; motor vehicles, trailers, transport equipment; furniture and other. The current structure of the manufacturing sector in Tanzania is dominated by small scale establishments. These need to grow. The larger ones need to become steadier. Most of the activities are concentrated in the manufacture of food products, wearing apparel and furniture. There are few establishments that produce more technologically advanced products.

Reflecting on the typology of the knowledge and technology content of industrial activities in Table 11, URT/UNIDO (2012) report finds that most Sub-Saharan African countries' manufactured exports are made from resource-based, low-technology establishments. In order to catch up and produce medium- and high-tech manufactures, massive investments in human capital are needed.

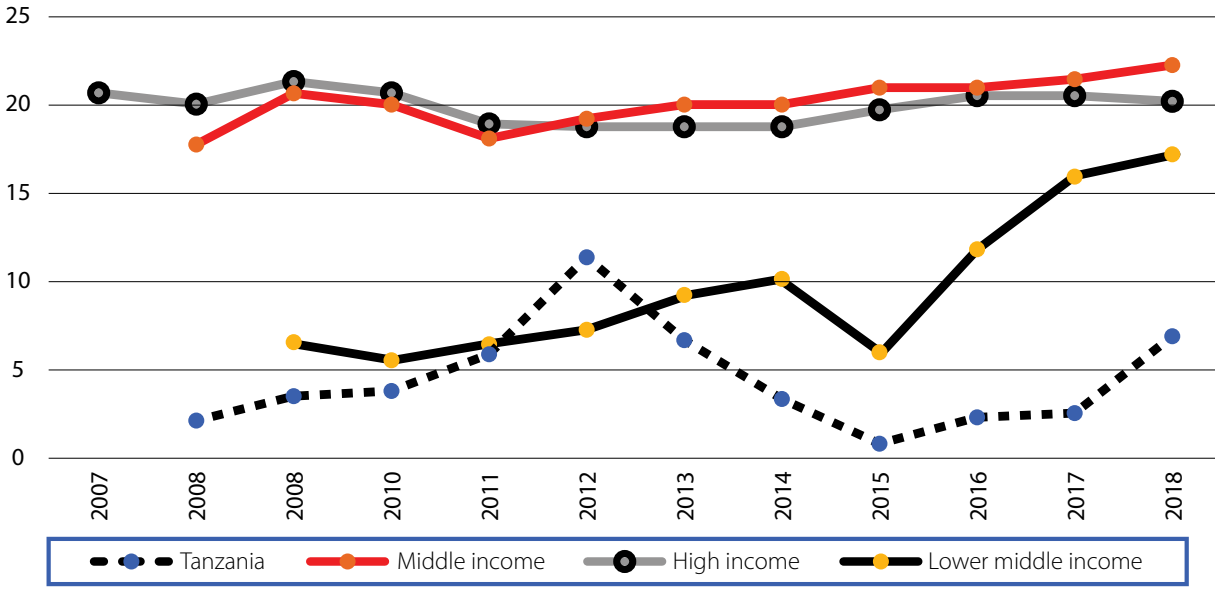
Table 11: Increasing Knowledge and Technology Content (selected examples)

Resource-based, Low-tech manufactures	Medium-tech manufactures	High-tech manufactures
Food and beverages, cement, cut gems, glass, textile fabrics, leather manufactures, simple metal parts, furniture jewellery, plastic products	Passenger and commercial vehicles and parts, motorcycles and parts, synthetic fibres, chemicals and paints, fertilizers, engines, motors, industrial machinery, ship building	ICT/data equipment, TV sets, transistors, turbines and other power generating machinery, pharmaceuticals, optical precision equipment, aerospace

Source: Extracted from URT/UNIDO 2012

For an idea of how much effort Tanzania has to make, COMTRADE data are plotted (Figure 3) for the proportion of high-tech exports in total manufactured exports (percentage), showing averages for high- and middle-income and lower middle-income countries as well as for Tanzania. Between 2008 and 2018, Tanzania is performing below the lower middle-income average.

Figure 3: High-Tech Exports as Percentage of Total Manufactured Exports.



Source: COMTRADE data

In principle, however, manufacturing-industry will continue to be a lifeline for the development and co-development of all other sectors and services. The sector's long-term objective shall be to consolidate itself into a sector capable of designing and fabricating machines and parts thereof for use in resource-based manufacturing and beyond. There is need to support private enterprise workshops that venture into fabricating parts, machines tools and metal works in general.

To realise this there shall be strategic links between human capital (STI/STEM) interventions, R&D, vocational training, manufacturing and 'modernisation' of the extractive industries – in order to identify relevant/ appropriate technical solutions.

Contribution of Export Processing Zones (EPZs)

Partly as a result of failure of the Import Substitution Industrialisation Strategy (ISI), the EPZs emerged as a tool for development and export-oriented growth in the developing countries, although not all agreed on its (presumed) impact.

Tanzania is one of the countries that have embraced the EPZ concept. The effectiveness of the model has to be assessed on case by case basis, considering for instance, review of benefits and costs; the choice and transfer of technology and strategies to acquire, internalise and deploy knowledge and skills in new technologies; the fiscal and non-fiscal incentives provided/received (justification and evaluation of such incentives); actual contribution to export development; contribution to creation of jobs; and industrial relations and/or labour market issues such as decent pay and labour rights in EPZs.

(b) Value-addition Potentials in Agriculture, Mining and Other Sub-Sectors

The major sectors in focus are agriculture (crop farming), livestock keeping, fisheries, forestry; and mining and quarrying. They represent basic areas of comparative advantage. Historically, they have been the leading employers and sources of raw exports; but they continue to have limited processing (value-addition) capacities.

The unifying theme under the notion of industrialization is the application of knowledge and technology to turn 'comparative advantages' into 'competitive advantages'; as such, diversification. The FYDP III exhorts Government and private sector players in these sectors, together to consider and work on at least three hypothetical levels:

Level 1: *Use science technology and innovation / research and development (STI/R&D) as well as other research-findings to improve productivity and quality:* This means different scientific methods are applied on crop farming, fishing, forest and mining activities to make first level, elementary value-addition, or limited processing. The activities result in better quality products - higher quality hides, fish products, lumber, honey related products etc. They need also to include specific objective of reducing post-harvest loss, developing other uses or by-products, and reducing residuals from minerals.

Level 2: *The incorporation of inclusivity in the use of science technology and innovation / research and development (STI/R&D) with more advanced equipment and methods, to 'discover' new varieties, new alloys etc.* around or out the basic raw commodities, and residuals more refined. This may be termed 'product development', which advances the scope for diversification into new products of even higher value. The best scenario is where these refining stages are located in the country, allowing jobs to qualified domestic workforce.

Three examples may demonstrate the point: but the scope for STI/R&D-led diversification exists for most of the country's primary products.

(i) In the case of cashew nuts, it has been shown there can be up to 10-fold increase in the market value when raw cashew nut is processed into various products/by products (Box 2).

Box 2: Spin-off Products from Cashew nuts

- Cashew kernel as an ingredient the snack food industry and confectionaries;
- Cashew NutShell Liquid CNSL as component in drugs, paper ink, textiles, cosmetics and paints manufacturing, treatment of certain dermatological disorders;
- Outer shell as fuel (e.g., briquettes);
- Testa/peal as natural antioxidant useful in leather manufacturing industry;
- Cashew apple with medicinal value and as food (jam, beverages, chutney, beverage, juice

(ii) Raw metals can be processed into different products and uses at home through enhancing value addition in extractive industries (beneficiation) (e.g., gold alloys used to make jewellery, coins, or alloyed with the metals such as copper, silver and platinum).

(iii) It is possible to produce locally a variety of products from forest products like lumber (papers, packaging products); cellulose and lignin used in the production of different household items such as paints, ping-pong tables, and batch towels made with rayon made from the wood component cellulose etc.

This is to demonstrate why resource-rich Tanzania ought to develop and deploy its human capital (technical, innovative skills) to develop new products (value-added) – as competitive advantages.

Exploration and extraction of minerals and natural gas require a lot of high-level expertise and financial investments. Natural gas can be used as fuel and feedstock for petrochemical industries in the production of methanol, plastics, synthetic materials, pharmaceuticals and liquid fuels. In view of intensifying interest of international capital in the continent's mineral and energy resources, more efforts will focus on fast-tracking 'learning' and the development of national technological capacities in metallurgy, modern processing technologies as well as legal aspects and negotiation capacities relating to extractive sectors.

In the case of minerals, appropriate commercial (institutional/organisational) arrangements that ensure producers of the primary products get fair value of what they produce. Continued facilitation will be extended to small-scale miners in terms of technical capacity. Local content policies, legislation and practices play an important role in increasing the extractive industries' contribution to the overall national development effort.

Level 3: Under level 1 and level 2, most of the machinery and/equipment are 'imported'. Under Level 3, the country builds up local technical-cum-engineering capacities, involving collaboration of sector experts. Technicians and engineers and specific sector exports (agriculture, medicine, construction, fisheries etc.) design special-purpose machines and equipment (shredder, crusher, planter, decorticator etc.) and fabricate machines or parts in the country (they may source parts from other countries/sectors). The purpose is to reduce overdependence on foreign capital and intermediate inputs; with a possibility of exporting such technological products.

It may be important, for instance, to revisit (for possible revitalisation) the concepts that guided the establishment of machine-tools and technology development centres and motor-vehicle manufacturing projects. These are not only of commercial value; they are strategic in that they can always be relied upon in cases of states of emergence or failure of the country to obtain the same from elsewhere. Because of the vast amount of capital/investment required, and because of the strategic nature of some of these 'competitive advantages', (dedicated) state-owned enterprises/units may be in better position to undertake these important "projects".

(c) Services

In the National Accounts of Tanzania, Services include Wholesale and Retail Trade; Transport and Storage; Accommodation and Food Services; Information and Communication; Financial and insurance activities; Real estate; Professional, scientific and technical activities; administrative and support service activities; public administration and defence; education; human health and social work activities; arts, entertainment and recreation.

All the sub-sectors contribute to growth and employment. FYDP III expected increased productivity through application of modern methods. Most of the services are provided by the private sector; while some are provided by the public sector (e.g., in public administration and defence). There are varying degrees of public sector participation in other sub-sectors, whereby some state-owned enterprises operate along with private sector enterprises. A generic requirement across all service sectors is improvement of productivity and com-

petitiveness, taking advantage of modern manufactured/digital machinery and devices, leading to quality services (time saving, customer/client care, courtesy etc.) along with enhanced professionalism.

Tourism stands out as one of the sub-sectors that integrates more than one services – notably – transport, accommodation and food, information and communication. Tourism is one of the major foreign exchange earning sub-sector. In addition, the sector has substantial direct and indirect linkages with the local economy in terms of supplies and jobs. The vulnerability of the sector to the recent and on-going pandemic brings back the question of diversification of the economy from over reliance on a few sectors; and in much the same way, diversification of exports and export markets.

4.5.3.3. Trade and Investment

Trade refers to the country's participation in global trade, regional trade and domestic market considering the activities of the competitive enterprises under manufacturing, agriculture and service activities. It involves importing and exporting.

In view of the aspired for export of value-added products and an appreciable amount of investment in the country's areas of comparative advantage, investment environment ought to be part of the strategy. Often after all, most investments aim for possibilities of exporting given the country's low levels of effective demand (disposable incomes).

Participation in global and regional trade, including importing, attracts domestic and foreign investment and access to new technology and managerial skills. Exports reduce foreign exchange constraint; create jobs and higher capacity utilization of domestic resources, in turn, contributing to overall growth. The following trade-related issues merit consideration:

First, Tanzania's exports are concentrated, dominated by primary exports, including minerals and semi-processed agricultural exports. They have low technology-development impact on domestic producers as well as jobs in the domestic market. Under FYDP III transformative export performance will require an increase in the number of domestically manufactured products that embody medium- to high-technology content.

Second, some of the country's exports of agriculture, consumer goods and other manufactured products face (and still face) varying degrees of protective tariffs in developed countries. This has been a setback for a long time. However, while it is correct to demand fair application of Technical Barriers to Trade (TBT) and the Sanitary Phytosanitary (SPS) and other health and environmental standards, it is important for Tanzania to devote attention and resources to build local technical capacity especially amongst entrepreneurs including women, youth and people with disabilities so as to meet some of these quality standards – which can be relevant for Tanzania consumers as well.

Third, as the private entrepreneurs get exposure to international competition, including through imports, they will continue learning 'to be competitive', but fair competition must be ensured or even enforced. Strong anti-competitive practices must be curtailed. Protective policies would have to be invoked where competition is found to be severely unfair.

Fourth, on a broader level, where the country is a member or in the process of ratifying membership to ***competing*** regional trade integration schemes (e.g., EAC, SADC, AfCFTA and proposed ***Tri-Partite pact*** including COMESA, EAC and SADC). The usual caution is how timely the government engages the private sector players (exporters and importers) in negotiating around variable timetables of the disparate integration schemes. To most of the private sector players many of the arrangements may be too technical in legal terms and standards. Therefore, the government will, as much as possible, share information with the private enterprises about international agreements and commitments that have direct implications for the activities of the private sector enterprises that take part in external trade as importers and exporters.

4.5.4. Social Development

Inclusiveness means improved equality and is a condition for social stability and mobility of any economic system. The envisioned economic growth shall not only be high/fast; it shall also, for the sake of societal stability, be inclusive. Inclusive development shall be occasioned by policies dedicated to: (i) spending on social development (health and education, human settlements, clean & safe water, environment - paying attention to equitable access, gender and people with disabilities and (ii) expanding networks of economic infrastructure, such as roads, power and communication, to potential but hard-to-reach areas of the country and disadvantaged sections of the population. Access to financial services for most poor households in urban and rural areas has been made possible with rapid increase in mobile telephony.

Social development impact of the following is worth considering:

(i) ***Health:*** both as part of human capital as well as quality of life (wellness service); building on the record of the 5th Phase Government establishment of new health facilities, improved availability and affordability of health care services and medication;

(ii) ***Education:*** with much more emphasis, besides quality, universalising access, that is, enabling all children access to education opportunities, while exhorting society to keep searching for new knowledge/ information;

(iii) ***Water and sanitation:*** (as social service and part of infrastructure);

(iv) ***Social security and social protection***: In general, actions that strengthens the resilience of poor and vulnerable households, social groups and communities to adverse events so as to enable them to sustain their livelihoods and avoid permanently sliding into vulnerability. Possibility of scaling up social protection in terms of coverage and packages shall reasonably be matched with the promise and possibilities of the beneficiaries taking part in the productive activities;

(v) ***Youth Development/Employment Programmes***

a) Evaluate size, scope and impact (so far) of social funds, including those of handled by local government; assess effectiveness/payoff (for those who benefit) and rate of repayment (for future beneficiaries)';

b) Assess contribution of these social funds to private enterprise growth. How financially sustainable are they? Propose to make a follow up to know if beneficiaries 'graduated' and determine proper business support interventions;

c) Consider easing access to such funds for graduates from primary, secondary and tertiary/technical educations; and

d) Support to incubation and funding of tech-start-ups.

(vi) Human settlements: considering, among other things, modern housing for an increasing number of rural and urban households; housing materials and construction technologies that are affordable, increase availability of planned and serviced plots;

(vii) Public administration: to provide efficient services and reduce bureaucracy. Broad intervention areas to include law and order; specific governance interventions (anti-corruption) and peace and security;

(viii) Gender mainstreaming: including, at the minimum, measures that address gender inequalities against women and girls; increased opportunities for girl education and training; swift measures against discrimination in matters of land ownership and inheritance, violence against women, and intensified voice against archaic cultural biases against women; and

(ix) Protection of environment and climate change mitigation: including, at the minimum, proper land use and management, protection of water sources, use of water harvesting technologies, afforestation programmes, community-based natural resource management, enforcement of legislation against all forms of pollution, and against harmful extractive techniques; measures to mitigate against environmental disasters (e.g., flooding, drought and impact of influx of refugees), among others. Incentives for women and youth for interventions related to mitigating climate change.

Together, the social development interventions add to the quality of 'economic growth' and in turn, directly or indirectly reinforce economic growth.

4.6. Towards Specific Interventions

The framework chapter only highlights the major areas of interventions and how they relate or reinforce one another. The highpoints of the FYDP III – enhanced competitiveness as defined, deepening internalisation and trade and investment – shall rely on increased investments in human capital, especially intensified education and training for quality and relevant knowledge and skills in the science and technology and innovations. The details of specific actions and programmes are left to sectors that provide guiding policies and non-state actors, particularly the private sector that undertake actual production.

The unifying theme across all interventions is raising productivity and competitiveness through creation and deployment of high-level human capital and application of science and technological innovations to create 'competitive advantages' in goods and services for both external and domestic markets.

The FYDP III is part of on-going socio-economic development efforts and recognises needed continuity of interventions from the previous plans. Resources will be deployed to maintain high levels of good governance and the integrity of the country's peace and unity, law and order and political stability. High impact investments, particularly infrastructure remain instrumental in determining the investment/business climate for private enterprise growth. Due attention will be paid to social and environmental sustainability. Social sustainability will entail interventions that ensure equitable access to 'national assets' (networks of infrastructure and social services) for human development and welfare.

5

STRATEGIC INTERVENTIONS FOR COMPETITIVENESS, INDUSTRIALISATION AND HUMAN DEVELOPMENT

5 CHAPTER FIVE

STRATEGIC INTERVENTIONS FOR COMPETITIVENESS, INDUSTRIALISATION AND HUMAN DEVELOPMENT

5.1. Introduction

This chapter highlights the main pillars, priority areas and sectoral interventions for the implementation of the Third National Five-Year Development Plan 2021/22 -2025/26. The main pillars of FYDP III are: Good Governance; Economic Growth; and Social Development. These pillars are the basis for FYDP III's five priority areas which are: Realizing an Inclusive and Competitive Economy; Deepening Industrialization and service provision; Investment and Trade Promotion; Human Development; and Skills Development. Further, this chapter outlines the performance targets that will be achieved by 2026 as a result of the implementing FYDP III. These provide basis for effective implementation, monitoring and evaluation, as well as reporting. For clarity of presentation, the Chapter provides broad interventions in each of the five select priority areas, while more detailed specific interventions are outlined in Annex B and respective implied costs are presented in Annex F.

5.2 Interventions for Realizing an Inclusive and Competitive Economy

Interventions in this area include projects that will focus on: building a society that can compete regionally and internationally; stability of Macroeconomic Indicators; strengthening investment and trade environment; promoting innovation and transfer of foreign technology; and developing infrastructure and services for railways, roads, bridges, marine and air transport, ICT, energy, ports and airports.

FYDP III interventions have been set, taking into account aspirations of Tanzania Development Vision 2025, as translated into actionable programmes and projects by the Tanzania Long Term Perspective Plan, 2011/12-2025/26 (LTPP). FYDP III has set the following targets for an inclusive and competitive economy.

5.2.1 Competitive Economy

A competitive economy relates to the set of infrastructures, prudent institutions, macroeconomic stability and diffusion of information and communication technology that allow its enterprise base to thrive when exposed to competition from international peers. Competitive economy supports enterprise's expansion for job creation and attracts local and foreign investment and trade. The different components of the enabling environment interact to create a vast and complex ecosystem that structures ideas and inclusive decision-making, harnessing the interfacing of inputs and processes to produce outputs capable of sustaining challenges from other international actors. Generally, the concept is defined as a set of institutions, policies and factors which determine the level of productivity of a country.

Key interventions include:

(i) Ensure macro-economic stability;

(ii) Construct, rehabilitate and promote connectivity of supportive and inclusivity in infrastructure;

(iii) Improve institutional arrangements and regulatory frameworks;

(iv) Promote innovation and application of ICT in service delivery;

(v) Promote products, financial and labour markets;

(vi) Inclusive promotion of skills, knowledge and technological transfer with provisions for youth, women and people with disability; and

(vii) Promote business and financing architecture..

Table 12: Overall Competitiveness Indicators

S/N	Indicator	Target	
		2019/20	2025/26
1.1	Macroeconomic stability	86/141	40/141
1.2	Infrastructure	121/141	60/141
1.3	Institutions	97/141	50/141
1.3.2	ICT Adoption	133/141	70/141
1.3.4	Health	114/141	70/141
1.3.5	Skills	126/141	60/141
1.3.6	Product market	107/141	60/141
1.3.7	Labour market	86/141	40/141
1.3.8	Financial system	114/141	70/141
1.3.9	Market Size	73/141	45/141
1.3.10	Business Dynamism	107/141	50/141
1.3.11	Innovation Capability	123/141	50/141

5.2.2 Promoting Macroeconomic Stability for a Competitive Economy

A competitive economy requires a stable, predictable and transparent macro economy capable of signalling and steering the direction of policies and decision making. Tanzania has enjoyed a steady growth of its economy in the last five years with an average GDP growth rate of 6.9 percent, inflation rate of 4.4 percent, and a declining budget deficit to 1.4 percent of GDP in 2019/20 from 3.4 percent in 2015/16. FYDP III seeks to promote policy and performance stability in the key macroeconomic variables of inflation rate, exchange rate, interest rate, balance of payments, fiscal deficit and external debt as well as promotion of external trade.

Key Interventions Include:

(i) Strengthen monetary policy;

(ii) Enhance administrative and fiscal measures for domestic revenue mobilisation;

(iii) Strengthen and implement prudent public expenditure measures;

(iv) Direct all current and future borrowings, particularly from commercial sources into projects with higher social and economic returns;

(v) Promote exports for both traditional and non-traditional goods;

(vi) Provide conducive environment for operation of domestic industries;

(vii) Promote and support participation of private sector in strategic investments, including PPP projects;

(viii) Enforce implementation of the blueprint for reforms of the business environment;

(ix) Strengthen oversight of banking, capital and securities markets to safeguard against illicit capital flows and money laundering;

(x) Establish PPP Centre and Public Private Partnerships Facilitation Fund (PPPFF);

(xi) Promote venture funds and entrepreneurship centres; and

(xii) Develop and Implement High Availability Data Centre (HADC).

Table 13: Indicators for Macroeconomic Stability for a Competitive Economy

S/N	Indicator	Target	
		2019/20	2025/26
1.1	GDP growth Rate	5.2	8.0
1.2	Inflation Rate	3.3	4.4
1.3	Domestic Revenue as percentage of GDP	14.7	16.9
1.4	Tax revenue as percentage of GDP	12.9	14.4
1.5	Nominal Exchange Rate (TZ/USD	2,340	2,497
1.6	Budget deficit (%)	-2.6	≤ -3.0
1.7	Public Debt as a percentage of GDP	27.9	28.2
1.8	Growth of Broad Extended Money (%)	≥ 10.0	≥ 10.0
1.9	Foreign Reserve (Months of Imports Cover)	≥ 4	≥ 4
1.11	Average Time Taken to accomplish Customs Clearance - Lodgement to Issuance of Release Order (days) at DSM Port	1	0.25
1.12	Percentage of taxpayer's awareness on tax education programs	79	100

5.2.3 Unlocking Transport Infrastructural Competitiveness

Geography and size are two of Tanzania's comparative advantages. Tanzania is the 30th largest country in the world with over 945,087 km2 of land and water bodies. It also borders 8 other countries, 6 of which are landlocked, and is a member of three regional trading blocs with a combined market size of over 600 million people and a total Gross Domestic Product of approximately US$ 1.0 trillion. Despite its land size, Tanzania is often characterized by limited linkages between its productive hinterlands and markets, which affect productivity, costs of doing business and ultimately the competitiveness. The total road network currently comprises of 91,049 km of roads of which 33,012 km are national roads (12,786 km are categorised as trunk roads, 20,226 km as regional roads) and the remaining 58,037 km as district, urban and feeder roads.

Despite the huge potential available, existing infrastructural deficiencies inhibit Tanzania's ability to leverage its comparative advantage by acting as a bridge economy that links the EAC and SADC regional markets, or realise its enormous potential as a logistics hub, linking the markets of the EAC and SADC regional trading blocs. Tanzania is therefore an ideal location for investments in market-seeking industries that target the emerging African markets in EAC and SADC. However, the challenges besetting the infrastructural sector in Tanzania extend beyond road and transport and include high-cost and unreliable water and electricity supplies. To unlock Tanzania's infrastructural potential to attract all sorts of manufacturing and processing industries, there is a need to hasten implementation of the following priority interventions for each specific subsector:

Key interventions for Unlocking Transport Infrastructures

Roads

(i) Complete construction of 2,500 km of paved roads;

(ii) Decongest major cities;

(iii) Construct 6,006 km of paved roads;

(iv) Begin construction of 14 bridges;

(v) Complete construction of 7 bridges

Railways

(i) Continue the improvement of railwayinfrastructure of TAZARA, Central, Northern and Southern railway lines and Rehabilitate existing rolling stocks;

(ii) Finalise upgrading of the Central line to SGR and Purchase rolling stocks for SGR;

Ports

(i) Expand Sea ports of Dar es Salaam, Tanga and Mtwara as well as Inland ports (Mwanza, Kigoma, Karema and Itungi);

(ii) Procure port handling facilities;

(iii) Procure and rehabilitate marine vessels; and

(iv) Construct Dry Ports along Dar es Salaam and Central Corridors.

Aviation Meteorology

(i) Airport Development and Maintenance

(ii) Revamping of the Air Tanzania Company Limited (ATCL)

(iii) Improvement of Meteorological infrastructure and services

Training Institutions in the Transport Sector

Enhance Training Institution in the Sector

Regulators

(i) Automate Land Transport Services

(ii) Strengthen Road and Railway Transport Safety

(iii) Promote Land Transport Service Competition and Economic Efficiency

(iv) Promote Rural Transport Services

(v) Improvement of Maritime Safety

(vi) Enhancing Regulation of Maritime Transport services

(vi) Enhancing Economic Regulation (Promotion of effective competition and in the regulated maritime transport services); and

(vii) Improvement of Shipping Agency services

5.2.4 Communication Sector

ICT infrastructure is an essential for smooth and cost-effective operation of business and facilitation of social services. Having reliable and easily accessible ICT infrastructure accelerate digital revolution enhanced by digital technologies. Digital technologies are now present in multiple sectors of the economy and social life, from telecommunications and finance, to governance, marketing and service delivery. The sector has to speed up deployment of ICT infrastructure to make digital revolution possible.

Key Interventions include:

(i) Expand or extend the National Telecommunication Broadband infrastructure and services in collaboration with service providers and other private sector stakeholders;

(ii) Development of Physical Address system in all wards;

5.2.5 Energy Sector

This is an enabling sector which supports manufacturing, transportation, trading and other social economic activities. The sector must be strategically enhanced by electricity generation, transmission, distribution, inter-connection, power trading and rural electrification, expediting petroleum and gas upstream, midstream and downstream activities and improving enabling environment for private sector investment in energy sector.

Key Interventions Include:

(i) Strengthen the availability and reliability of electrical power by increasing generation capacity, transmission, and distribution networks;

(ii) Construct and strengthen natural gas supply infrastructures for domestic, industrial and transport use;

(iii) Promote and develop renewable energy technologies and projects (Biogas, Geothermal, LPG, Solar and Wind Energies) particularly for rural households;

(iv) Strengthen sustainable use and management of oil and natural gas;

(v) Develop renewable energy sources for cooking to mitigate climate change; and

(vi) Strengthen the availability of oil and natural gas by enhancing petroleum exploration and development activities

Table 14: Targets and Indicator for Infrastructural Development

S/N	Indicator	Target	
		2019/20	2025/26
1.	**Infrastructure (Position in Global ranking, out of 189 countries)**	**102**	**100**
2.	**Roads**		
2.1.	Road position in global ranking	86	55
2.2.	Proportion of paved roads in total road network (%)	8.9	12
3.	**Railways**		
3.1.	Railway position in global ranking	83	70
3.2.	Length of Standard Gauge Railway in km (Central Line)	395.2	1,219
3.3.	Volume of freight (cargo) transported by railway lines (tons)	1,569,536	2,162,258
3.4.	Number of passengers transported by railway lines	972,000	2,272,682
4.	**Ports**		
4.1.	Ports position in global ranking	72	50
4.2.	Ship turn-around time (days)	3	2
4.3.	Number of Ship calls at port per month	2,106	3050
4.4.	Container Dwell Time (days)	7	5
4.5.	Ship turnaround time (days)	2	2
4.6.	Number of Dry Ports	2	3
4.7.	Number of vessels handled	3,704	4,000
4.8.	Ports throughput in Tonnage		
	i) Import cargo to neighbouring countries handled (mil. Tons)	15.1	18.0
	ii) Export cargo to neighbouring countries handled (mil. Tons)	6.3	10.0
5.	**Air Transport**		
5.1	Number of aircrafts bought	11	19
5.2	Number of airports with aeronautical ground lighting system	4	10
5.3	Number of cargo aircraft bought	0	1
5.4	Number of intercontinental range passenger aircraft Bought	2	3
5.5	Number of regional range passenger aircraft Bought	2	8
5.6	Number of ATCL's operational aircraft	10	19

S/N	Indicator	Target	
		2019/20	2025/26
5.7	Number of air professional cadre trained	61	1,359
5.8	Number of Airports with Airport Information Management System	1	14
5.9	Number of security equipment X-ray machine	46	71
5.10	Number of airports with perimeter security fence	9	27
5.11	Number of weather radars in place	5	7
6.	**Telecommunication**		
6.1.	Percentage of Internet users	43	80
6.2.	Percentage of broadband communication coverage	45	80
6.3.	Percentage of broadband infrastructure installed at government institutions and offices	20	70
6.4.	Household with at least one member owning mobile phone (%)	82.6	87.8
6.5.	Percentage share of the communication sector to GDP	1.5	3
6.6.	Number of individuals who own mobile phones (million)	25.1	28.6
6.7.	Number of households using physical address and postcode system	450,980	1,975,000
6.8.	Number of public institutions using physical address and postcode system	48,516	97,000
6.9.	Proportion of population covered by a mobile network (%)	94	100
7.	**Energy**		
7.1.	Electrical Power (generation in MW)	1,602.3	4,915
7.2.	Electricity – Regions connected to national grid	23	26
7.3.	Electricity – national grid length (in km)	5,896.3	9,351
7.4	Electricity – Per capita consumption (KWh)	137	220
7.5	Overall Power loss (%)	16.19	12.3
7.6	Population with access to electricity (%)	78.4	85
7.7	Household connected to electricity (%)	39.9	60

5.2.5 Leveraging Institutions for Competitiveness

Institutions relate to formal and informal rules that enable and constrain the behaviour of enterprise actors. These include formal laws, policies, strategies, standing orders as well as informal norms and values that condition relations between the public and private sector, and inform key decision-making with respect to investment, marketing, distribution, sales, employment creation and production processes. FYDP III will address institutional bottlenecks in the country's business environment to enable the harnessing of unique comparative advantages, with reduced risk of exposures to global economic uncertainties.

Key interventions include:

(i) Strengthen the effectiveness of land administration and registration;

(ii) Enhance access to land for strategic investors;

(iii) Accelerate formalization of residential and commercial lands;

(iv) Reduce land conflicts between investors and indigenous communities;

(v) Promote good corporate governance and compliance to local and international standards;

(vi) Facilitate implementation of National Financial Sector Development Plan 2019/20 – 2029/30 and Blue Print framework; and

(vii) Rationalize tax and non-tax revenue sources and payment procedures;

Table 15: Overall Doing Business Targets

S/N	Indicator	Target	
		2019/20	2025/26
Ease of Doing Business			
1.1	Ease of Doing Business (Global Ranking)	141/190	95/190
1.1.1	Starting a Business	162/190	91/190
1.1.2	Dealing with Construction Permits	149/190	87/190
1.1.3	Getting Electricity	85/190	50/190
1.1.4	Registering Property	146/190	55/190
1.1.5	Getting Credit	67/190	50/190
1.1.6	Protecting Investors	105/190	40/190
1.1.7	Paying Taxes	165/190	92/190
1.1.8	Trading Across Borders	182/190	102/190
1.1.8.1	Time to export (days)	8	< 4 days
1.1.8.2	Cost to export (US$)	1,175	600 – 800
1.1.8.3	Documents to export (No.)	8	< 5
1.1.9	Enforcing Contracts	71/190	14/190

5.3 Interventions for Deepening Industrialization and service provision

Interventions outlined in this Chapter follow a broad definition of industry as comprising of Agriculture (International Standard Industrial Classification (ISIC) revision 4, Section A); Mining and quarrying (Section B); Manufacturing, (Section C); Electricity, gas, steam and air conditioning supply, (Section D); Water supply, sewerage, waste management and remediation activities, (Section E) Construction, (Section F); and Transport, (Section H). FYDP III has set the following targets for a competitive industrialised economy.

Table 16: Overall Industrial Sector Performance Targets

S/N	Indicator	Target	
		2019/20	2025/26
1.1	Overall industrial GDP real growth rate (%)	7.3	8.7
1.2	Share of the overall industrial sector to GDP at current prices (%)	29.6	31.1
1.3	Per capita Gross Domestic Product (GDP), nominal (US$)	1151	1,427
1.4	GDP Value Added at current prices (TZS Millions)	155,469,618	212,879,041
1.5	GDP Value Added at constant prices (TZS Millions)	132,685,131	180,513,619
1.6	Share of industrial exports to total export earnings (%)	14.6	20.2

5.3.1 Agriculture

Agriculture remains central to Tanzania's industrialization and a source of livelihood for approximately 65.0 percent of the population. For the duration of FYDP III, efforts are directed to consolidate and further scale up the achievements so far recorded and explore opportunities afforded by the adoption of Climate Smart Agriculture approaches (CSA). Upgrading of the sector's competitiveness will continue to:

(i) Develop strong forward and backward linkages between agriculture sector and other economic sectors;

(ii) Create favourable environments for the private sector to engage profitably in production and export of agricultural raw materials, semi-final and finished goods;

(iii) Continue strengthening effective training and research programmes to benefit key stakeholders including youth, women and people with disabilities; and

(iv) Ensure sustainable R&D on agricultural crops so as to integrate the value chain domestically and abroad. These interventions will increase value and productivity of agricultural production, employment creation, expand the diversification of products and strengthen the value chain in agricultural sector.

Application of Science, Technology and Innovation to Improve Productivity and Yields in Agriculture Sector

The sector contributes to about 27 percent of the country's GDP and about 24 percent to the total exports. Given the structure of Tanzanian economy, it is undoubtedly that the growth of the sector is directly proportional to the socioeconomic development prosperity and poverty reduction. However, the agricultural growth has been stagnant in Tanzania and therefore requires the use of technology and research to increase productivity and yields. Proper use of research and technology will increase yields, reduce food prices, reduce risks and increase profits and thus benefit citizens from the integrated system of the agricultural sector.

In order to increase productivity and efficiency in the agricultural sector, FYDP III will focus on the following areas;

Crops: The prioritized products are maize, rice, cotton, cashew nut, tea, coffee, tobacco, sisal, palm, wheat, soybean, cocoa, cassava, sugarcane, horticulture and sunflower.

Key Interventions:

(i) Enhance Research and Development in strategic crops;

(ii) Expand sustainable water and land use management through integrated land use planning and improvement of irrigation systems including construction of water reservoirs;

(iii) Enhance productivity in strategic crop production;

(iv) Strengthen competitive crop value chain and commercialization;

(v) Encourage the use of ICT in operation of cooperatives;

(vi) Encourage the use of ICT in operation of commercial agriculture

(vii) Encourage the use of ICT in the provision of extension services; and

(viii)Introduce modern crop management systems.

Box 3: Horticultural Industry in Tanzania

The horticulture industry in Tanzania comprises of a variety of fruits, vegetables, flowers, spices, herbs and horticultural seeds. The leading producers of horticultural crops in Tanzania are Southern Highlands (Mbeya, Njombe, Iringa and Songwe), Northern Zone (Kilimanjaro, Manyara, Arusha and Tanga), Coastal and central areas (Morogoro and Pwani) as well as the Lake Zone. This sub sector employs about 4 million people. Further, medium and large-scale investors that either operate independently or have integrated smallholders as out-growers. It is estimated that by 2026, this sub sector will generate about US$ 2 billion through exports.

Horticulture contributes more than 40 percent of foreign exchange earnings. The result of this sector's contribution is due to the integration of small-scale farmers to export value chains. About 90 percent of the horticultural products produced in Tanzania are consumed in the country with only small percentage (about 10 percent or less) exported. With a small percentage (10) of exports, horticulture faces the challenge of inadequate crop storage facilities, accreditation laboratories and specialists in plant, spice, fruit and seed technology.

The Third National Five-Year Development Plan 2021/22 – 2025/26 aims to address the challenges of horticulture by investing as well as creating an enabling environment for the private sector to invest in storage, transport and logistics, accreditation laboratories and building capacity to the existing professionals.

Livestock: Key interventions include:

(i) Increase the number and capacity of processing industries for livestock products (hides/skins, milk and meat);

(ii) Facilitate identification, registration and traceability of livestock products for promoting export trade;

(iii) Construct and improve primary, secondary and border livestock markets, modern abattoirs and the construction of milk collection centres;

(iv) Sensitize and facilitate livestock keepers to improve their herds by raising livestock breeds that produce high quantity and quality of milk, meat and eggs;

(v) Strengthen NARCO by improving 5 ranches (Kongwa, Ruvu, Kalambo, Missenyi and West Kilimanjaro) in order to increase productivity in meat value chain;

(vi) Strengthen animal diseases surveillance systems;

(vii) Facilitate availability and affordability of vaccines;

(viii) Facilitate dipping of livestock for parasite control;

(ix) Improve the management and use of fodder for livestock;

(x) Increase acreage of grazing land demarcated, surveyed and developed;

(xi) Promote investment in compounded animal feeds and feed additives industries;

(xii) Increase the number of water infrastructure for livestock;

(xiii) Develop and disseminate modern technological packages in livestock product production, productivity and marketing. Facilitate research in livestock productivity, livestock products and conservation of livestock breeds and strengthen livestock gene bank;

(xiv) Improve livestock training institutions and curriculum; and

(xv) Increase the number of extension officers and facilitate availability of improved extension service delivery at village and ward levels.

Box 4: Leather Industry

In the year 2020, Tanzania had ten (10) leather processing factories, out of five (5) working factories, three (3) factories process leather up to the middle stage (wet blue) and two (2) processing leather up to finished leather. In addition, five (5) factories do not operate due to various operational challenges. The installed processing capacity of these industries is 2,459,000 pieces of cattle hides and 7,628,000 pieces of ship/goat skins equivalent to 60.6 percent of the installed capacity. Leather industry assessment shows that, domestic production of leather shoes from existing industries is approximately 1,200,000 pairs of shoes per annum while current (year 2020) demand is approximately 54.2 million pairs of footwear. Significant investment is needed in the leather industry, as there are huge opportunities in the footwear business, handbags, belts, jackets and wallets.

Leather industry challenges in Tanzania include but not limited to; illegal trade of exporting raw leather; poor quality of skins produced due to bad animal husbandry; lack of modern abattoirs; lack of skilled animal skinners; non-compliance with the rules and regulations; use of improper flaying knives; and the use of old technologies.

To address the challenges of the leather sub-sector, the Government has appointed and facilitated a total of 113 leather inspectors and 735 animal skinners. Other measures include: facilitate capacity building to 10 leather traders on leather grading; provide subsidies for livestock dips; control smuggled and fraudulent leather trade by levying 80 percent of raw leather exports and 10 percent of the export of wet blue leather; and construction of Kilimanjaro International Leather Industries Co. Ltd as well as 30 modern abattoirs.

Fisheries

(i) Transformation of the fisheries will include modernization of the sector through intensification of the blue economy potentials in both marine and fresh waters. Sector priorities include freshwater fishing, sea and deep-sea fishing, aquaculture, marine and freshwater conservation. Facilitate fishing activities through procurement of fishing vessels and construction of fishing harbour;

(ii) Strengthen Fisheries institutional capacity including, revival of Tanzania Fisheries Corporation – TAFICO;

(iii) Support private sector to establish and rehabilitate fishing industries;

(iv) Conserve marine and freshwater fisheries protected areas;

(v) Protect critical habitats and conservation of endangered and threatened aquatic species;

(vi) Support investment in fisheries and aquaculture infrastructure and facilities including promotion of commercial aquaculture production;

(vii) Ensure access to capital, expertise, skills, knowledge and fishing gears to small-scale fishermen and women through their respective social groups;

(viii) Promote research-extension-fisher folk/aqua farmer linkages;

(ix) Ensure fish and fishery products quality, safety and standards;

(x) Improve aquatic resources quality assurance laboratories and fish landing sites;

(xi) Support marine spatial planning and sustainable use and management of marine resources; and

Promote eco-tourism in fisheries Marine Protected Areas.

Table 17: Performance Indicators and Targets for Implementation of Agriculture

S/N	Indicator	Target	
		2019/20	2025/26
1	**Agriculture**		
1.1	Average Growth rate (%)	5.0	6.1
1.2	Percentage share to GDP (current prices)	25.7	23.4
1.3	Percentage share on Total export Earning	13.0	19.0
1.4	Percentage Share on Total Employment	65	60
1.5	Productivity (% growth)	4.0	4.7
2.	**Crops**		
2.1	Average Growth rate (%)	5.1	5.7
2.2	Percentage share to GDP (current prices)	14.2	12.3
2.3	Percentage share on Total export Earning	13.0	19.0
2.5	Hectare under irrigation	694,715	1,200,000
2.6	Student enrolment increased	2,600	3,600
2.7	Number of extension officers increased	6,704	20,538
2.8	Certified Seed production increased	71,000	140,000
2.9	Percentage Decrease in postharvest loss	35	17.5
2.10	National reserve capacity increased	501,000	700,000
2.11	Volume of total horticultural production per year (tons)	6,556,102	14,600,000
2.12	Volume production of the traditional commercial crops (tons).	794,500	1,583,200
2.13	Percentage of agricultural land under mechanization services along the value chain	47	75
2.14	Number of Large-Scale Farms (Block Farms established	110	200
2.15	Number of Industries owned by Cooperatives	113	183
2.16	Cooperative using formal market system increased	3,001	4,039
2.17	Members in Cooperatives Societies (Millions)	5.9	14.5
2.17	Food sufficiency ratio (%)	124	130

S/N	Indicator	Target	
		2019/20	2025/26
3.	**Livestock**		
3.1	Average Growth rate (%)	5.1	6.5
3.2	Share to GDP (at current prices)	7.0	6.8
3.3	Livestock mortality rate	27	12
3.4	Livestock morbidity rate	6	3
3.5	Livestock Dipping rate	70	85
3.6	Livestock vaccination coverage rate	25	50
3.7	Endogenous herd milk average productivity (Litres)	2	4
3.8	Mature Endogenous herd meat average productivity (Carcass weight in Kg)	75	130
3.9	% of quality hides and skin	10	50
3.10	Meat Production (Tons in '000')	702	951.7
3.11	Milk Production in (Litres in billions)	3.01	4.3
3.12	% of Milk Processed	5	14
3.13	Meat Processing (Tons)	286	500
3.14	Hides and skin Processed (Tons)	1,190	9,210.6
3.15	Meat exports (Tons)	692	7,200
3.16	Finished Leather exports (Tons)	25.5	92
4	**Fisheries**		
4.1	Average Growth Rate (%)	6.3	8.4
4.2	Share to GDP (at current prices)	1.8	1.9
4.3	Percentage share on Total Export Earnings	3.0	4.5
4.4	Per Capita Consumption (kg)	8.5	10.5
4.5	Contribution to the National Animal Protein intake	30	35
4.6	Fisheries production (Tons)	497,567.28	600,000
4.7	Number of fish processing industries	12	17
4.8	Number of Aquaculture Development centres (ADC)	9	12
4.9	Fish feed production (Tons)	464	2,500
4.10	Number of Fisheries Extension Officers	657	1,850

5.3.2 Manufacturing

Innovation is among important features of enterprise development through its coordination of capabilities to generate and adopt new technologies and new ways to organise work in a manner that facilitates market free entry and exit. Building innovation capabilities and competitive enterprises remains key to leveraging the manufacturing sector's ability to act as a source and recourse for employment, investment and trade. Innovation relates to the ability to generate and absorb knowledge that inspires the adoption of new (and distinct) production, processing and marketing methods, processes and routines that add value to existing structures. Innovation also applies to the adoption or adaptation to value-adding organisational and business models.

Manufacturing sector includes: Special Economic Zones and Export Processing Zones; Micro, Small and Medium Enterprises Parks; Petro and Chemical Industries; Agro-Industries; Coal for Industries and Households; Uranium for energy plants; Iron and Steel; and Automotive Industry.

Key Interventions for Manufacturing include

(i) Promote investment and trade for SEZs/EPZ;

(ii) Develop regional industrial parks for trade, logistics and agro-processing;

(iii) Promote micro, small and medium entrepreneurs;

(iv) Improve entrepreneurs' IDs to increase access to finance;

(v) Provide entrepreneurship training and promote start-ups eco-system;

(vi) Promote production of Sodium Carbonate, glass, Chlor- Alkali products, Pure Aluminium and associated products, Helium Gas and other chemicals;

(vii) Promote and support agro – processing industries, particularly leather and edible oils industries;

(viii) Establish Food Processing Training Cum Production;

(ix) Promote environmentally friendly technology;

(x) Promote atomic energy and nuclear technology;

(xi) Develop Iron and Steel technologies from locally available ore deposits and revamping of privatized industries;

(xii) Promote national champions (competitive big businesses) in the following industries: agriculture and agro-processing (horticulture, aquaculture, apiculture, sugar, textile and garments, leather); chemicals (petrochemicals and other chemicals), pharmaceutical, transport, building and construction;

(xiii) Strengthen Tanzania Automotive Technology Centre; and

(xiv) Strengthen R&D in manufacturing.

Table 18: Target and Indicator Trends for Manufacturing

S/N	Indicator	Target	
		2019/20	2025/26
1.1	Share of GDP at current prices (%)	8.2	8.5
1.2	Real Growth rate (%)	4.8	6.8
1.3	Share of total employment (%)	6.75	12.8
1.5	Share of export earnings (%)	17.1	19
1.6	Share of low tech (%)	35	42
1.7	Share of medium tech (%)	28	39
1.8	Share of high tech (%)	8	10
1.9	Number of exporting firms	1,180	2,114
1.10	Percentage Contribution to Total Export	16.9 (2019)	24

Box 5: Commercialization and Scaling-Up Technology

Design, Development and Commercialization of Medical Equipment

The Government has strengthened health care infrastructure by building more than 9,104 facilities in the country. Improvements in health care infrastructure have increased the demand for medical equipment and tools. Increasing demand for medical equipment and tools is an investment opportunity for local and foreign entrepreneurs. On that basis, FYDP III will focus on creating an enabling environment to attract investment and technology transfer to this key sector.

Commercial production of hemp and sugarcane crop

Industrial construction has continued to be given priority to increase the National capacity for self-sufficiency and to promote the domestic market of raw materials for agricultural products, livestock, fisheries, forestry, minerals and precious stones. Along with increasing self-sufficiency and boosting the domestic raw materials market, industrial construction is key to creating jobs, technology transfer and increasing exports of processed goods. Over the past decade, the value chain has grown for some crops and products, especially sugar and hemp through the TEMDO project. The TEMDO project involves the development of state-of-the-art technology for the production and processing of sugarcane and hemp products.

5.3.3 Mining

The mining sector has now placed Tanzania in the higher ranks among African economies in terms of FDI attraction and non-oil economies. Tanzania is endowed with a variety of industrial minerals and precious metals, including iron ore, soda ash, coal, clay soil, uranium, gold, diamond and tanzanite, a rare gemstone so far worldwide being found only in Tanzania. FYDP III seeks to promote natural resources-based industrialisation.

Key Interventions Include

(i) Strengthen the management and control of large-scale and medium scale mining;

(ii) Empower small-scale miners including youth and women to participate in feasible mining activities by licensing areas with basic geological information, necessary training on productive mining, technologies and equipment and mining business through STAMICO;

(iii) Strengthen the Mining Commission, Geological Survey of Tanzania (GST), Tanzania Gemmological Centre (TGC) and Tanzania Extractive Industries Transparency Initiative (TEITI);

(iv) Promote mineral value addition and beneficiation;

(v) Identify, promote and facilitate extraction of rare minerals; and

(vi) Strengthen Corporation and Mineral Markets, Demonstration Centres and Centres of Excellence

Table 19: Indicators and Targets for Implementation of Mining Sector Interventions

S/N	Indicator	Target	
		2019/20	2025/26
1.1	Average Growth Rate (%)	6.9	7.7
1.2	Share to GDP (%)	5.6	10.0
1.3	Total Foreign Exchange Earnings (USD Million)	2,997	5,505
1.3.1	% of raw export	15	5
1.3.2	% beneficiated	85	95
1.4	% Share on Foreign Exchange Earnings	50.3	50.5

5.3.4 Construction

Construction is one of the few fastest growing sectors and contributes the largest share of GDP. The construction industry includes road infrastructure, bridges, railways, ports, airports and residences. During the implementation of FYDP III, the Government will continue to strengthen and build basic infrastructure to stimulate economic activity.

Key Interventions Include

(i) Provision of special development projects to local contractors;

(ii) Enhance Skills Development;

(iii) Enhance training and capacity building programmes for local professionals (Contractors, Engineers, Architect and Quantity Surveyors);

(iv) Create Information Window on Engineering Practices;

(v) Construct Government buildings and public servants' houses;

(vi) Strengthen inland, sea and air transport infrastructure and facilities; and

(vii) Formalization and Strengthening of Contractors Assistance Fund.

Table 20: Performance Indicators and Targets for Construction Sector

S/N	Indicator	Target	
		2019/20	2025/26
1.1	Average Growth Rate (%)	9.0	9.9
1.2	Share to GDP (%)	14.8	16.7
1.3	Percentage market share of domestic companies	35	60
1.4	Number of employments created in development projects	23,585	30,129 (2024/25)
1.5	Percentage Share in Total Employment	14.7	18.8

5.3.5 Environmental and Natural Resources Management

The environment and natural resources are a national asset and the basis for sustainable development. The government will continue to strengthen the systems of environmental protection and sustainable use of natural resources for the benefit of present and future generations. Sustainable use, protection and well-being of wildlife, forests, rivers, lakes, oceans, valleys, mountains, habitats, land, minerals and precious stones are among the key areas to be considered in this Plan.

Key Interventions Include

Specific interventions geared towards the realization of the targets are as follows:

(i) Promote renewable green energy technologies (biogas, LPG, Solar Energy), and Climate change adaptation;

(ii) Deterioration of aquatic systems;

(iii) Biodiversity conservation;

(iv) Ensure safe use and handling of modern biotechnology;

(v) Strengthen the national capacity for addressing climate change Adaptation and mitigation measures;

(vi) Reduced land degradation;

(vii) Minimize environmental pollution and resultant adverse effects on the environment and human health;

(viii)Enforce Environmental Management Act, 2004;

(ix) Improve institution coordination;

(x) Develop and implement strategies to combat poaching, illegal harvesting and trade of wildlife, forest, bee and antiquities resources in the country;

(xi) Increase contribution of Beekeeping sub sector in the economy;

(xii) Improve infrastructure in Forestry and Beekeeping Institutions; and

Promote stakeholder's engagement in development and management of plantation forest resources for conservation and economic growth.

Table 21: Performance Indicators and Targets for Natural Resources and Environmental Protection

S/N	Indicator	Target	
		2019/20	2025/26
1.1	Average Growth rate (%)	4	7
1.2	Percentage share of GDP from sustainable utilization of forest, water and marine resources	4	7
1.3	% Contribution from sustainable tourism to GDP	6	11
1.5	Area under Community Plantations forest and woodlots increase (Ha)	120,000	160,000
1.6	Reduced Deforestation Rate (Ha)	469,420	234,710
1.7	Area of commercial forest Plantation established (Ha)	500,000	550,000
1.8	Increased consumption of alternative charcoal in urban areas (Tones)	100	100,000
1.9	% of large projects complying with approved Environmental and Social Impact Assessment (EIA) and audit regulations	90	120
1.10	Loss of biodiversity reduced (%)	30	20
1.11	The cost incurred due to climate impact reduced (%)	1	0.9
1.12	Land degradation reduced (%)	16	14
1.13	Environmental pollution reduced (%)	-	5

5.3.6 Science, Technology and Innovation

Tanzania has enjoyed a rapid utilisation of evolving digital technologies in communication and production to leapfrog competences in various sectors of the economy. Digital technologies are now present in multiple sectors of the economy and social life, from telecommunications and finance, to governance, marketing and service delivery. A competitive production and trading system can be established through leveraging existing digital technologies to create dynamic value chains and provide a reliable market for production and trading in the primary sectors of agriculture, livestock, forestry and minerals extraction. Effective utilisation of digital technologies will add to the scope and range of domestic production for self-reliance, as well as, enhance export trade capacity and growth with employment.

In this context, FYDP III will prioritise the harnessing of development possibilities presented by big data, automation, Artificial Intelligence (IA), and robotization

Key Interventions include:

(i) Promote increased utilisation of development possibilities offered by the internet while protecting against gender-based Internet abuses especially against children;

(ii) Strengthen the operational effectiveness of national communication sector institutions;

(iii) Establish ICT Centres of Excellences, support local R&D in ICT, ICT innovation, promotion of new products, processes and patenting (innovation), and register ICT technicians and professionals;

(iv) Encourage investment and local manufacturing of ICT equipment and its end life management;

(v) Secure international scientific, technical and innovation cooperation agreements;

(vi) Strengthen Collaboration with Private Sector and DPs in promoting STI;

Table 22: Target Indicators for Innovation, Science and Technologies

S/N	Indicator	Target	
		2019/20	2025/26
1.	**R&D Expenditure**		
1.1.	Share of R&D expenditure in GDP (%)	0.8	1
1.2.	Total Expenditure (TZS billion)	90.2	139.7
1.2.1.	Of which on agriculture (%)	38.0	40.0
1.2.2.	Of which on manufacturing (%)	40.0	42.8
1.2.3.	Of which on mining, construction & utilities (%)	13.5	10.6
1.2.4.	Of which % on services	8.5	6.6
2.	**Institutional Technological Capabilities**		
2.1	R&D expenditure by public sector (%)	68.3	72
2.2	Number of qualified researchers	9,556	12,639
2.3	R&D institutions with foreign partner institution	22	32
2.4	Number of firms participating in TIUMP	80	200
2.5	Number of firms practicing KAIZEN	132	140
2.6	share of engineers in total tertiary government disbursements for training programmes	1,567	2,660

Box 6: Promoting Digital Economy in Tanzania

Digital economy or Internet Economy, the New Economy, or Web Economy is an economy based on digital computing technologies. Digital economy creates many new economic opportunities hence plays a crucial role in any country including Tanzania. The digitalization is transforming economies on various fronts including the nature of markets and products, technic, service delivery, the scale of capital and human capital requirements. It is also enhancing productivity, exposing companies to new ideas, technologies, new management style and business models, and creating new channels of market access.

In Tanzania digital economy has contributed in better service delivery, efficiency in revenue collections, and increased efficiency in payments ecosystem, enhanced management of human capital and creation of employment opportunities. Government of Tanzania has undertaken various Digital Economy initiatives including the National ICT Broadband Backbone (NICTBB), National Internet Data Centre (NIDC), National ICT Policy (2016) and its Implementation Strategy, e- Government operationalization, National Cyber Security Strategy 2016 and Financial Sector Development Master Plan 2020/21 – 2029/30. These initiatives are in-line with the National Development Vision 2025 and the Five-Year Development Plans. Given the theme of the FYDP III, competitiveness, industrialization, services provision and trade can be realized by immense adoption of digital technologies. Thus, among the priority areas of FYDP III is building country's competitiveness in which digital revolution is an integral element of the particular priority intervention. Therefore, adoption of digital technologies in the industrial production lines is expected to increase efficiency, productivity and the economies of scale with improving efficiency in doing trade. Increased production will feed to the domestic and export markets and the economies of scale will therefore make the Tanzania exports competitive in the global markets.

The Fourth Industrial Revolution is a global phenomenon, thus inevitable. It builds in part on the collection and use of digitized data (Drones, IoT, AI, Big Data for example). Therefore, there is the need for Government and industry to understand and embrace digital technology to become ever stronger. Precision agriculture, integrated supply chain, just-in-time production, access to finance are just a few areas which are being transformed by the application of digital technologies and data analysis. Tanzania can and will participate actively in the digital economy. Furthermore, it was not too long ago that Tanzania had no modern and adequate telephone networks. Now, the nation is booming with mobile phones, application developers, network providers, mobile money and online services. It has much of the telecommunications infrastructure to support adoption of Artificial intelligence, big data analytics, block chains, 3D printing and the like, which is important given the productivity gains these technologies offer and the fundamental change they can bring to Tanzania. Globally, technology is changing rapidly. Various countries have transformed their economies through digital migration in which socio-economic activities are digitalized by adoption of digital technologies. However, it is not only adoption but also supply of digital goods and services, integration is fostered by cross-border data flows, and quality of life needs to reflect the job opportunities and the required skills and education.

Hence, Tanzania needs to keep up with the pace for it to be competitive and thus digital migration is overemphasized. Recent economic projections for Tanzania shows that the economy is expected to grow at an annual average of 6.9 percent in the medium-term horizon (2021–2025). Therefore, adoption and adaption of digital technologies in the economy will ultimately boost economic growth and catalyse realization of the growth projections. Digital eruption has already led to the creation of enormous wealth in record time, but this is highly concentrated in a small number of countries, companies and individuals. Meanwhile, digitalization has also given rise to fundamental challenges for policymakers in countries at all levels of development. Harnessing its potential for the many, and not just the few, requires creative thinking and policy experimentation. And it calls for greater global cooperation to avoid widening the income gap and digital divide.

The growth of digital economy, however, has brought significant transformation in the mode of doing business through internet by presenting new business models such as e-commerce and online advertising. The transformation has created significant challenges in taxation arena Currently, there is no nation-wide framework to guide digital economy initiatives in the country. Digital activities are pursued but not within integrated action plans, policies and strategies. Consequently, the FYDP III paves the way for Tanzania to leverage digitalization in growing her digital economy pie and, most importantly, in accelerating economic transformation.

5.3.7 Tourism Sector

Tourism accounts for more 17% of GDP and 25% of foreign earnings. The sector possesses significant potential to contribute to the national economy and foreign receipts on account of the unique natural attractions present in the country relative to elsewhere on the continent. The tourist attractions present in Tanzania include national parks and game reserves, plants, mountains, valleys, waterfalls, and coastal areas. To promote sector competitiveness and linkages, FYDP III is prioritising the development and implementation of a clear tourism legal and regulatory frameworks and strengthening public-private dialogue and collaboration.

Key Interventions include:

(i) Promote new tourism products development and diversification for sustainable growth;

(ii) Promote southern tourist circuit as alternative to other circuits

Table 23: Targets and Indicators for Tourism Sub-sector

S/N	Indicator	Target	
		2019/20	2025/26
1.1	Contribution to GDP (%), current prices	17.5	11
1.2	Real growth rate (%)	1.5	2.0
1.3	Number of tourists	1,527,230	5,000,000
1.4	Average number of nights spent by tourist	13	14
1.5	Average expenditure per tourist per day (non-package/package) (US$)	216/379	326/455
1.6	Employment (number)	1,500,000	1,750,000
1.7	Share of foreign exchange earnings (%)	25	27
1.8	Earnings from tourists (US$ billion)	2.6	6.0

5.3.8 Information, Sports and Creative Arts

The entertainment industry is one of the rapidly growing tertiary economic activities in Tanzania, attracting massive youth labour force in particular. The industry, sometimes known as show business or show biz, is part of the tertiary sector of the economy and in Tanzania is broadly defined to include a large number of sub-industries devoted to printing, broadcasting and entertainment. In the popular dialect, the term show biz in particular connotes the commercially popular activities such as visual arts (antiques, crafts, paintings, sculpture and photography); performing arts theatre (dance, circus and festivals); film and video; music (recorded and live performances); design (fashion design, graphic design, interior design, product design); drawing; painting; sculpture and architecture, sports and other forms of cultural entertains. Tanzanians, particularly urban dwellers, are increasingly spending more time and money on entertainment and projections for the coming years with a steady growth in their disposable income, suggests entertainment industry in Tanzania and the regional market of East and Central Africa.

Key Interventions include:

i. Promote strategic investments in creative industry;

ii. Strengthen protection of artistic works, literary works and folklores;

iii. Develop and implement capacity building programmes to information, culture, arts and sports personnel/ stakeholders for effective management, compliance, professionalism and improvement of products and services;

iv. Promote R&D on culture, traditions and values aiming at restoring, promoting and preserving them for the current and future generations;

v. Construct a new Tanzania Information Auditorium with a press center and recording studios in Dodoma;

vi. Implement the African Liberation Heritage Programme with focus on identifying and restoring the history of liberation struggles in Africa and construction of a regional centre for the programme;

vii. Construct a film complex with modern film facilities such as cinema halls, film studios, movie theaters and movie shops;

viii. Strengthen National Kiswahili Council and promote Kiswahili regionally and internally;

ix. Construct modern football ground in Dodoma and improve Dar es Salaam Sports Complex (Benjamin Mkapa and Uhuru Stadiums);

x. Promote sports at all levels including traditional sports;

xi. Construct two Arts and Sports Arena with above 10,000 sitting capacity in Dodoma and Dar es Salaam to facilitate indoor sports, artistic performances and international sports and arts festivals that will be held in Tanzania;

xii. Develop and protect areas earmarked for culture, arts, sports and leisure activities;

xiii. Establish Journalists Accreditation Board, Independent Media Council and Media Training Fund in accordance to the requirement of Media Services Act No. 12 of 2016;

xiv. Construct Sanaa House in Dodoma that will host National Arts Council, Copyright Society of Tanzania (COSOTA), Tanzania Film Board, National Kiswahili Council and other related institutions;

xv. Construct national culture complex at Kiromo, Bagamoyo;

xvi. Extend coverage of Tanzania Broadcasting Corporation (TBC) radio and television

xvii. Construct TBC headquarters in Dodoma;

xviii. Strengthen Tanzania Standard Newspapers (TSN) with focus on installation of a new printing facility of TSN in Dodoma and improvement of products and services;

xix. Improve training infrastructure and facilities at Bagamoyo Arts and Culture Institute and Malya Sports Development College including construction of classrooms, dormitories, library and establishment of Sports Academy

Table 24: Targets and Indicators for Creative Industries

S/N	Indicator	Target	
		2019/20	2025/26
1.1	Number of districts with TBC coverage (TBCFM and TBCTaifa)	102	161
1.2	Number and type of additional and improved sports infrastructure countrywide	63	72
1.3	Two Arts and Sports Arena in Dodoma and Dar es Salaam	0	2
1.4	Number of infrastructures constructed/renovated at Malya Sports Development College and Bagamoyo Institute of Arts and Culture (TaSUBa).	35	40
1.5	Number of films and music approved for distribution/ consumption.	Male 12,518 Female 2,785 Total 15,303	Male 19,301 Female 6,434 Total 25,735
1.6	Number of registered artists in creative activities.	3,462	8,666
	Tanzania Information Auditorium in Dodoma.	0	1
1.7	Sanaa House in Dodoma	0	1
1.8	National culture complex at Kiromo, Bagamoyo	0	1
1.9	TBC headquarters in Dodoma;	0	1
1.10	New printing facility of Tanzania Standard Newspapers in Dodoma	0	1
1.11	Number of press conference on matters relating to implementation of government policies, programmes and projects.	64	144
1.12	Number of cinema and recreation halls registered	442	709
1.13	Regional centre for African Liberation Heritage Programme	0	1
1.14	Number of practitioners in creative industry trained	2,852	4,297
1.15	Number of international sports competitions/tournaments organized and participated.	178	350
1.16	Number of permits issued to clubs and individuals' athletes.	178	400
1.17	A film complex.	0	1
1.18	Number of professional athletes playing abroad.	54	150
1.19	Number of foreigners undertaking film production in Tanzania.	359	1,059
1.20	Number of newspapers produced by Tanzania Standards Newspapers (TSN)	4,158,642	4,659,975
1.21	Number of artists/creative industry practitioners/groups performing overseas.	1,620	1,755

S/N	Indicator	Target	
		2019/20	2025/26
1.22	Number of overseas artists/creative industry practitioners performing in Tanzania.	720	2,312
1.23	Overcoming piracy in films and music activities.	3,050,638	1,000,000
1.24	Total Amount of royalties provided to artists and the number of artists benefited (Tshs Million)/Artists	220.01	1,225.00
		1,934	2,100
1.25	Number of Kiswahili experts working outside the country.	56	656
1.26	Number of Kiswahili publications sold overseas.	200	700
1.27	Number of international cultures, arts and creative Awards organized and participated.	47	130
1.28	Number of foreign culture and arts practitioners participated in TaSUBa annual international Culture and Arts festival.	5	20
1.29	Number of students enrolled at Malya Sports Development College.	Male 190 Female 110 Total 300	Male 900 Female 400 Total 1,300
1.30	Number of students enrolled level at Bagamoyo Arts and Culture Institute.	350	1,200
1.31	Journalists Accreditation Board	0	1
1.32	Independent Media Council	0	1
1.33	Media Training Fund	0	1
1.34	Number of Ministry personnel capacitated in information, culture, arts and sports sector	Male 1 Female 1 Total 2	Male 20 Female 20 Total 40

5.3.9 Financial Services

Banking and Payment Services

Banking and payment services play a key role in mobilizing savings and allocating credit to various sectors of the economy and in the process catalyse productivity, competitiveness and linkages in the sectors. Banking and payment services enable enterprises and households to engage in production, processing and trading safely and efficiently. Further, these services enable producers and enterprises to cope with economic uncertainties by hedging, pooling, sharing and pricing risks. To limit economic risks, increase efficiency and contribution of the sub sector to national income, FYDP III will focus on the five key areas of: Increasing access and usage of formal banking and payment services; strengthening consumer protection; reduce vulnerability of the banking and payment system; promoting advancements in technology and innovation; and developing a system to easy claims, complain handling and settlement.

Key Interventions Include:

(i) Develop and implement inclusive banking and payment services' awareness and education programmes;

(ii) Reduce costs of accessing and utilising formal banking and payments services;

(iii) Promote awareness and compliance to international technical regulations and standards;

(iv) Develop and promote local demand driven banking and payment services; and

(v) Develop robust complaints and claims handling system.

Table 25: Indicators and Targets for Banking and Payment Sub-Sector

S/N	Indicator	Target	
		2019/20	2025/26
1.1	% of adult population using bank services	17	33
1.2	Bank deposits/GDP (%)	17	21
1.3	Bank assets/GDP (%)	26	33

Insurance Sub-Sector

Insurance is a tool used to protect businesses, investment, capital, assets and lives against risks associated with undue disasters and unforeseen challenges. To guard against adverse effects of risks and increase the sub sector's contribution to the economy, FYDP III is focusing on three priority areas of insurance subsector which are: creating awareness programmes and public sensitization of public on insurance matters; developing local demand driven products; and developing a system to easy claims, complain handling and settlement.

Key Interventions Include:

(i) Create and conduct inclusive public awareness programmes;

(ii) Develop and promote local demand driven insurance products; and

(iii) Develop robust complaints handling system.

Table 26: Indicators and Targets for Insurance Sub-Sector

S/N	Indicator	Target	
		2019/20	2025/26
1.1.	Contribution to GDP (%)	0.7	2
1.2.	Real growth rate (%)	28.5	29.1
1.3.	Level of population awareness on insurance matter (%)	36	78
1.4.	Customer satisfaction/protected (%)	70	80
1.5.	Number of demands driven insurance products introduced to the market	2	7
1.6.	% of adult population using insurance services	6	18
1.7.	Insurance Assets to GDP (%)	0.9	3
1.8.	Number of populations using insurance products	3,582,000	12,278,000

Capital Market Sub-Sector

Capital Markets are part of the financial system in the economy. They facilitate mobilisation of financial resources in terms of either equity, debt or units of collective investment schemes for financing long term development projects, thus fuelling economic development and growth. The capital markets are therefore important in providing appropriate mechanisms for channelling resources from investors and efficiently allocating them to productive sectors of the economy which stimulate economic growth and development.

Key interventions include:

(i) Develop and implement capital market awareness and education programmes;

(ii) Promote development of affordable demand driven financial products and services;

(iii) Strengthen policy, legal, institutional and regulatory frameworks; and

(iv) Develop affordable financial services distribution channels.

Table 27: Indicators and Targets for Capital Market Sub-Sector

S/N	Indicator	Target	
		2019/20	2025/26
1.1	% of population invested in the capital markets	1.3	3
1.2	Number of listed companies	28	35
1.3	Domestic Market capitalization (% of GDP)	7.4	10

5.3.10 The Blue Economy

The 'Blue Economy' encourages sustainable use of the water or 'blue' resources. It refers to the economic activities conducted on shores, rivers, banks, lakes, fresh waters, water courses, groundwater, oceans, seas, seabed, etc. Productive activities that rely on water-based resources include fishing, offshore prospecting and extraction of oil and gas, tourism, fish farming, aquaculture, shipping and maritime transport, seabed extractive industries, marine biotechnology, bio prospecting, and offshore renewable energy. Further, robust systems of maritime peace and security are key to attracting investment in water-based resources. Therefore, in implementing this Plan, the Government will put in place an enabling business and investment environment in order to attract local and foreign investors so as to increase the contribution of this sector in the national economy.

Key Interventions Include:

(i) Continue with facilitation of research to ascertain investment and production opportunities of water-based resources;

(ii) Promote investment and utilisation of science and technology in economic activities based on water resources;

(iii) Strengthen coordination of relevant infrastructure research, investment, production, conservation, tourism, shipping and other maritime transportation services;

(iv) Promote civic participation in the exploration of economic opportunities resulting from water-based resources;

(v) Strengthen systems of defence and security of water-based activities and services; and

(vi) Strengthen regional and international institutional cooperation in trans-boundary water resource management.

Box 7: Promoting Blue Economy in Tanzania

The 'Blue Economy' relates to economic activities conducted on shores, rivers, banks, lakes, fresh waters, water courses, groundwater, oceans, seas, seabed, etc. These include fishing, offshore prospecting and extraction of oil and gas, tourism, fish farming, aquaculture, transportation and shipping, offshore renewable energy, aquaculture, seabed extractive industries, marine biotechnology and bio prospecting. If well utilized, the blue economy can be the engine of economic growth, source of food and employment, the basis of socio-economic development and industrialization. Yet despite this enormous potential, statistics indicate that fishing and aquaculture account for 2.2% of the national gross domestic product (GDP), 3% of foreign earnings, engage some 200,000 and 4.2 million people in permanent and temporary employment respectively. Further there is an absence of other key statistics on the contribution of other water related economic activities, which is instructive of the low uptake of existing investment opportunities.

Tanzania has total inland water surface area covers 62,000 square kilometers comprising of the four main water basins of: Lake Victoria, Nyasa, Tanganyika and Rukwa. Tanzania encompasses a territorial sea size of 64,500 square kilometers. These resources offer investment opportunities in fishing, fish farming, salt harvesting, prospecting for oil and gas, mariculture (including seaweed), coastal tourism, shipping and maritime transportation.

The Government has strengthened exploitation of the blue economy by putting in place institutional systems, policies, laws, procedures and guidelines. Further, despite the Government's considerable investment in water infrastructure particularly port expansions and acquisition of ships in the great lakes, the contribution of this sector to the national economy remains small. Therefore, this Plan sets out to encourage increased investment in the blue economy.

5.4 Investment and Trade Promotion

This area includes programs that will strengthen domestic markets and take advantage of regional and international market opportunities in promoting trade. In addition, targeted markets are those that will provide opportunities for locally produced goods, including products from agricultural, livestock, fisheries and forests.

5.4.1 Consolidating Business and Investment Environment Reforms

The promotion of investment and trade recognizes the private sector and the overarching business environment as key in building a competitive economy based on the industrialized economy as stipulated in the FYDP III theme. FYDP III will consolidate business environment reforms under the umbrella of the Blue Print framework. FYDP III will address bottlenecks impacting investment and the conduct of business.

These efforts will enhance competitiveness, the quality of products and services, and reduce bureaucracy in institutions tasked with facilitating business and investment.

Key Interventions for Doing Business and Investment include:

(i) Simplify business and investment processes;

(ii) Strengthen institutional, fiscal policies, legal and regulatory frameworks;

(iii) Pursue national and regional measures related to reduction in the cost of doing business;

(iv) Promote awareness and compliance to international technical regulations and standards; and

(v) Improve gathering and dissemination of trade and market intelligence.

5.4.2 Trade

A competitive trading system relies on the efficacy of hard infrastructure including rail, roads, ports and energy. Further systems, institutional arrangements policy and regulatory frameworks also play a central role in trade facilitation. To achieve higher levels of trade performance and competitiveness, FYDP III, is directing efforts at increasing the trade sector's contribution to GDP, streamlining and strengthening trading systems, trade support institutions, infrastructure as well as regional and international trade relations.

Key Interventions for Trade Development include:

(i) Identify and negotiate better market access opportunities for domestic produced goods and services;

(ii) Establish enterprise development and trade logistics centres;

(iii) Simplify and streamline regulatory reforms to address non-tariff barriers;

(iv) Reduce logistics costs through improved efficiency and reliability of transport infrastructure, border agencies, logistics regulators and service providers;

(v) Improve trade facilitation and effective utilisation of risk management as a tool for restricting the number of costly physical inspections;

(vi) Coordinate and facilitate construction of strategic markets at border areas;

(vii) Promote trade of domestically value-added goods and services; and

(viii) Develop Tanzania National Brand for Tanzanian's products.

Table 28: Indicators and Targets for Trade Development

S/N	Indicator	Target	
		2019/20	2025/26
1.	**Exports**		
1.1.	Share of exports in GDP (%)	16.1	28.0
1.2.	Share of manufactured goods in total exports (%)	35	40
1.3.	Share of services in total exports (%)	45	50
1.4.	Share of exports in world market (%)	0.1	0.15
1.5.	Share of exports to EAC (%)	7	15
1.5.1.	Of which manufactured goods (%)	10.8	14
1.6.	Share of exports to SADC (%)	14	30
2.	**Imports**		
2.1.	Share of imports in GDP (%)	17.9	13
2.2.	Share consumer goods in total imports (%)	15	12
2.3.	Share of intermediate goods in total imports (%)	32	23
2.4.	Share of imports from EAC (%)	7.5	11
2.5.	Share of imports from SADC (%)	10	10

5.4.3 Foreign Relations and Economic Diplomacy

The Government implements foreign policy in line with domestic needs and priorities with the view of promoting peace, stability and prosperity. Regional and international cooperation provide opportunities for the resolution of economic and political disagreements, and for attracting investment. Therefore, implementation of this Plan will see Tanzania continue to strengthen its foreign policy through adoption and implementation of approved regional and international development frameworks.

Key Interventions include:

(i) Develop and implement a strategic framework for political and economic diplomacy;

(ii) Strengthen and expand cooperation and participation in regional and international development;

(iii) Construct and rehabilitate Tanzania's embassies' buildings abroad.

Table 29: Indicators and Targets for Foreign Relations and Economic Diplomacy

S/N	Indicator	Target	
		2019/20	2025/26
1	**Strategic Implementation of Political Diplomacy**		
1.1	Number of bilateral, regional and international meetings participated	50	250
1.2	Number of Tanzanians involved in peacekeeping missions	2,303	3,500
1.3	Number of new embassies opened abroad	1	10
1.4	Number of new consulates opened abroad	2	6
1.5	Number of Joint Permanent Commissions meetings conducted	5	30
1.6	Number of signed MoUs in areas of cooperation between Tanzania and other countries	15	80
1.7	Number of neighbourhood meetings conducted	5	40
1.8	Number of regional and international platforms using Kiswahili as official language	5	6
1.9	Number of Institutions teaching Kiswahili in Regional and International Arena	5	10
2.	**Strategic implementation of Economic Diplomacy**		
2.1	Number of Tanzanians participating in trade fairs and forums	240	1,200
2.2	Number of trade fairs and forums which Tanzania participated	20	100
2.3	Number of foreign investors	86	430
2.4	Number of foreign tourists	1,600,000	8,000,000
2.5	Number of Tanzanians trained abroad through scholarships	7,600	10,000
3	**Expanding Tanzania's international outreach**		
3.1	Number of offices and residential buildings rehabilitated	3	11
3.2	Number of plots owned by the government abroad located in prime commercial areas developed	1	11

5.5 Interventions for Human Development

Human development is the ultimate aim of any development plan in Tanzania. To catalyse the realisation of this long-term endeavour, FYDP III seeks to raise both availability and quality of health, education, skills development, water, nutrition, human settlements development, urban planning, and social security, required by an individual and society at large for sustained welfare improvement.

Key interventions Include

(i) Improve social services infrastructure and facilities;

(ii) Introduce tailor made programmes to improve skills and knowledge of available and existing manpower;

(iii) Develop and facilitate rare cadre training programmes;

(iv) Promote vocational and technical training centres;

(v) Support private sector to invest in rare skills, both hardware and software;

(vi) Promote and support income generating activities for low-income earners;

(vii) Promote social welfare programmes (safety nets), including access to health insurance and pension schemes as well as income smoothing mechanisms; and

(viii) Promote training programmes related to learning by doing.

Table 30: Human Development Indicators

S/N	Indicator	Target	
		2019/20	2025/26
1.1	Human Development Index	0.57	0.60
2.1	Proportion of Population Below Basic Need Poverty Line (national)	26.4 (2018)	22
2.2	Proportion of Population Below Basic Need Poverty Line (rural)	31.3 (2018)	28.4
2.3	Proportion of Population Below Basic Need Poverty Line (urban)	15.8 (2018)	13.2
2.4	Proportion of population below food poverty line (national)	8.0 (2018)	5.8
2.5	Proportion of population below food poverty line (rural)	9.7	8.0
2.6	Proportion of population below food poverty line (urban)	4.4	3.1
2.7	Multi-dimensional Poverty Index (MPI),	55.4	29.2
3.1	Income inequality (national)	0.38*	0.36
3.2	Income inequality (rural)	0.32*	0.30
3.3	Income inequality (urban)	0.38*	0.37
3.4	Unemployment rate (national)	9.7**	8.0

* HBS 2017/18
**ILFS 2014/15

5.5.1 Quality and Relevant Education

Quality education includes knowledge and skills consistent with the needs of economic activities. Knowledge and relevant skills improve productivity in production and service delivery. On this basis, this Plan focuses on improving systems of education and learning, rationalising education with the needs of labour market, including the promotion of innovation and technology transfer.

Key Interventions Include

(i) Increase spending on inclusive education, skills and innovation related R&D initiatives;

(ii) Strengthen regional and international scientific and technical cooperation in education, science, technology, technical and vocational training;

(iii) Improve infrastructure in training and development institutions for special and rare cadres;

(iv) Improve and incorporate inclusive teaching and learning environment (classrooms, desks, text books, latrines/toilets ratios; boarding for girls; etc.) at all levels;

(v) Improve teachers' competency at all levels, particularly in Mathematics and Science subjects;

(vi) Facilitate availability of teaching and learning instruments and tools at all levels;

(vii) Increase access to student loans at tertiary level for those in Science, Mathematics, special and rare cadre courses;

(viii)Improve availability of academic staff, laboratory technicians, workshop technicians and librarians;

(ix) Review and Updating curriculum with alignment to labour market;

(x) Promote and support use of ICT in teaching and learning at all levels; and

(xi) Improve working environment for teaching staff at all levels; and

(xii) Improve access and participation of women and PWD in tertiary and higher learning institutions.

Table 31: Indicators and Targets for Education and Capacity Development

S/N	Indicator	Target	
		2019/20	2025/26
1	**Education**	**0.57**	**0.60**
1.1	**Early Learning**		
1.1.1	Early Learning		
1.1.2	Gross Enrolment Ratio (% of Eligible)	78.5	100
1.1.3	Net Enrolment Ratio (% of Eligible)	35.9	80
1.1.4	Pupil/Qualified Teacher Ratio (PTR)	130:1	50:1

S/N	Indicator	Target	
		2019/20	2025/26
1.2	**Primary Education**		
1.2.1	Gross School Enrolment Ratio	110.6	100
1.2.2	Net Enrolment Ratio (% of Eligible)	95.7	100
1.2.4	Percentage of cohort passing the examination (PSLE)	82.24	100
1.2.5	Pupil/Teacher Ratio	56:1	50:1
1.2.6	Pupil/Textbook Ratio	4:1	1:1
1.2.7	Pupil/Classroom Ratio	75:1	60:1
1.2.8	Pupil/Latrine Ratio (Boys)	54:1	25:1
1.2.9	Pupil/Latrine Ratio (Girls)	51:1	20:1
1.2.10	Pupil/desk Ratio	4:1	2:1
1.2.11	% of Schools with clean water	49.3	60.0
1.2.12	% of Schools with electricity	43.5	60.0
1.2.13	Transition rate from standard seven to form one	77.55	95.9
1.2.14.	Adult literacy rate	77.6	81.6
1.3	**Secondary Education**		
1.3.1	Gross Enrolment Ratio in lower secondary schools (%)	46	48
1.3.2	Net Enrolment Ratio (% of Eligible)	36	42
1.3.3	Pupil/Teacher Ratio in lower secondary schools	23:1	20:1
1.3.4	Pupil/Classroom Ratio in lower secondary schools	41:1	40:1
1.3.5	Pupil/Latrine Ratio in lower secondary schools	27:1	20:1
1.3.6	% of Schools with clean water	68.5	88.5
1.3.7	% of Schools with electricity	69.8	85
1.3.8	% of students passing form IV examination	80.65	90.0
1.3.9	% of transition rate from form four to form five	19.2	23
1.3.10	Improve examination pass rate in Mathematics	20	25
1.3.11	Improve examination pass rate in Science subjects	56.2	60.2

S/N	Indicator	Target	
		2019/20	2025/26
1.4	**Higher Secondary Education**		
1.4.1	Gross Enrolment Ratio (%)	6.9	10
1.4.2	Net Enrolment Ratio (% of Eligible)	3.3	8
1.4.3	Of which male	3.3	4
1.4.4	Of which female	3.2	4
1.4.5	Percentage of students passing form VI examination	99.51	100
1.5	**Higher Education**		
1.5.1	Higher education enrolment rate	8.2	10
1.5.2	% of which male	4.5	6
1.5.3	% of which female	3.7	4
1.5.4	% of science and mathematics graduates among all university graduates	26	30
1.5.5	No. of students facilitated with higher educ. loans	132,392	180,000
1.5.6	Loan/Grant to science subjects	63.9	70
1.5.7	Number of graduates	60,940	70,081
1.5.7.1	of which male	34,513	39,690
1.5.7.2	of which female	26,427	44,700
1.6	**Tertiary Education**		
1.6.1	Tertiary gross enrolment rate (%)	4.5	6.0
1.6.2	Annual number of students graduating from tertiary/higher education	55,501	120,000
1.6.3	Of whom science and engineering students (%)	36	40
1.6.4	Of whom women/girls (%)	42	43
1.6.5	Tertiary and higher learning students with access to student loans	60	90

5.5.2 Health

The health sector is key to human development. The sector includes infrastructure, professionals, medical equipment and supplies, reagents, medicines, curative and preventive care, and health insurance. Therefore, this Plan seeks to strengthen health management systems, service availability and delivery. FYDP III also prioritises the resolution of quality challenges in health service.

Key Interventions include:

(i) Construct and rehabilitate inclusive health facilities;

(ii) Ensure availability of medicine, medical supplies, reagents, vaccine and pharmaceutical equipment;

(iii) Promote and increase scope, as well as coverage of health insurance schemes;

(iv) Strengthen specialized and super-specialized services in all zonal, specialized and national referral hospitals;

(v) Improve traditional health services/alternative medicines;

(vi) Promote and support establishment of vaccines, medicines and medical equipment manufacturing industries;

(vii) Promote and support private sector investment in health commodity supply chain;

(viii) Design and establish proper logistics and storage of medical commodities;

(ix) Strengthen public health rapid response teams; and

(x) Improve Emergency Medical Services (EMS).

Table 32: Indicators and Targets for the Health Sector

S/N	Indicator	Target	
		2019/20	2025/26
1.1	Infant Mortality Rate per 1,000 births	36	30
1.2	Under five Mortality Rate per 1,000 births	50	40
1.3	Births attended by a skilled health worker (%)	80	85
1.4	Maternal Mortality Rate per 100,000	220	180
1.5	Life Expectancy (Years)	66	68
1.6	National HIV Prevalence rate (%)	4.7	3.1
1.7	Health expenditure, public (% of Govt. expenditure)	10	12.2

5.5.3 Water Supply and Sanitation

Water and sanitation health are some of the key ingredients for human development. This sector involves the availability and distribution of water and the protection of water sources and resource environment. In this regard, this Plan focuses on improving the availability and distribution of water supplies and sanitation services in urban and rural areas, and protection of water sources and resource environment.

Key Interventions Include:

(i) Strengthen supply infrastructures for clean and safe water;

(ii) Establish and strengthen the Community Based Water Supply Organizations (CBWSOs) for enhancing sustainability of rural water supply and sanitation services;

(iii) Promote appropriate technologies for further treatment of effluent and sludge for recycling and re-use purposes;

(iv) Construct strategic water reservoirs;

(v) Promote and support Management, development and equitable utilization of trans- boundary water resources;

(vi) Strengthen conservation and protection programmes of water resources and water sources;

(vii) Strengthen water resources research systems, data collection, processing, storage and dissemination of water statistics; and

(viii) Establish programmes and mechanisms for management, monitoring and assessment of water and wastewater quality;

Table 33: Indicators for Water Supply and Sanitation

S/N	Indicator	Target	
		2019/20	2025/26
1.1	Percentage of rural population with access to piped or protected water as their main source	70	85
1.2	Proportional of the households in Rural areas with improved sanitation facilities	36	75
1.3	Percentage of Regional Centre's population with access to piped or protected water as their main source	84	95
1.4	Percentage of households connected to convention public sewer systems in Regional Centre's	13	30
1.5	Percentage of Non-Revenue Water (NRW) for Regional Centre's	30	20
1.6	Percentage of district capitals and areas small towns population with access to piped or protected water as their main source	70	85
1.7	Percentage of Dar es salaam population with access to piped or protected water as their main source	85	95
1.8	Percentage of household connected to convention public sewer systems in Dar es Salaam	13	30
1.9	Percentage of Non-Revenue Water (NRW) for Dar es Salaam	35	20
1. 10	Number of water sources demarcated and gazette for protection and conservation	18	200

5.5.4 Urban Planning, Housing and Human Settlement Development

The strategic direction of FYDP III will be to ensure land tenure security to economic agents and promote planned and serviced urban settlements with functioning town planning procedures, including improved solid and liquid waste management, use of sustainable transport and cleaner energy. Interventions in this section will also address critical implications of rapid urban population growth on settlements.

Key Interventions Include:

(i) Promote and facilitate planning, surveying and titling of land parcels for investment and human settlement;

(ii) Prepare urban, islands and coastal development master plans;

(iii) Establish affordable housing schemes;

(iv) Upgrade and scale up an Integrated Land Management Information System;

(v) Mainstream land management and planning systems in other sectoral development plans; and

(vi) Promote the use of ICT in land surveying and titling.

Table 34: Indicators and Targets for Urbanization, Housing and Sustainable Human Settlements

S/N	Indicator	Target	
		2019/20	2025/26
1.1	% of land surveyed	25	37
1.2	Number of regularized properties in unplanned settlements	1,496,357	2,496,357
1.3	Number of residential licences issued to property owners in unplanned settlements	1,738	20,000
1.4	% of general land covered by informal settlements	70	25
1.5	Area of land (acres) allocated and protected for public uses	858,665	1,452,415
1.6	Number of Functional DLHTs (district land housing tribunals)	57	139
1.7	Proportions of villages with Land Use Plans	19.3	52.7
1.8	Length of Exclusive Economic Zone (EEZ) in kilometres extended into the Indian Ocean (km)	0	370
1.9	Number of updated base maps for region	1	26
1.10	Number of allocated plots	1,551,716	4,051,716
1.11	Number of allocated farms		
1.12	Number of Towns with up-to-date general planning schemes (Master Plans)	24	54

5.5.5 Food Security and Nutrition

Good nutrition is a key ingredient in the development of a human body, mind and intelligence. Quality nutrition involves the intake of meals containing proportionate amounts of proteins, carbohydrates, fats, vitamins, fibre and water. Further, the availability of food and key nutrients is a cornerstone of good health and human development. In this regard, FYDP III encourages the society to scale up the production of food and nutrients to lessen the prevalence of associated health burdens.

Key Interventions include:

(i) Increase coverage of integrated management of acute malnutrition (IMAM) services;

(ii) Promote nutritional programmes, including education, lifestyle, healthy eating, food fortification and supplementation;

(iii) Promote investment in the production and consumption of diversified nutritious foods.

(iv) Increase production, distribution and consumption of local nutritious food; and

(v) Capacitate health care providers on provision of comprehensive nutrition services at all levels (including at health facilities);

Table 35: Indicators and Targets for Food Security and Nutrition

S/N	Indicator	Target	
		2019/20	2025/26
1.1	Prevalence of stunting in children aged 0 – 59 months	31.8	24
1.2	Prevalence of wasting (weight for height) among children 0-59 months	3.5	Less than 5
1.3	Prevalence of low birth weight (LBW) at birth	6.3	Less than 3
1.4	Proportion of women aged 15-49 years with anaemia	44	22
1.5	Prevalence of global acute malnutrition among children 0-59 months	3.5	Less than 5
1.6	Median urinary iodine of women aged 15-49 years, 100- 299 µg/L;	100- 299 µg/L	100- 299 µg/L
1.7	Prevalence of overweight among children 0 – 59 months.	2.8	Less than 5
1.8	Overweight among adults aged 15-49 years	30	Less than 29
1.9	Proportion of households accessing adequately iodized salt	62	80
1.10	Rate of Exclusive Breast Feeding (EBF)	59	65
1.11	Prevalence of vitamin A deficiency among children aged 6 – 59 months (serum retinol level < 20 µg/dl)	-	Less than 20

5.5.6 Social Protection

The concept of social protection involves economic empowerment, civic participation in production activities, and improving the livelihood and welfare of vulnerable populations to reduce income poverty and dependency. Further, efforts promoting economic empowerment aim to build the society's self-reliance and resilience to shocks.

Key Interventions Include:

(i) Strengthen alternative care, including foster parenting and adoption services;

(ii) Strengthen early childhood development services and child protection;

(iii) Strengthen provision of social welfare services including health services and psychosocial support to vulnerable groups and communities;

(iv) Strengthen Elderly Councils;

(v) Extend social protection coverage to both formal and informal sectors;

(vi) Promote private sector investment in the provision of social welfare services;

(vii) Promote inclusiveness and economic empowerment for Persons with Disabilities;

(viii) Promote individual and community savings behaviour and attitudes, and investment in productive activities;

(ix) Strengthen management and regulation of community empowerment funds;

(x) Encouraging private sector investment in the provision of social security services;

(xi) Encourage participation and economic empowerment for people with disabilities;

(xii) Encourage the practice of saving and investing in productive activities; and

(xiii) Strengthen the management of citizens' investment funds.

Table 36: Indicators and Targets for Social Protection

S/N	Indicator	Target	
		2019/20	2025/26
1.1	% Increase of social protection coverage	20	30
1.2	Coverage of health insurance scheme (%)	50	80
1.3	Coverage of the social security scheme (%)	7.3	13.1
1.4	Youth in vulnerable employment (%)	56.3	38.3
1.5	Proportion of children with disability attending primary school (%)	80	100
1.6	Children aged 5-17 engaging in child labour (%)	24.9	21
1.7	Number of reconciled children maintenance	12,068	50,000
1.8	Number of adolescents trained on Health and well being	0	2,000,000
1.9	Number of Day Care Centres registered	1,543	7,500
1.10	Number of destitute elders with health insurances cards for free medical services	166,866	500,000
2	**Productive inclusion**		
2.1	Beneficiary households participating in functional saving groups (Percentage)	40	50
2.2	Beneficiaries receiving information on livelihood enhancement services (Number)	628,037	1,119,676
2.3	Eligible beneficiary households receiving enhanced livelihood support including appropriate basic and skill training and livelihood grant (Number)	75,000	200,000
2.4	Livelihood Income Generating Activities (IGAs) with approved business plans that are set up within six months of receiving livelihood grant support (Percentage)	70	90
2.5	Trained members of beneficiary households reporting improved skills as a result of the training provided by the PSSN program (Percentage)	60	70

S/N	Indicator	Target	
		2019/20	2025/26
3.	**Public Works**		
3.1	Beneficiary households receiving transfer through public works (Number)	255,756	1,250,000
3.2	PWP sub-projects/community assets created through PSSN Program (cumulative) (Number)	16,000	27,000
3.3	PW subprojects with clear maintenance plan and sustainability measures (%)	60	70
4	**Cash Transfer**		
4.1	Beneficiary households receiving Cash Tranfer (both conditional + Unconditional) (Number)	1,167,243	1,219,347
4.2	Proportion of children in beneficiary households aged 0-24 months old attending health facilities regularly (Percentage)	94	95
4.3	Proportion of children in beneficiary households aged 6-18 years enrolled in primary schools with more than 80% of attendance a month (%)	94	95
4.4	Proportion of eligible children in beneficiary Households linked to secondary school (Percentage)	7	8
4.5	Proportion of beneficiary household receiving disability benefit (%)	4	6

5.5.7 Good Governance and Rule of Law

Good governance provides a basis for the direction of national development. The rule of law entails compliance with laws, codes, procedures and guidelines in decision making. Therefore, Good Governance and the Rule of Law are part of the key pillars of FYDP III in the realisation of the National Development Vision 2025.

Key interventions include:

(i) Promote effective and efficient Justice Delivery Systems;

(ii) Enhance democracy, political and social tolerance;

(iii) Promote peace, security and political stability;

(iv) Institute developmental role of the state in economic governance;

(v) Promote community participation in development processes with special provisions for youth, women and PWDs;

(vi) Improve governance systems and coordination of government business;

(vii) Implement sustainable leadership assessment to identify and promote future leaders;

(viii) Strengthen human resources meritocracy[3] services;

(ix) Strengthen performance incentives and accountability;

(x) Improve public and private sectors service delivery processes; and

(xi) Improve Service Delivery Process through e-government.

5.5.8 Effective and Efficient Justice Service Delivery System

Systems facilitating equitable and timely access to justice to all are important in the promotion of a just and equal society. Access and delivery to justice are possible in the presence of sound institutional systems. These systems consist of professional and ethical civil servants, tools, enabling infrastructure and friendly guidelines in dispensing justice. On this basis, justice systems are one of the key pillars of good governance.

Key Interventions Include:

(i) Strengthen inclusive legal systems and infrastructure;

(ii) Promote the use of inclusive ICT in access and delivery of justice;

(iii) Strengthen inclusive legal information and archive management;

(iv) Strengthen guidelines and procedures for the provision of legal aid and assistance; and

(v) Strengthen birth and death registration services.

[3] Strategically getting the right person in the right job at the initial stages of employment, selection, appointment, promotion, induction and probation.

Table 37: Performance Indicators and Targets for Effective and efficient Justice Delivery System.

S/N	Indicator	Target	
		2019/20	2025/26
1	**Justice Service Delivery**		
1.1	**Accessibility to Justice Services**		
1.1.1	Percentage of citizens residing in regions with functional High Court	69	100
1.1.2	Percentage of cases represented by Legal Aid Providers	0.13	2.0
1.1.3	Number of IJCs constructed and made operational in select locations.	10	28
1.1.4	Number of District court buildings constructed	64	139
1.1.5	Number of Primary court buildings constructed	649	791
1.1.6	Number of AG Offices Constructed in Regions	0	10
1.1.7	Number of NPS Offices Constructed in Regions	1	7
1.1.8	Number of NPS Offices Constructed in District	1	11
1.1.9	Number of SG Offices Constructed in Regions	0	5
1.1.10	Number of Districts with registered Legal Aid Providers.	52	138
1.1.11	Number of institutions integrated with ICT in Justice delivery services.	2	8
1.1.12	% of under -five birth registered and issued birth certificate registration	55	100
1.1.13	Legal framework for insolvency reviewed and made operational	0	1
1.2	**Efficiency in Justice delivery**		
1.2.1	Average number of days from the date of case filing to the date of case execution	390	350
1.2.2	Percentage of public satisfaction on Judiciary services	78	80
1.2.3	Average time it takes from the date of filing to the date of decision of a case, at Commercial Court	480	350
1.2.4	Percentage of case backlog to the total pending cases in the court system	5	2
1.2.5	Number of Laws and Rules of Procedure Reviewed	410	1,410
1.2.6	Number of laws and rules translated from English to Swahili	50	250
1.2.7	Average time it takes to respond against complaints on violation of human right in international and national obligations	1 Year	6 Months
1.2.8	Average time it takes to vet investment contract	21	14
1.3	**Transparency in justice delivery**		
1.3.1	Number of natural wealth and resources contract approved by the parliament for its executions	0	10
1.3.2	Percentage Court decisions for High Court and Court of Appeal published online	5	25

5.5.9 Peace, Security and Political stability

National development and prosperity depend upon peace, security and political stability. The realisation of a peaceful, secure and stable country depends on robust and effective institutions of national defence and security. Therefore, the implementation success of this Plan depends on the robustness of defence and security institutions.

Key Interventions Include:

(i) Enhance public safety, law and order;

(ii) Improve identification and registration of citizens and non-citizens and e-immigration services;

(iii) Develop an effective coordination, collaboration and information sharing system among law enforcement agencies; and

(iv) Institute crime record management and coordination system.

Table 38: Indicators and Targets for Enhanced Public Safety, Law and Order

S/N	Indicator	Target	
		2019/20	2025/26
1.1	The rate of (%) improving community defence systems	60	95
1.2	Number of security risks identified and reported by the public (%)	75	98
1.3	Level of participation of defence and security forces in economic activities (%)	5	10
1.4	Rate (%) reduction in crime rates in the country	5.20	35
1.5	Rate (%) reduction in road accidents	30.50	35
1.6	The rate of increase and efficiency of criminal cases investigations (%)	45.10	50
1.7	Number of trained soldiers	15,234	77,891
1.8	Level of access to working facilities resources	1,776	10,140
1.9	Number of soldiers provided better accommodation	11,824	20,688
2.0	Existing rate (%) of integration with other countries on security matters	52	70
2.1	Decreased level of security threats and cross-border offenses (%)	8.70	35
2.2	Number of offenders trained in production and self-employment	12,000	50,000
2.3	The level of value of productions in the Prisons Services and Training Colleges increased (TZS Million)	2,343.57	34,000.00
2.4	Number of Rescue events held in various parts of the country	2,768	3,600
2.5	Number of fire calls attended	8,511	9,000
2.6	Increased number of beneficiaries of various immigration services	968,624	17,204,620
2.7	Number of refugees identified and registered	207,644	150,000
2.8	Number of qualified people registered and given IDs	22,194,288	34,080,610
2.9	Number of public and private institutions linked to the NIDA system	40	200

5.5.10 Development of New Capital City of Tanzania – Dodoma

Key among the reasons for relocating the hub of Government activities to Dodoma was the need to reposition public services closer to the people. FYDP III for developing the new capital entailed the construction and strengthening of infrastructure for transport and travel, education, health, water, and Government offices in response to increased demand from the increase in population.

Key Interventions Include:

(i) Construct of Government Town Buildings and Offices;

(ii) Strengthen infrastructure for sports, entertainment and arts;

(iii) Construct and strengthening of travel and transport infrastructure;

(iv) Sustain efforts aimed at environmental conservation and green urban development of Dodoma City;

(v) Construct business investment centres;

(vi) Strengthen the infrastructure for education, technical and vocational training; and

Consolidate improvements to health infrastructure

5.6 Interventions for Skills Development

Skills development is about developing a set of abilities, knowledge and attitudes of the national labour force for the purpose of improving productivity, performance and competitiveness. Skills development involves the interfacing of theoretical and practical training. In this context, this Plan focuses on strengthening the management systems for institutions responsible for the skills development. In addition, FYDP III calls for the readily availability of learning tools, workshops, qualified instructors, and accelerated investment in skill development.

Key Interventions Include

(i) Mainstream and integrate theory and practice in the development of training curricular;

(ii) Improve infrastructure in training and development institutions for special and rare cadres;

(iii) Increase access to post-basic learning opportunities such as workplace-learning programmes, including formal apprenticeships, internships and upgrading informal apprenticeship;

(iv) Mainstream inclusive and user-friendly ICT applicability at all levels of skills training and learning;

(v) Promote innovation, and transfers of skills and technology;

(vi) Promote employable skills for population groups with special needs; and

(vii) Facilitate implementation of the National Skills Development Programme (2021/22-2025/26).

Key Targets by 2025

Proportion of working population with high level skills, 12.1 percent; and middle level skills, 54.0 percent.

Table 39: Indicators and Targets for Skills Development

S/N	Indicator	Target	
		2019/20	2025/26
1.0	**Technical Education**		
1.1	Average annual number of students enrolled in technical institutions	150,000	200,000
1.2	Of whom women/girls (%)	51.7	50
1.3	Of whom are students with disabilities (%)	0.09	0.1
1.4	Technical Education gross enrolment rate (%)	5.8	6.9
1.5	Annual number of students graduating from Technical Education	70,000	150,000
1.6	Of whom science and engineering students (%)	24.2	40
1.7	Of whom women/girls (%)	44.8	50
1.8	Technical Education students with access to student loans (%)	20	35
1.9	Number of teaching staff	10,555	15,000
1.10	Of whom is female teaching staff (%)	26.6	50
1.11	Number of researches for labour market Information reports produced	17	25
1.12	Number of Tracer Study report for TVET graduates	0	4
1.13	Number of incubation centres established	2	30
1.14	TVET operations automated (%)	17	1
1.15	Number of TVET institutions monitored for quality assurance	430	800
1.16	Number of new TVET institutions registered	20	40
1.17	Engineers-Technician-Artisan ratio	N/A	1:5:25
1.18	Number of graduates	16,000	25,000
1.18.1	% of which male	65	60
1.18.2	% of which female	35	40

S/N	Indicator	Target	
		2019/20	2025/26
2.	**Vocational Training**		
2.1.	Average annual number of students enrolled in vocational training centres	320,143	1,000,000
2.2.	Of whom women/girls (%)	37	45
2.3.	Of whom are students with disabilities (%)	0.03	0.05
2.4.	Number of teaching staff	10,112	12,321
2.5.	Of whom is female teaching staff (%)	36	47
2.6.	Number of Labour Market Information assessment reports produced	9	15
2.7.	Number of incubation centres established	5	30
2.8.	Number of graduates	118,270	207,518
2.9.	of which male	72,861	128,195
2.10.	of which female	45,409	79,323
3.	**Other Training**		
3.1	People with skills obtained through informal system learning for six priority sectors (annually)	20,886	100,000
3.2	Apprenticeship training for students at workplaces (annually)	745	5,000
4.	**Skill Levels**		
4.1.	Working population with high level skills (%)	3.3	12.1
4.2.	Working population with middle level skills (%)	33.7	54.0
5.	**Employability Skills**		
5.1	Number of people with Internship training	30,000	150,000
5.2	Number of people with Apprenticeship Training	46,200	231,000
5.3	Number of people with Modern Agricultural Farming Technology	40,000	200,000
5.4	Number of people with Recognized Prior Learning Skills Development	20,000	100,000

*Out of school/college labour force

5.7 Flagship Projects of FYDP III

Flagship projects are those deemed critical on the basis of their large positive multiplier effects to the rest of the economy, particularly for the areas that can catalyse the aspired transition towards a competitive led export economy. It is anticipated that their implementation will yield clear, and in some cases rapid tangible positive results in relation to the set objectives and targets of FYDP III. As such, the choice of these projects is based on their ability to cultivate and sustain a national system of competitiveness that leads to accelerated export orientation and diversification, economic growth, and inclusive human development. The flagship projects that fulfil these basic criteria for selection are presented in Box 9 below.

Box 9: Flagship projects of FYDP III

1.	**Construction of a New Central Railway Line to Standard Gauge:** the project entails the completion of the following segments: Dar es Salaam – Morogoro (300 km); Morogoro – Makotopora (422 km). Other network/lots which the Government will construct to Standard Gauge include: Makutupora – Tabora (294 km); Tabora –Isaka (133 km); Isaka – Mwanza (249 km); (Isaka – Rusumo 371 km); Tabora – Kigoma (411 km); Kaliua – Mpanda – Karema (321 km); and Keza – Ruvubu (36 km). This railway line will link Tanzania with the land locked neighbouring countries and hence facilitate trade
2.	**Construction of the Southern Railway Line**: This project involves construction of a New Standard Gauge Railway Line from Mtwara to Mbamba bay with spurs to Liganga and Mchuchuma. Work will also be linking the railway to the existing TAZARA network
3.	**Construction of Julius Nyerere Hydropower Project (JNHPP) – 2,115 MW**: construction of 2,115 MW hydroelectric dams to produce low cost and adequate power to stimulate the economy and encourage industrialization. The project execution begun in 2018 and will contribute to enhance the Power Master Plan by adding to the National Grid 2,115 MW using 7 turbines. It is expected to boost country's industrialization agenda and other economic activities.
4.	**Reviving the National Air Carrier -ATCL:** The Government will continue to strengthen ATCL operations by purchasing 8 new Aircraft (6 passengers & 2 cargo), trainings to pilots and engineers as well as opening new routes. These efforts are expected to have a direct impact on tourism industry which currently is among large contributors of government revenue.
5.	**East African Crude Oil Pipeline (EACOP):** EACOP covers 1,443 km of pipeline running from Hoima, Uganda to Tanga, Tanzania out of which 1,115 km are in Tanzania where 216,000 barrels of crude oil are transported per day. The project also includes storage, block valves, heating, pumping and marine export facilities.
6.	**Mchuchuma and Liganga Projects:** The twin schemes intend to produce three million tonnes of coal per annum (t/a) open cast and 2.9 million tonnes per annum (t/a) of iron ore, Vanadium and Titanium as well as 1.0 million tonnes per annum (t/a) of steel respectively. The coal from Mchuchuma project will generate 600MW, of which 300MW will be for Liganga Iron Project and the remaining 300MW will be fed into the national grid. The project is expected to contribute in the country industrialization agenda specifically cement, steel and fertilizer. The projects are expected to be implemented by joint venture modality.

Box 9: Flagship projects of FYDP III (Continued)

7.	**Ruhudji Hydropower Project – 358 MW:** The Government will implement Ruhudji Hydropower Project (358MW) located in Njombe and its transmission Line (170 km). The project will improve the availability, reliability and affordability of electricity across the land. It is expected to increase power evacuation capacity, extend the national grid to the isolated regions and contributing to socio-economic activities in the country including industries and tourism
8.	**Rumakali Hydropower Project – 222 MW:** Rumakali Hydropower project (222MW) and Transmission Line (150 km) are planned to contribute to the nation power Master Plan by the end of 2025/26. Located in Njombe the project will enhance availability and affordability of electricity needed to support the industrialization drive as well as facilitating regional power trade with neighbouring Countries (Zambia and Malawi).
9.	**Construction of Liquefied Natural Gas Plant (LNG) – Lindi:** The Government will implement this project in partnership with reputable Oil and Gas Companies for the betterment of the country. The project is located onshore Tanzania at Likong'o Village, Lindi where the facility will be placed. LNG project with Plant Capacity (MPTA of 5 per train and Gas Volumes of 833 mmscf per day will use gas discovered in the offshore Blocks 1, 2 and 4. After its completion, the project will contribute to the national economy and allow different players to excel in through provision of supplies, employment, logistics services and development of Lindi and Mtwara at large.
10.	**Soda Ash Project at Engaruka (Soda Ash Refinery and development of associated chemical and glass sheet industries):** The project is located at Engaruka Basin in Monduli District, about 190 km from Arusha Town. The country has an enormous amount deposit of soda ash at Engaruka basin in northern part. Geological exploration involving geophysical and drilling explorations discovered the presence of 4.68 billion m3 of brine, which co-exists with solid salt crust amounting to 9.36 billion m3. Further, apart from soda ash, there are other by product such as calcium sulphate, sodium chloride and potassium chloride. According to studies conducted under the implementation of FYDP II, market for the soda ash is huge both local, regional and international as well as a room to promote industrialization for job creation.
11.	**Construction of Sugar Processing Plant – Mkulazi:** FYDP IIIt is expected to produce 250,000 tonnes of sugar per year (200,000 tonnes at Ngerengere and 50,000 tonnes at Mbigiri) and expected to create over 100,000 jobs around the area
12.	**Construction of Large Bridges and Flyovers i.e. Kigongo – Busisi, Tanzanite Bridge and KAMATA Flyover:** The project aims to strategic bridges such as: Kigongo -Busisi bridge (Mwanza) 3.2 km and its approach road 1.66 km a dual carriage way from Mwanza City to Busisi which is expected to open up the country with neighbouring country in trade including Uganda and Rwanda and will facilitate more traffic volume along the routes for enhancement of socio-economic activities as well as improving safety to bridge users at Lake Victoria; and New Selander bridge (Tanzanite, Dar es Salaam) 1.03 km and its approach road 5.2 km. The project also involves construction of nine (9) flyovers at main roads junctions and intersections at UHASIBU, Chang'ombe, Jangwani, KAMATA, Morocco, Mwenge, Magomeni, Tabata and Gerezani. These initiatives by the Government intent to alleviate traffic congestion and provide safer and faster access for Mandela, Nyerere, Morogoro and New Bagamoyo roads. In turn, this will improve traffic flow to and from other places within and outside the city centre by providing easy accessibility to port area, airport and tourist attraction sites.

Box 9: Flagship projects of FYDP III (Continued)

13.	**Procurement of Deep-Sea Fishing Vessels and Construction of Fishing Port:** This project aims to facilitate investment in the blue economy particularly fishing and therefore promote the development of the domestic and export markets. Further to enhance the efficiency of the fishing sector, the Government intends to construct a fishing harbour at Mbegani - Bagamoyo.
14.	**Eyasi Wembere Petroleum Exploration Project:** This is a Strategic Project aimed to enable the National Oil Company to Explore Oil and Gas in Eyasi Wembere basin. This project will be implemented in partnership with the private sector.
15.	**Mnazi Bay North Petroleum Exploration Project:** This is a Strategic Project aimed to enable the National Oil Company to Explore Oil and Gas in Mnazi bay North. This project will be implemented in partnership with the private sector.
16.	**Development of Special Economic Zones and Export Processing Zones:** The Government will continue to strengthen the infrastructure in designated Special Economic (SEZ) and Export Processing Zones (EPZ). Further, the Government intends to establish new EPZ and SEZs in Singida (Manyoni), Pwani, Kigoma, Tanga, Manyara, Mara, and Ruvuma. The private sector will be encouraged to invest in these zones.
17.	**Mass training for development of rare and specialized skills for industrialisation and human development (artisans, technicians and, professionals):** This project will be implemented by improving budget allocation for research, innovation, technology transfer, and workplace apprenticeships.

The projects require high capital investments. Beside the possible direct monetary gains, the return of these project can be very high in form of wider sector effects – reduced costs of production, faster access to domestic and hitherto untapped regional markets and enabling the country to fully exploit its geographical location advantage. The projects offer multiple income generation projects and others 'enabling' – investment, employment, improved welfare and an expanding tax base.

The shortfall in human resources across sectors has been highlighted as one of the areas of key interest for the FYDP III. While acknowledging policy interventions already on-going from FYDP I and FYDP II in relation to education and technical training, FYDP III strongly advocates a well-set strategy of training of Tanzanians in the rare and specialised skills in the techniques/technologies of exploiting the vast natural resources, particularly mineral resources, oil and gas, among other areas. Now that the flagship projects have been identified, this time around, sectors will consider specially-tailored longer-term (5 years and above, i.e., going beyond 2025) programme(s) (of the type of 'master plans' cited in the Background to the introductory chapter of this document). Such programmes will be lean, focused on purposely selected area(s) or field(s). Where a programme of this nature is in progress, the sector(s) shall persist in pursuing it. Not least, item 17 shall be upheld, therefore, as the FYDP III medium-term interventions for human resources development get underway.

5.8 Other Strategic Projects for the FYDP III

Besides, Flagship Projects, FYDP III also focuses on the implementation of Strategic Projects, these are projects with multiplier effects/impacts to the economy and their implementation results to realization of sectors' objectives and ambitions. These projects will be developed and implemented by the respective sector ministries. The development and implementation of these projects will correspond to objectives of the National Development Vision 2025, priorities of the National Development Plan 2021/22 – 2025/26, the President's speech at the inauguration of the 12th Parliament, the ruling party's election manifesto, and other regional and international development agenda and plans. These projects range from number of sectors with different multitude of investments requirements this include productive sectors, infrastructure provision, social service provision and services industry. They are termed strategic projects given their capabilities of linking overall country's development objectives within the shortest span while improving the welfare of the Tanzanians. The implementation of strategic projects is therefore aimed at contributing to rally the society behind the implementation and realization of FYDP III targets, and in so doing, contribute to the attainment of Tanzania Development Vision 2025 objectives. The designated strategic project falls under four priority areas of FYDP III to ensure that the desired outcomes are realised. The selection of these projects is based on their potency to propel Tanzania's supply structure to a higher level of growth, sophistication, competitiveness and human development.

5.9 Expected Outcomes for a Competitive Economy

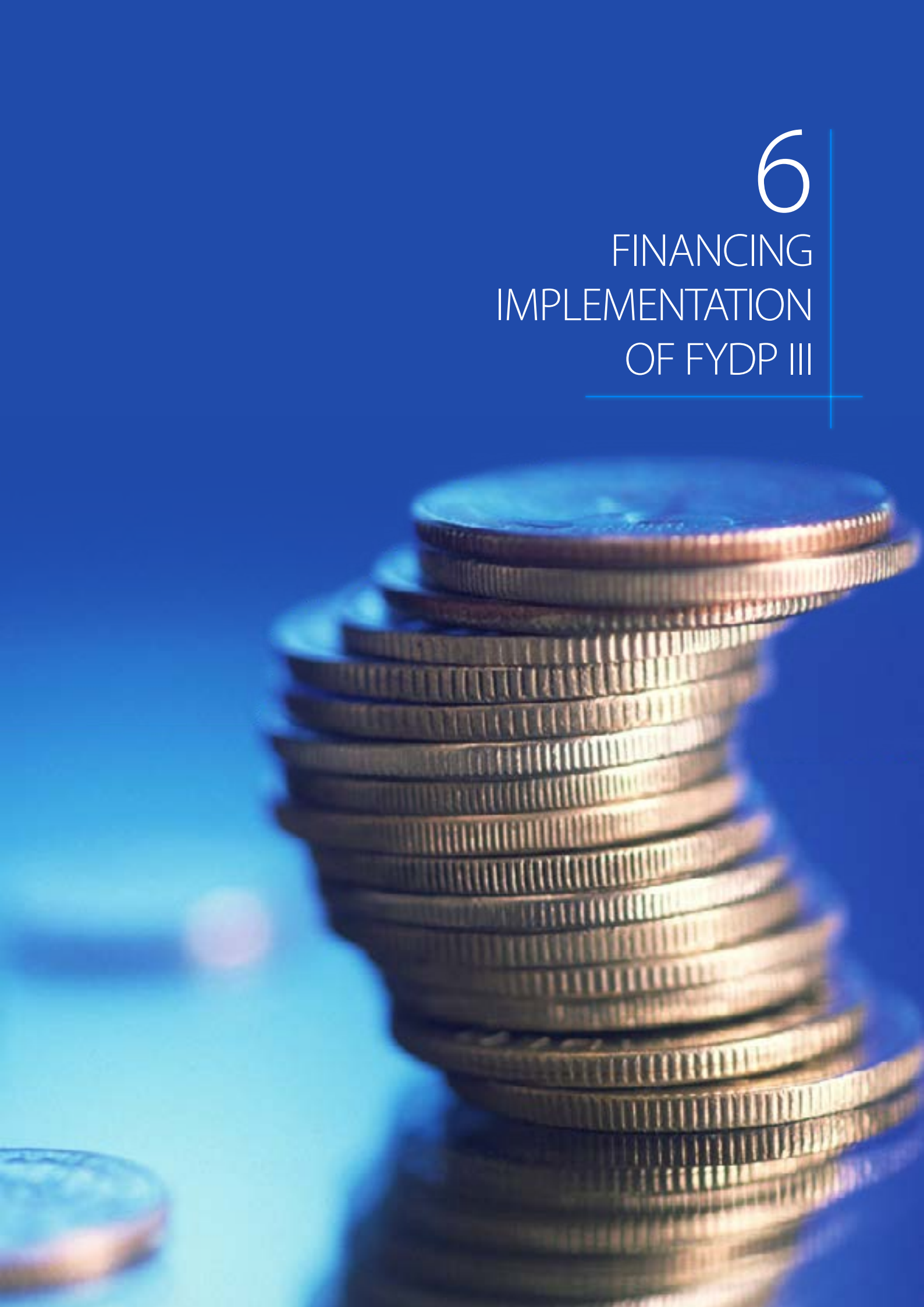
Implementation of FYDP III is expected to lead to outcomes in the following key areas of: economic growth and human development, improved business environment, improved public revenues, and improved exports. Selected indicators of the anticipated outcomes on progress in making Tanzania a competitive economy with target by 2026 are listed in Table 39 below.

Table 40: Expected Outputs

A. Competitive Economy
i) Annual economic growth rate averaging above 8 percent in the medium term; ii) GNI per capita increasing from US$ 1,080 attained in 2019/20 to US$ 3,000 in 2025/26 nominal terms iii) Improved environment of doing business thus FDIs projected to surge from US$ 1,173.5 million in 2019/20 to over USD$ 7,980.7 million (equivalent to TZS 19.583 trillion) in 2025/26; iv) Government annual tax revenue collection rising from 13.1 percent of GDP in 2019/20 to 14.4 percent in 2025/26; v) Electrical power generation capacity increased from 1,601.3 MW available in 2019 to 4,915 MW by 2025 and correspondingly connectivity to electrical power improved to 60 percent of population in 2025/26 as compared to 39.9 percent in 2019/20; vi) Manufacturing exports increasing from share of 17.1 percent in 2019/20 to 19 percent in 2025/26 out of total goods' exports; vii) Improved food self-sufficiency by grain equivalent, sugar, and edible oils from 121 percent in 2019 to 140 by 2025/26 respectively; viii) Self-sufficiency in uniform supplies (cloths and shoes) to the armed forces and primary and secondary school students; and ix) Number of tourists rising from 1,500,000 in 2019/20 to 5,000,000 by 2025/26 x) Tourism proceedings to increase from US$ 2.6 billion in 2019/26 to US$ 4.2 billion in 2025/26.

B. Social Wellbeing
i) Proportion of Population below Basic Needs Poverty reduced from 26.4 percent (National), 31.3 percent (rural) and 15.8 (urban) recorded in 2019/20 to 22 percent (National), 28.4 (rural) and 13.2 (urban) in 2025/26 respectively ii) Improvement in national human development index from 0.57 percent in 2019/20 to 0.60 percent by 2025/26; iii) Number of graduates from higher education increasing from 61,000 in 2019/20 with to 98,000 graduates and iv) Number of graduates from folk, vocational and technical education surging from 86,547 in 2019 to around 222,000 by 2025/26 respectively; v) Under Five Mortality Rate reduced from 50.8 deaths per 1,000 live births recorded in 2019/20 to around 40 deaths per 1000 live births by 2025/26; vi) Maternal mortality ratio reduced from 321 deaths per 100,000 live births in 2019/20 to 220 deaths per 100,000 live births by 2025/26;

6
FINANCING IMPLEMENTATION OF FYDP III



6 CHAPTER SIX

FINANCING IMPLEMENTATION OF FYDP III

6.1. Overview

This Chapter presents the financial resource envelope for financing implementation of the FYDP III and outlines various sources that will be used, including interventions and strategies to enhance resources mobilisation. It also provides details of financing options from both the public and private sector. The Chapter also describes the institutional, policy and legal framework for financing FYDP III, and outlines the roles and responsibilities of different stakeholders in financing FYDP III and achieving intended objectives.

6.2. Resource Envelope for FYDP III

One of the key pre-requisites for successful and sustainable implementation of the development plan is availability of reliable, predictable and steady financial resources. Thus, the capacity to sustainably mobilize both public and private resources is critical for effective implementation of FYDP III. Financing from different sources have been strategically selected based on the area of financing, nature and size of projects and programmes, social-economic viability, risks, and multiplier effects. The public sector will focus on areas which the private sector has the least appetite. State-owned enterprises will be encouraged to invest in strategic areas to their line of business and, thus, be able to pay a dividend to the Government. The Government is particularly emphasizing private sector's participation in the areas with the appetite. The Government will direct more resources to big projects in which returns accrue over a long term particularly those which the private sector has the least appetite.

The resource envelope for the FYDP III is estimated at TZS 114.8 trillion comprising public and private sources. This is an increase of 6.7 percent compared to FYDP II which was estimated at TZS 107.7 trillion. FYDP III will be financed through Government development budget, which sums up to TZS 74.2 trillion for the entire period of five years. This translates to a 25.9 percent increase of the same budget under FYDP II; which was TZS 59 trillion. Of the total public envelope, an estimated TZS 62.0 trillion will be mobilized from local sources while, TZS 12.2 trillion, will be tapped from grants and concessional loans. The public resources include tax

and non-tax revenue, external grants and loans. Total financing from private sector sources is projected at TZS 40.6 trillion. Private sector will be directly engaged in financing FYDP III through Joint Venture (JV) and Public Private Partnerships (PPP) projects.

The proposed plan also considers positive developments, mainly Tanzania's graduation from lower-income middle country to a middle-income county. While the Government will continue to access grants and concessional loans from bilateral and multilateral donors, financing from these sources is projected to decrease. Consequently, accessing international capital markets remains a possibility for the future and could be considered in financing FYDP III. The proposed external financing sources have also taken into considered shocks such as the impact of COVID 19 pandemic that affected most of the traditional development partners and therefore, are likely to reduce their external assistance. Table 41 summarizes sources of financing the FYDP III.

Table 41: Resource Envelop for FYDP III (Million TZS)

	2021/22	2022/23	2023/24	2024/25	2025/26	Total
Domestic Revenue	26,032,576	28,214,919	30,852,142	33,503,374	36,059,574	154,662,586
Tax Revenue	22,178,721	24,104,998	26,269,832	28,574,140	30,658,286	131,785,977
Non-Tax	2,989,998	3,192,899	3,606,752	3,885,388	4,299,588	17,974,625
LGAs Own Sources	863,858	917,022	975,558	1,043,847	1,101,700	4,901,985
Grants	**1,138,076**	**959,108**	**865,416**	**745,557**	**520,261**	**4,228,418**
Financing	**2,933,636**	**2,880,930**	**2,345,708**	**2,136,303**	**2,051,673**	**12,348,250**
Foreign (Net)	1,154,884	1,097,745	429,783	58,989	-178,308	2,563,093
Concessional	1,817,847	1,706,574	1,663,106	1,627,871	1,596,144	8,411,542
Non concessional	2,352,107	2,421,900	1,840,650	1,745,450	1,646,775	10,006,882
Amortization	-3,015,070	-3,030,729	-3,073,973	-3,314,332	-3,421,227	-15,855,330
Domestic (Net)	1,838,796	1,783,185	1,915,925	2,077,315	2,229,981	9,845,201
NDF	1,838,796	1,783,185	1,915,925	2,077,315	2,229,981	9,845,201
Rollover	3,150,337	3,050,728	3,070,117	3,264,332	3,321,227	15,856,741
Total Government Budget	**36,329,740**	**38,136,414**	**40,207,356**	**42,963,899**	**45,373,962**	**203,011,371**
Total Public Resources for FYDP III	**13,326,788**	**14,023,994**	**14,936,994**	**15,815,289**	**16,214,611**	**74,317,676**

	2021/22	2022/23	2023/24	2024/25	2025/26	Total
Local	10,370,865	11,408,312	12,459,472	13,564,196	14,220,541	62,023,386
Foreign	2,955,923	2,615,682	2,477,522	2,251,093	1,994,071	12,294,291
Total Private Resource	**4,132,000**	**4,546,000**	**9,076,000**	**12,297,000**	**10,560,000**	**40,611,000**
Domestic Sources	1,355,000	719000	5,165,000	7,902,000	5,887,000	21,028,000
Foreign Sources	2,777,000	3,827,000	3,911,000	4,395,000	4,673,000	19,583,000
Total Resources for FYDP III	**17,387,855**	**18,569,994**	**24,012,994**	**28,112,289**	**26,774,611**	**114,828,676**
GDPmp	**163,879,616**	**174,534,634**	**185,936,799**	**198,952,375**	**212,879,041**	
Tax to GDP ratio	13.5%	13.8%	14.1%	14.4%	14.4%	
Non-tax to GDP	1.8%	1.8%	1.9%	2.0%	2.0%	
LGAs Own Sources	0.5%	0.5%	0.5%	0.5%	0.5%	
Domestic Revenue to GDP	15.9%	16.2%	16.6%	16.8%	16.9%	
NDF to GDP	1.1%	1.0%	1.0%	1.0%	1.0%	
Public FYDP III as % of Total Budget	36.6%	36.8%	37.1%	36.8%	35.7%	36.6%

6.3. Sources of Development Finance for the FYDP III

Sources of financing FYDP III are broadly divided into public sector (Government and public corporations) and private sector.

6.3.1. Public Sector Sources of Finances

Public sector sources comprise domestic revenue (tax and non-tax resources, as well as non-traditional and innovative), grants and loans from domestic and external sources.

6.3.1.1. Domestic Revenue

Domestic revenue is expected to provide substantial financing for the Government budget with its contribution growing steadily from 71.8 percent in 2021/22 to nearly 79.3 percent in 2025/26. As a percent of GDP, domestic revenues increase gradually from 15.9 percent in 2021/22 to 16.9 percent in 2025/26 (Table 39). Traditional sources of domestic revenue will remain to be taxes and non-taxes, including LGA own sources.

Financing resources from Tax: Taxes on imports and domestic income and consumption (currently making up at least 65 per cent of revenues) will continue to be the most important and big sources of tax revenues. The proportion of taxes on local goods (mostly in the form of value-added tax – VAT) and non-tax revenues collected by TRA is expected to grow. The growth in the absolute amount of taxes is going to be a result of the increase in the level of the economy's aggregate income and strengthened administrative measures whereas ratio of taxes revenue to GDP is estimated to increase from 13.5 percent in 2021/22 to 14.4 percent in 2025/26.

Non-tax revenue is another area where the Government is expected to continue raising revenue. During FYDP III implementation, non-tax revenue collection is targeted to increase from TZS 3.1 trillion during 2021/22 to TZS 4.3 trillion in 2025/26. The Government will enhance collection of non-tax revenue from all potential sources (agencies, public assets, etc.). Revenues from LGAs Own Sources are expected to increase from TZS 0.86 trillion in 2021/22 to TZS 1.102 trillion in 2025/26.

Non-traditional and innovative financing sources are emerging sources with potential opportunities to complement traditional sources in financing development projects. These sources include municipal bonds, impact investing, Diaspora bond, blue and green bonds, crowd financing, Fund of Funds (FoF) schemes, diverse equity-based instruments, insurance and risk financing and Islamic bond (Sukuk). The introduction of Sukuk bond is at advanced stage. To exploit other opportunities, the Government will continue to invest in studies focusing on the feasibility of accessing such innovative sources of financing, and the subsequent enabling environment including policy, legal and institutional related issues. Various studies are underway on innovative financing, including the integrated national financing framework (INFF), which will unlock some of the limiting factors in financing development projects. Furthermore, innovative instruments can be used to finance projects that cannot be financed through Government budget or commercial windows which are very expensive. Examples include Liganga and Mchuchuma projects where Commodity Bond can be used as it has worked successfully in some countries. Revenue generated from the project can be used to repay the loans. To enhance effectiveness and efficiency for this kind of projects, a Special Purpose Vehicle (SPV) can be established to manage the project.

6.3.1.2. Domestic Borrowing

Borrowing from domestic sources will be guided by the Medium-Term Debt Management Strategy (MTDS), which indicates that all maturities of Government securities will be used with a preference on long-term bonds. Currently, the treasury bonds maturities include 2-year, 5-year, 7-year, 10-year, 15 year and 20 year. In the same vein, preparation is at an advanced stage to introduce a 25-year treasury bond. It is important to note that net domestic financing remains at an average of 1.0 percent of GDP to avoid crowding out the private sector.

6.3.1.3. External Public Sources

Grants and Concessional Financing: The main sources of international public finance will include grants and concessional borrowing. It is expected that grants will continue to decline, as was noted during FYDP II implementation. Among the factors affecting the trend of grants include sustained fiscal deficits in donor countries, the impact of COVID-19, persisting doubts about the effectiveness of ODA-supported programmes and projects in some developing countries as well as recent graduation of Tanzania into a Lower Middle-Income Country status.

Recently, COVID-19 has affected most of the traditional development partners and is likely to reduce their external assistance to address their own fiscal and economic challenges. Further, for Tanzania being categorized as a lower middle-income country, the financing environment is expected to change. It is expected that grants will be reduced and contribution to regional blocks such as the East Africa Community, SADC and Africa Union will increase. This implies that Tanzania will need to enhance measures to increase domestic revenue.

For the next five-years, grants to be mobilized are estimated at TZS 4.2 trillion. The grants will decline gradually from TZS 1.138 trillion in 2021/22 to TZS 0.52 trillion in 2025/26. Contribution of grants to national GDP will also decline from 0.7 percent in 2021/22 to 0.2 percent in 2025/26. The Government is expected to raise resources from concessional sources in the form of Budget Support loans, Project Support and Basket funding. Concessional loans (Project and Basket Support loans) will decline from TZS 1.82 trillion in 2021/22 to TZS 1.60 trillion in 2025/26. However, Budget support loans are not expected to contribute much as most development partners' appetite is deficient. Non-concessional loans are expected to decrease from TZS 2.35 trillion in 2021/22 to TZS 1.65 trillion in 2025/26. It is important to ensure that these sources are utilized at optimal level.

Efforts to promote confidence building and sustaining existing frameworks while exploring new opportunities and enhancing coordination mechanisms will have to be intensified. Tanzania will utilize the lower-middle-income potential, to build capacity on preparation of bankable projects and enhance negotiation skills. These efforts will widen project loans and agree on a win-win scenario, thus enhancing prudent borrowing. Technical assistance and bilateral relations will be important to seek skills and technology transfer to improve the performance on external resource mobilisation.

Climate Change Fund (CCF): Even though this opportunity was not tapped during FYDP II implementation, it is still an important source for financing FYDP III. A total of USD 304 million (equivalent to TZS 705,280 million), is expected to be mobilized from this source. Based on the lessons learnt from the implementation of FYDP II where access to this source was impacted by inadequate capacity to prepare bankable project for mobilisation of climate change fund, efforts to develop such capacity will be enhanced from the beginning of FYDP III implementation. Action plan to ensure that the needed capacity is attained during the first two years of FYDP III's implementation will be developed and executed. Actions to be undertaken include the capacity to identify and prepare eligible projects, negotiation skills (for syndication loans, semi-concessional loans and export credit agency loans) and continue with accreditation process to enable MoFP to access directly the Green Climate Funds and other climate finance opportunities, beyond the Green Climate Fund (GCF).

6.3.2. Private Sector Sources of Financing

As with public sector, source of financing private sector component are broadly divided into two, namely domestic and external sources.

6.3.2.1. Domestic Private Sector Sources

The domestic private sector is expected to directly support FYDP III through the Joint Ventures and Public-Private Partnerships projects and indirectly through its overall investment activities. The private sector support to FYDP III through the JV and PPP projects is estimated at TZS 21.03 trillion. The indirect support to FYDP III, that is, the overall private sector investment to the economy during the implementation of FYDP III is estimated at TZS 250.85 trillion in the sectors of agriculture, mining, industry and manufacturing, construction, trade, hotels service, transport and communication, financial intermediation, education, and health services. Resources for the private sector to support FYDP III (and its other investments) are expected to come from credit facilities, stock markets, corporate bonds, resources from insurance companies, national savings, and capital from private equity firms and venture capital reinvesting profits from the current business activities.

The PPP initiatives are not new to Tanzania. Before enacting PPP Policy in 2009, projects worth about USD 1,000 Million were executed in transport, ICT and energy sectors. The regulatory framework for PPP has evolved and includes the PPP Policy 2009, and the PPP Act that was amended in 2014 and 2018 to streamline PPP life cycle processes. The PPP regulations were released in January 2020 due to the amendment of PPP Act in 2018. To raise PPP attractiveness to the private sector, efforts will be made to ensure that there is an acceptance of PPP instruments at all levels and avoid reversal to traditional procurement of committed PPP projects (on reasons other than value for money considerations). Project feasibility and approval processes will be accelerated as well as the PPP capacities at MDAs and LGAs levels, including requiring the contracting authorities to consider PPP projects during budget preparations. The Government will collaborate with the private sector through PPP arrangement by allocating more resources to cater for enabling infrastructure in areas earmarked for EPZs.

The estimates for the private sector capital injections through PPP and JV as well as the overall private sector investment across different sectors are based on the following assumptions:

(a) The potential positive effects of the ongoing private sector related reforms (blueprint for the business environment, for instance) and financial sector reforms (financial sector development master plan). These reforms are likely to advance further business and investment enabling environments and ultimately accelerate private sector access to financial resources for investment purposes;

(b) Improved regulatory environment for private sector participation through PPP arrangements;

(c) The upcoming new investment promotion policy; and

(d) Improved investment and business supporting infrastructures (energy, transport and communication).

Globally, a growing number of innovative domestic private finances can finance development projects that use public resources to leverage private capital into development projects. Reference is made to the Social and Development Impact Bonds (SIB/DIB) and crowd funding. SIB/DIB and crowd funding are still relatively new and, so far, the latter is mostly advanced in the developed world. The Government will continue to gather

lessons from the early experience of other countries on factors for successful SIB/DIB and crowd funding as well as investing in evaluating the country readiness for such innovative finances including potential forward-thinking regulations (for example, transparency on potential financial risks of funds seeking projects), and effective technological solutions. The private sector will also be engaged through the Government floating shares of its ventures in the capital market and subsequently listing in Dar es Salaam Stock Exchange (DSE). The earned funds will be used to enlarge the development resource envelope or in financing the development of other ventures.

6.3.2.2. External Private Sector Sources

The main sources of external private finance will be through Foreign Direct Investment, despite its declining trend in recent years. A total of USD 7,980.7 million (equivalent to TZS 19.583 trillion) FDI inflows is expected to be invested in different economic sectors over the next five years. It is estimated that during FYDP III, FDI inflows will grow by an annual average of 13 percent from USD 1,173.5 million in 2021/22 to USD 1,871.1 million in 2025/26. Significant investments are expected to be in oil and gas, mining and quarrying, food and accommodation, manufacturing, and finance and insurance activities to improve the country's investment climate, specifically, conducive macroeconomic environment. Other sources will include portfolio investment and other international private transfers.

To attain the sustainable level of Domestic Direct Investment (DDI) and Foreign Direct Investment in the country, the Government will continue building conducive environment for doing business and promote investment potentials. The Government acknowledges the private sector's central role as the engine for growth and will, therefore, accord the necessary support to facilitate private investment. The Government will continue to promote investments by offering a well-balanced and competitive package of fiscal incentives to investors, both international and domestic. During FYDP III implementation, further improvements will be made in the operation of the One Stop Centre along with stronger coordination between TIC and the ministries that take part in investor facilitation. Particular attention will be paid to the simplicity or clarity of the procedures and speed of decision making, without compromising on due diligence and focus on the intended benefits to the country. Tanzania is a signatory of various Bilateral Investment Treaties (BITs) and Bilateral Trade Agreements (BTAs) in order to promote investment protection and trade. In addition, the country is a member of the Multilateral Investment Guarantees Agency (MIGA), for protection of investments against non-commercial risks.

6.4. Institutional, Policy and Legal Reforms

6.4.1. Domestic Revenue

To enhance fiscal sustainability, the Government will continue to maintain stable macroeconomic conditions to contribute to economic growth, increase revenue collections by expanding the tax base, increase tax net and improve the tax administration system. Specifically, the following measures will be undertaken:

(a) Strengthening collection of various taxes such as import duties, excise duties, VAT and other taxes using maximum automation to reduce corruption practices that might prevail due to physical contact;

(b) Building capacity to monitor transfer pricing and invoice mispricing within TRA;

(c) Strengthening tariff collections at Dar es Salaam port, all border posts and all dry ports in the country to curb tax evasion and avoidance. This requires strengthening the capacity of tax collection bodies and establishing systems to track cargo and speed up tax collection procedures;

(d) Expanding the tax net by bringing in the informal sector and taxing revenue that is not formally channelled. The strategies in this regard include finding ways to link the taxpayer identification system (TIN) and the national identification (ID) system, quantifying the size of the informal economy and enforcing compliance and greater use of third-party information through withholding taxes;

(e) Broadening the geographical distribution of the tax base and diversifying sector contributions, including strengthening the taxation of landed property;

(f) Developing a framework for taxing mobile money transactions for revenue collection from electronic payments;

(g) Intensifying mining inspections including verification of quantities, contents of mineral production and regular auditing of mining company transactions; maximizing the collection of both taxes and royalties from mineral resources; and strengthening the capacity of Tanzania Mining Commission (TMC) and Tanzania Extractive Industries Transparency International (TEITI);

(h) Ensuring corruption temperance in all aspects of revenue collection across all MDAs and LGAs;

(i) Reviewing tax exemptions and tax relief systems as incentives to investors;

(j) Develop domestic revenue electronic assessment system to minimize human subjectivity and enhance efficiency and trust from taxpayers;

(k) Strengthening the capital base of TIB Development Bank and Tanzania Agricultural Development Bank (TADB) to enhance their performance;

(l) Facilitating State Owned Enterprise to invest in strategic areas to enable them to pay dividend to the Government; and

(m) Facilitating the establishment of Special Purpose Vehicles (SPVs) or Special Committees for investments and ventures in which the Government has an interest, instead of the Government to manage it.

6.4.2. Domestic Private Finance

Progress has been made in advancing the financial system in Tanzania more so in terms of the number of development financial institutions than the development of financial markets (low depth and participation). Specifically, the following measures will be undertaken to facilitate the expansion of domestic private finances:

(a) Implementing reforms identified in the FYDP III's financial strategies and in the Financial Sector Development Master Plan 2020/21 – 2029/30.

(b) To foster private equity and venture capital flows, four priority areas will be considered. First, is to reassess the Fair Competition Commission's (FCC) threshold for application of its Merger and Acquisition (M&A) Guidelines to make it in line with comparable neighbouring countries. Second, is for the national statistical authority to incentivize public and private investment in supplying industry market data to facilitate businesses making informed investment decisions. Third, is to promote financial literacy education designing awareness programmes to family and informal business owners to improve their governance systems, increase transparency, and become more attractive to private equity/venture capital investors from a governance point of view.

(c) To attract more listing at the Dar es Salaam Stock Exchange (DSE), the Government will 1) review tax reliefs targeting venture capital-backed start-ups and venture capital exiting via the Dar es Salaam Stock Exchange's (DSE) Enterprise Growth Market (EGM) 2) provide tax and non-tax incentives for profitable corporate sector to list their shares at DSE 3) DSE to invest in technology that will help more people access, invest, and track their investment.

(d) The Government will look into specific financial market regulations which allow for innovative products to different categories of beneficiaries.

(e) To diversify insurance products and expand the penetration of the insurance sector, the Government will accelerate the assessment of the Takaful model of insurance regulations. Approval of Takaful regulations is also likely to attract FDI in the country towards offering these services.

(f) The Government will also assess potential tax and non-tax incentives to providers of micro insurance covers, crop insurance (agriculture insurance systems in Tanzania), Universal Health Insurance (UHI) covers especially to diseases that requires long term care such as cancer, diabetes etc. so that they are not excluded by insurers.

(g) To increase banking services uptake, the Government will assess a model that embraces all forms of banking models that, for instance, accommodating Islamic (interest free) banking products in the banking regulations and be tax-neutrally treated like conventional banking products

(h) To increase digital uptake of financial services, the Government will encourage innovative Fintech products; as well as developing digital bank framework and regulation that can attract FDI towards set up of digital bank in the country.

(i) Promote the penetration of microfinance (including the SACCOS sub-sector) expand products that are inclusive e.g., Islamic products issue.

(j) Facilitate the effectiveness of economic empowerment entities including SIDO, and Small Entrepreneurs Loan Facility's Microfinance Fund (SELF MF).

6.4.3. External financing

Even though external sources are declining, institutional capacity for solicitation and negotiation for grants and loans will be enhanced to enable access to grants and loans that interest the country in a win-win situation. The Ministry responsible for foreign affairs will strengthen economic diplomacy functions to facilitate access to grants and concessional loans.

To build trust with international investors, rating will be undertaken to enable the private sector to be trusted for borrowing from international capital market. . Rating the country will likely improve its ranking, lower borrowing interest, increase of FDI inflow and strengthen private sector to access investment opportunities globally. Currently Tanzania is assessed and categorized at 6th category among countries this implies that it has to pay higher interest rate and insurance premium compared to countries ranked lower. The credit rating exercise improves understanding of the associated financial and credit risks hence to conclude on charged interests and insurance for financial institutions related charges.

To further attract and retain FDI, to diversify the production base and enhance productive capacity during FYDP III, the following will be implemented:

(i) Developing an FDI promotion strategy that is linked to the ongoing reform agenda as well as setting priorities for investment policy and promotion reform agendas at both economy-wide and sector levels;

(ii) Improving the effectiveness of efforts aimed at attracting and facilitating FDI, including establishing enhanced investor entry regimes, streamlining investment procedures and enhancing investment promotion capacity;

(iii) Improving the effectiveness of investment incentives including revision of the investment incentives to make them more useful and friendly;

(iv) Strengthening investor confidence particularly, by promoting good practices in investment grievance management;

(v) Promoting practices that maximize linkages and positive spill over effects of FDI for the local economy;

(vi) Improving human capital which can be used by investors as they can perform better to meet the expectation of investors;

(vii) Enhancing stability working environment which will enable investors to have trust and confidence;

(viii)Developing EPZ/SEZ necessary infrastructures to attract investors; and

(ix) Promoting the availability of local raw materials.

6.4.4. Climate Change Fund

Climate change funds present a great opportunity if appropriately utilized. It is therefore essential to build institutional capacity to access the funds. The needed capacity will be in areas related to the preparation of required documents and systems, possession of requirements for selected institutions to qualify as accredited entities and implementing entities, strengthening coordination and monitoring mechanisms especially climate change funds mobilized by non-state actors. As proposed during the FYDP II, the establishment of a National Climate Change Financing Mechanism for coordinated and enhanced resources mobilisation will be necessary.

6.5. Financing Risks and Mitigation Measures

Risks for this plan are related to economic, political, environmental and social. They are considered as short-, intermediate- and long-term. They are summarized as follows:

(i) Insufficient financial resources to implement the proposed interventions. FYDP III proposed different financing sources and inability to mobilize sufficient resources as envisaged may jeopardize implementation of FYDP III. Some of the potential sources proposed in FYDP II did materialize or performed below expectation, some of the reasons for underperformance being beyond the Government control. Mitigation will, therefore, be a financing strategy that has prioritized interventions and focused on areas that have higher economic returns. Further, the Financing Strategy have identified implementation areas and sources of financing including concessional and commercial loans; ;

(ii) Loss of revenue through e-commerce: the growth of digital economy has brought significant reforms in the mode of doing business through internet by presenting new business models such as e-commerce and online advertising. These reforms have created significant challenges in taxation arena. To address this, the Government is preparing a strategy to enhance taxation of digital economy including review of current legal framework to address issues of e-commerce, amendment of VAT Act, 2014 to expound the definition of good to include virtual goods and investment in ICT;

(iii) Shocks/crisis that affects the economy and/or targeted sources of funds. This includes natural calamities and pandemic which may lead to channelling the resources to areas affected instead of being used in the proposed FYDP III interventions. It may also include the risk that the economy does not grow at the projected rate, thus affecting revenues, such as taxes that depend on income. Global shocks can also happen such as financial crises, natural calamities, and pandemic. Based on the recent experience particularly with regard to instability in some European countries and COVID – 19 pandemic, the support expected (FDIs and ODAs) may be reduced and therefore affect implementation of FYDP III. It is therefore important to undertake diversification and creation of buffer; Improving disaster preparedness and management; strengthening disaster risk financing; use of insurance and risk financing instruments; adjusting plans to match finances; and strengthening dialogue mechanism with DPs; and

(iv) Commercial borrowing: the declining trend in the flow of concessional loans and grants implies that the Government will have to rely more on commercial borrowing to finance priority projects. Increased commercial borrowing will pose risks on the national debt sustainability due to higher costs of debt servicing associated with commercial loans. The Government will continue to mobilize funds from less stringent condition sources and enhance measures to increase domestic revenues to finance projects with multiplier effect.

6.6. Stakeholders Role in Supporting the Financing Plan

Collaborative and partnership working relationships among various stakeholders are important in enhancing the smooth implementation of this Plan. Key stakeholders will include Government, Private Sector, Non-State Actors and Development Partners.

6.6.1. Government

The Government will have the following roles and responsibilities:

(i) Foster ***prioritization***, ***sequencing*** and ***accelerating*** reforms that will address the shallowness of the financial markets. The three aspects are likely to result in more successful reforms than wide-ranging approaches that overstretch the capacity to implement ***effective*** reforms;

(ii) Enhance ***synergies*** between financial sector reforms and other reforms to advance the investment and business climate for fostering private sector development. An example is the reforms in the education sector, or curriculum development need to integrate specific skills and qualification needed by the financial sector. In short, there is a need to systematically linking reforms in the financial sector to the overall private sector development and public sector related reforms;

(iii) Offer ***effective*** incentives that will expand the use of the capital markets for capital mobilisation that goes into investments, especially that require long-term sources of financing;

(iv) Strengthen ***performance***, including manage for development results and ensure accountability and making informed and evidence-based decisions such as by carrying out ex-ante impact assessments;

(v) Strengthen coordination of Non-State Actors to play their roles effectively adhering to accountability and transparency principles and national priorities;

(vi) Undertake capacity mapping for both public and non-state actors to facilitate appropriate allocation of human resources to become more productive;

(vii) Provide conducive environment and coordination for the diaspora to effectively advertise available investment opportunities in the country and actively participate in investing in the country;

(viii) Facilitate accreditation to climate change Funds such as Adaptation Funds and Green Climate Fund to widen the eligibility for utilizing the opportunity. Since accreditation is not limited, it will be worth ensuring that as many as possible public and private institutions are applying and undergo the accreditation process;

(ix) Through its Embassies, the Ministry responsible for Foreign Affairs will play a great role in linking Tanzania with various foreign investors, facilitating dialogues and agreements towards grants, loans, FDI, and other official flows. Further, the Ministry will have an important role in market and technology intelligence. In other words, the Ministry will play a role of economic diplomacy in linking investors and international traders therefore, it will be required to work closely with the productive sector ministries to improve investment and expand market for products and services; and

(x) Strengthen capacity of MDAs, RSs and LGAs in the preparation of bankable projects to enable MDAs, RSs and LGAs access development financing from various financial institutions and investors.

(xi) Facilitate the capitalisation of Government investment banks. This will allow the Government to leverage the capital of such banks to increase funding towards productive projects; and as a result more space will be available for the Government to raise funds for the social sectors.

(xii) Attract and increase the expertise at MoFP to develop bankable projects and access new forms of innovative financing instruments.

(xiii) Advance public finance management that will strengthen revenue forecasting, improve public investment management, commitment controls and improve arrears management.

6.6.2. Private Sector

The role of the private sector in financing plan is as follows:

(i) Leverage the existing private sources of finances to invest in the JV and PPP initiatives;

(ii) Continue to use private capital (credit facilities, and stock markets etc.) to invest in numerous productive activities that are purely commercial and do not require public sector resources;

(iii) Fostering innovations, skills, resources, ideas and partnerships among private sector stakeholders not only to finance investments, but also to advance the financial sector;

(iv) Actively engage in public-private policy dialogues to address inefficiencies in the financial sector as part of the overall Government efforts to strengthen business and investment climate;

(v) Promote access to finance to Small and Medium Enterprises (SMEs) through supply-side measures including capacity building measures such as managerial and technical training and support, provision of financial services etc.); and

(vi) Provide necessary information and data for proper planning and decision making at all levels.

6.6.3. Development Partners

The Development Partners will have the following responsibilities:

(i) Piloting new and innovating financial models pertaining to grants to build shared experience and understanding and how best to use grants;

(ii) Support reforms aiming at deepening the financial markets with technical assistances and good practices. Further, they will help use innovation to identify specific techniques for solving potential challenges; and

(iii) Promote and facilitate dialogue between the state, the private sector and civil society.

6.6.4. Non-state Actors

Non–state actors will have the following responsibilities:

6.1.1. Non-state Actors

Non–state actors will have the following responsibilities:

(i) Support the policymaking process through investing in researches, rapid assessments that identify and offer recommendations aiming at addressing binding constraints to financial sector development;

(ii) Invest in and participate in policy dialogues associated with financial sector development at various levels;

(iii) Invest in development programmes that innovate and offer financial services to the underserved segment of the population;

(iv) Share experiences and lessons from other countries on financial sector development as well as on investments in which private and public sectors could collaborate; and

(v) Engage in mobilising resources to invest in social and economic sectors that complement public sector investments in the same sectors.

6.6.5. Financial Service Providers

Financial service providers will be encouraged to develop appropriate innovative products and services for low-income segments of the population including enhancement in the accessibility and usage of development financing. The Government will implement reform measures including those identified in the Financial Sector Development Master Plan 2020/21 to 2029/30 to enhance access to development financing.

6.6.6. Academia and Research Institutions

Academic and research institutions will develop various stakeholders' capacity including MDAs, RSs and LGAs to prepare bankable projects and solicit funds from various sources. Capacity building will be made through tailor-made programmes, regular short courses as well as long term programme. These institutions will also be responsible for conducting research and studies on resource mobilisation and financial service operations.

7

IMPLEMENTATION OF FYDP III

7 CHAPTER SEVEN

IMPLEMENTATION OF FYDP III

7.1. Overview

FYDP III's implementation will involve the formulation of policies, guidelines and strategies based on the division of responsibilities. Besides, the Government and other stakeholders will continue to initiate and implement development projects and programs to achieve FYDP III's objectives. The projects and programs that will be developed and implemented will be in line with sectoral priorities. Similarly, the Five-Year Plan will be executed through the Annual Development Plans.

7.2. Implementation Frameworks of FYDP III

The implementation framework of this Plan will involve Government operational procedures. These include preparing a work plan for the implementation of the sector's projects and programs, the flow of financial resources requirements and a monitoring and evaluation plan. In addition, various frameworks, including the Annual Plan and Budget guideline will be considered to improve implementation efficiency. In line with the pillars of good governance, FYDP III's implementation will be based on the Budget Act Chapter 439, the Public Private Partnership Act Chapter 103, the Credit Guarantee and Grants Act Chapter 134 and the Public Procurement Act Chapter 410.

7.3. Implementation Strategies of FYDP III

The preparation of this Plan took place in tandem with the preparation of Strategic Financing, Implementation and Monitoring and Evaluation Strategy. These strategies have highlighted key areas in the implementation of FYDP III as follows:

(a) Aligning Ministry's Plans, Independent Departments and Government Agencies with National Plan: Sector Ministries, Independent Departments, Government Agencies, Regional Secretariats and Local Government Authorities shall align sectoral plans with FYDP III. The aim of aligning sectoral plans with this Plan is to meet FYDP III's objectives and Vision 2025.

(b) Strengthening the Systems of Accessing Data: To facilitate monitoring and evaluation exercise, the Government, in collaboration with the private sector, will strengthen systems and strategies for data collection, processing, storage and dissemination. The data will include indicators for monitoring and evaluation of the implementation of FYDP III.

(c) Strengthening the implementation of FYDP III: To improve the implementation's effectiveness, all institutions need to fulfil their roles and responsibilities. The Government will also focus on coordinating partnerships among stakeholders of FYDP III to achieve the expected goals.

(d) Designing and Preparation of Development Projects: In the implementation of this Plan, stakeholders are directed to adhere to the National Project Management Information System - NPMIS in the design and preparation of development projects.

(e) Monitoring, Evaluation and Reporting: Each stakeholder, in particular the Sector Ministries will develop a monitoring and evaluation strategy in line with FYDP III Monitoring and Evaluation Strategy. The main objective is to simplify monitoring and evaluation activities and reduce the management cost of the implementation of FYDP III.

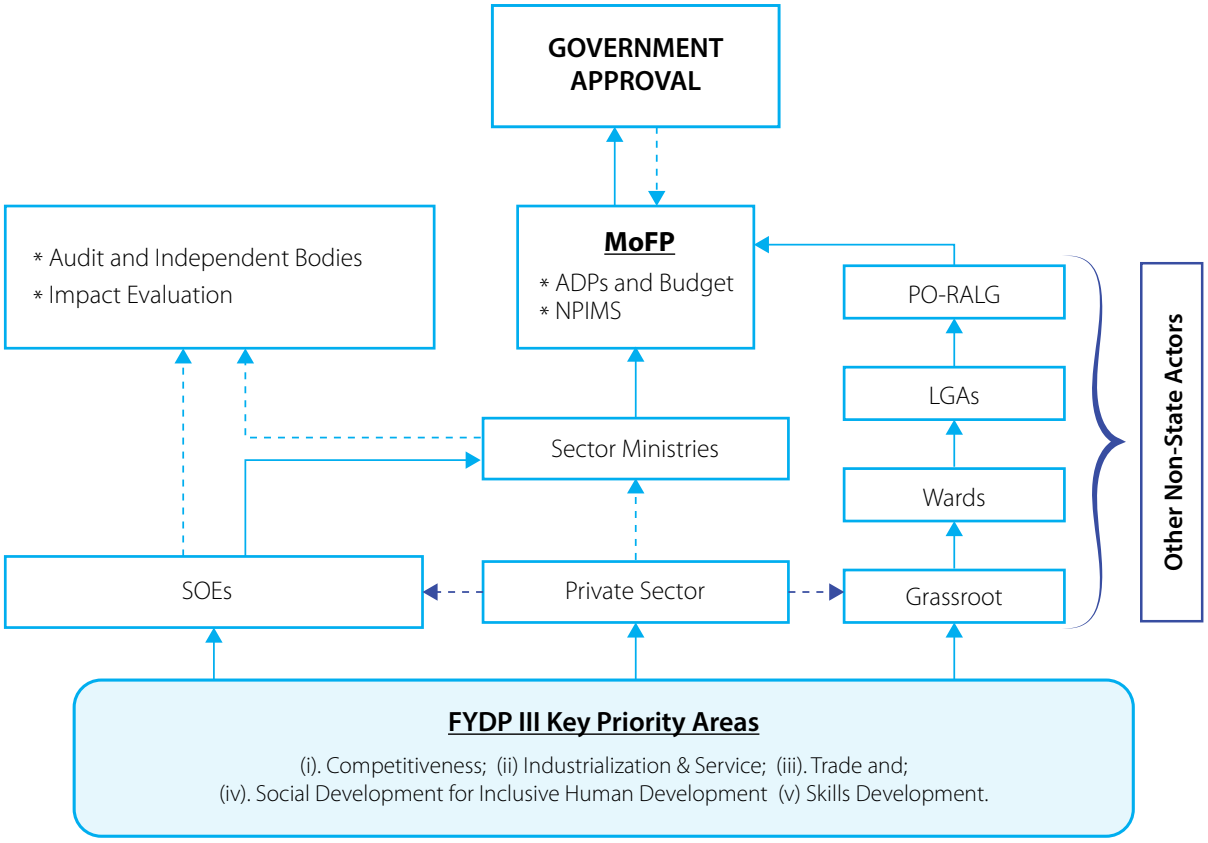
(f) Investment and Trade Facilitation: The Government will strengthen the private sector consultation process to identify areas that will enhance private sector participation in implementing FYDP III. The Government and stakeholders will also continue to conduct assessments and studies on the informal sector's needs and formalisation to increase the sector's contribution to the implementation of FYDP III and the economy.

(g) Community Involvement in the Implementation of FYDP III: In the implementation of this Plan, the Government encourages citizens to participate, visualize and implement economic activities in line with FYDP III's priorities. This measure will enable citizens to participate in the implementation of National Plans and motivate them to initiate and own economic activities in their areas to address the challenge of income poverty. In addition, the Government will continue to raise awareness to the public on opportunities arising from FYDP III through the media, journals and conferences.

7.4. Implementation Coordination Structure

The implementation of FYDP III will involve Sector Ministries, Independent Departments, Government Agencies, Regional Secretariats and Local Government Authorities, and the Private Sector as well as non-governmental organizations. These stakeholders will be responsible for the implementation of FYDP III through sectoral strategic plans. Besides, the Ministry of Finance and Planning will be responsible for coordinating FYDP III's implementation, monitoring, and evaluation.

Figure 4: Implementation and Coordination Structure



To operationalize the implementation of the FYDP III, an Implementation Strategy (IS) has been developed concurrently as a guiding tool to support operationalization of the planned interventions. For effective implementation, coordination and monitoring, Ministries, Departments and Agencies (MDAs) will be required to align their respective strategic plans and this IS – FYDP III. In the main, the IS outlines the linkage between FYDP III's sub-thematic areas, sectoral interventions, resources (financial and time) and responsible institutions.

The IS – FYDP III consists of three (3) components with which their integration results into effective implementation. These components constitute independent documents that highlight actionable areas in resource mobilization that will be used in financing FYDP III and comprehensive development of indicators with their tracking and reporting mechanisms. These components include:

I. **Action Plan:** Summarizes the current status of the sector, describes the challenges and introduces the intervention through, projects/programmes. Further, the Action Plan details on sources of financing, time, activities, expected output and responsible entities;

II. **Financing Strategy (FS):** Since financial resources is a vital input on implementation, then this strategy provides sources of financing of FYDP III as per identified intervention; and

III. **Monitoring and Evaluation Strategy (MES):** highlights on monitoring and evaluating of FYDP III. MES provides the linkage on inputs, implementation and output, delivering through progress and stakeholders reports.

7.4.1. Government

Coordination of FYDP III's implementation will be done at the level of Regional Administration and Local Government – President's Office Regional Administration and Local Government (PO-RALG) and the Ministry of Finance and Planning. PMO-RALG will coordinate the implementation of FYDP III in the Regional Secretariats and Local Government Authorities. PO-RALG will be responsible for monitoring the implementation of development projects and preparing and submitting information to the Ministry of Finance and Planning. Furthermore, at the Central Government level, the Ministry of Finance and Planning will receive and review reports on the implementation of development projects from Sectoral Ministries and prepare a monitoring and evaluation report on implementing FYDP III.

7.4.2. Private Sector and Civil Society

Coordination of FYDP III for the private sector and civil society will be implemented through the various business, investment and social services platforms including Regional Investment Guides, which have been developed by all regions. In addition, the National Business Council - TNBC will be responsible for receiving comments and suggestions from the private sector and submitting them for consultation with the Government. At the sub national level the TNBC will undertake Regional investment forums more regularly. These will involve private sector and Civil societies active in respective regions. The private sector and civil societies should be party to the process of developing Regional and Districts Strategic Plans. Similarly, the Government will receive feedback on implementing FYDP III from civil society organizations and development partners.

7.5. Implementation Risk

Implementation risk includes systematic and idiosyncratic risk as follows:

(a) Economic Crisis: Economic and social activities in the country are linked to global development. On that basis, changes in these activities may affect the implementation of FYDP III. Thus, the Government will develop policy strategies to address possible global economic shocks that will affect the implementation of FYDP III.

(b) Political Change: FYDP III's implementation may be affected by internal and external political environment changes. To counteract the effects of these changes, the Government will uphold the principles of good governance. The Government will also strengthen economic and political diplomacy to mitigate the effects of foreign political change.

(c) Natural Disasters: Natural disasters that may affect the implementation of FYDP III include: climate change, earthquakes, floods, droughts and outbreaks of diseases. To address the impact of these risks, the Government will strengthen the institutional framework by identifying and mitigating the potential level of risk to improve FYDP III's implementation.

8

MONITORING AND EVALUATION

8 CHAPTER EIGHT

MONITORING AND EVALUATION

8.1. An Overview of M&E

In pursuit to attain the TDV 2025 with aspiration of becoming a middle-income country with high level of human development, the Government developed the FYDP III with a focus of realizing competitiveness and industrialization for human development. The FYDP III had strategic interventions to deliver on expected outputs, outcomes and impact. To attain such objectives a robust monitoring and evaluation system is of paramount importance. Therefore, this chapter demonstrates a need for having a well-functioning monitoring and evaluation system which is an essential cornerstone of the performance management.

The M&E provides regular feedback on implementation performance to policy and decision makers. Generally, it has been attributed by the Government thirst on ensuring public funds are utilized properly and ultimately attaining value for money, accountability and transparency in development interventions.

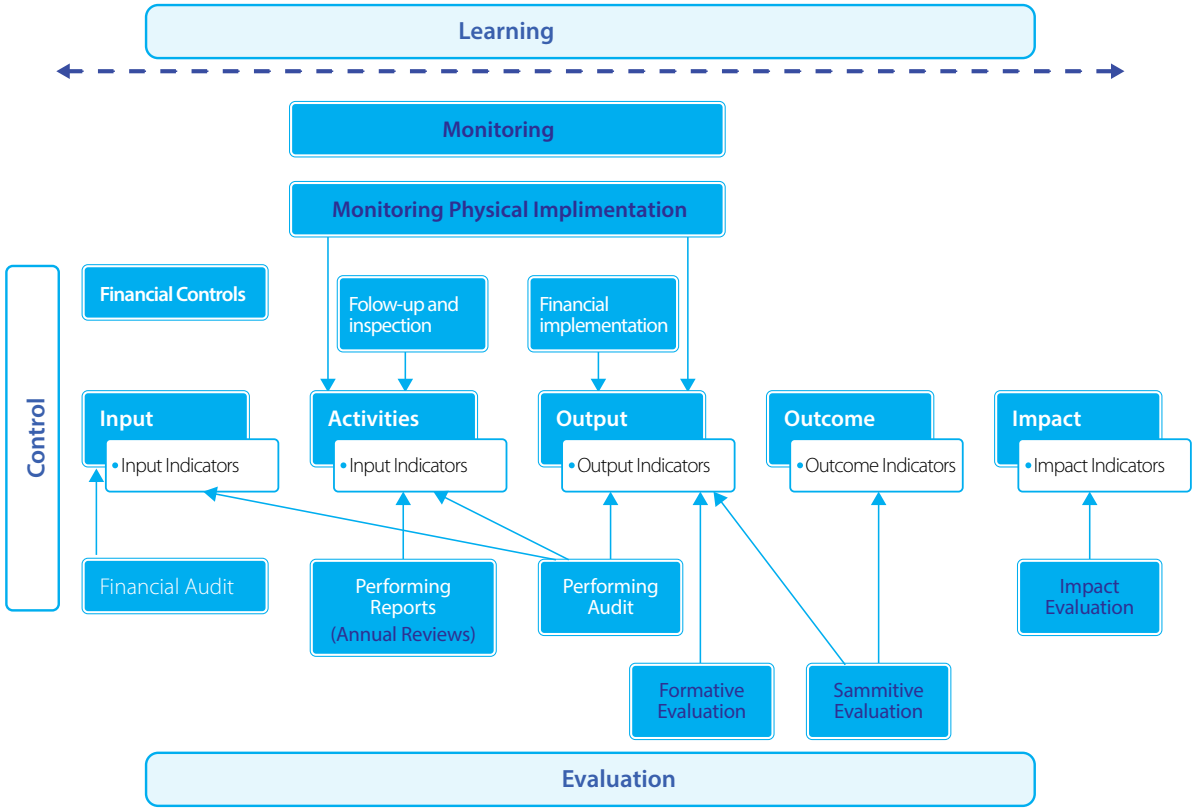
In that regard, the FYDP III M&E functions are rooted under FYDP III's conceptual framework that comprise of two major issues which are (becoming middle income country and attaining high level of human development). The framework outlines economic growth and social development at outcome level and competitiveness, industrialization and services, trade, inclusive development and skills development at output level. Such results will be attained given employed sectoral interventions.

This chapter describes the monitoring and evaluation mechanisms to track the progress on implementation and achievements of the FYDP III. It details on the conceptual framework for the FYDP III M&E process. Further, the chapter outlines objectives, strategies, approaches and expected deliverables from the implantation of the M&E activities. The chapter concludes by detailing on functions of evaluation and diagnostic and data analysis respectively.

8.2. Monitoring and Evaluation Conceptual Framework

The conceptual framework for the FYDP III M&E (Figure 6.1) is built on the results chain linked to the expected output, outcomes and impact from the implementation of FYDP III. The framework is aligned with Government operations on managing the resources (inputs).

Figure 5: Conceptual Framework for FYDP III M&E Framework



The conceptual framework demonstrates on the process from which proposed interventions will be monitored by tracking progress and evaluating impact hence to conclude on attaining FYDP III targets. Execution of the M&E activities will involve aligning, tracking objectives to the developed indicators. In that regard, these indicators will focus on thematic areas of FYDP III which include:

(i) Competitiveness;

(ii) Industrialization and services;

(iii) Trade and investment;

(iv) Human Development; and

(v) Skills development

Other areas to facilitate implementation of FYDP III include;

(i) Governance;

(ii) Economic Growth; and

(iii) Social Development.

Since the FYDP III will be cascaded down to strategic plans at the MDAs, RS, LGAs, private sector and civil society then developed strategic plans will reflect the M&E actions guided by the FYDP III M&E. In that regard the annual performance of the FYDP III will be gauged on monitoring and evaluation of FYDP III through implemented development projects as articulated in ADP.

8.3. Objective of the M&E Framework

Generally, the M&E framework provides an overview and operational mechanisms for undertaking M&E for the identified FYDP III interventions. It sets organization structures and management processes, standards, Plans and strategies, indicators, the needed information systems, reporting lines, participation and accountability. Further, the framework details on the use of results to inform the on-going future planning and implementation processes. Specifically, the framework aims at:

(i) Tracking progress and demonstrating results of FYDP III interventions over the short, medium and long term, including reporting on regional and international targets such as SDGs;

(ii) Coordinating and facilitating MDAs, RSs LGAs, private sector and other stakeholders to regularly and systematically track progress of the implementation of priority initiatives of FYDP III;

(iii) Assessing performance in accordance with the agreed objectives and performance indicators and targets to inform and support management for results, decision making, compliance, transparency and accountability; and

(iv) Institutionalizing and harmonizing of M&E systems, approaches and tools within Government machinery.

8.4. Operationalization for FYDP III M&E

The FYDP III M&E will be operationalized through well-designed strategy approaches, results framework and, a set of deliverables to be developed over time. This process intends to develop a comprehensive, harmonized, well-coordinated as well as well funded monitoring and evaluation system to track the implementation of the envisaged development intervention and ultimately evaluating its outcomes and impacts.

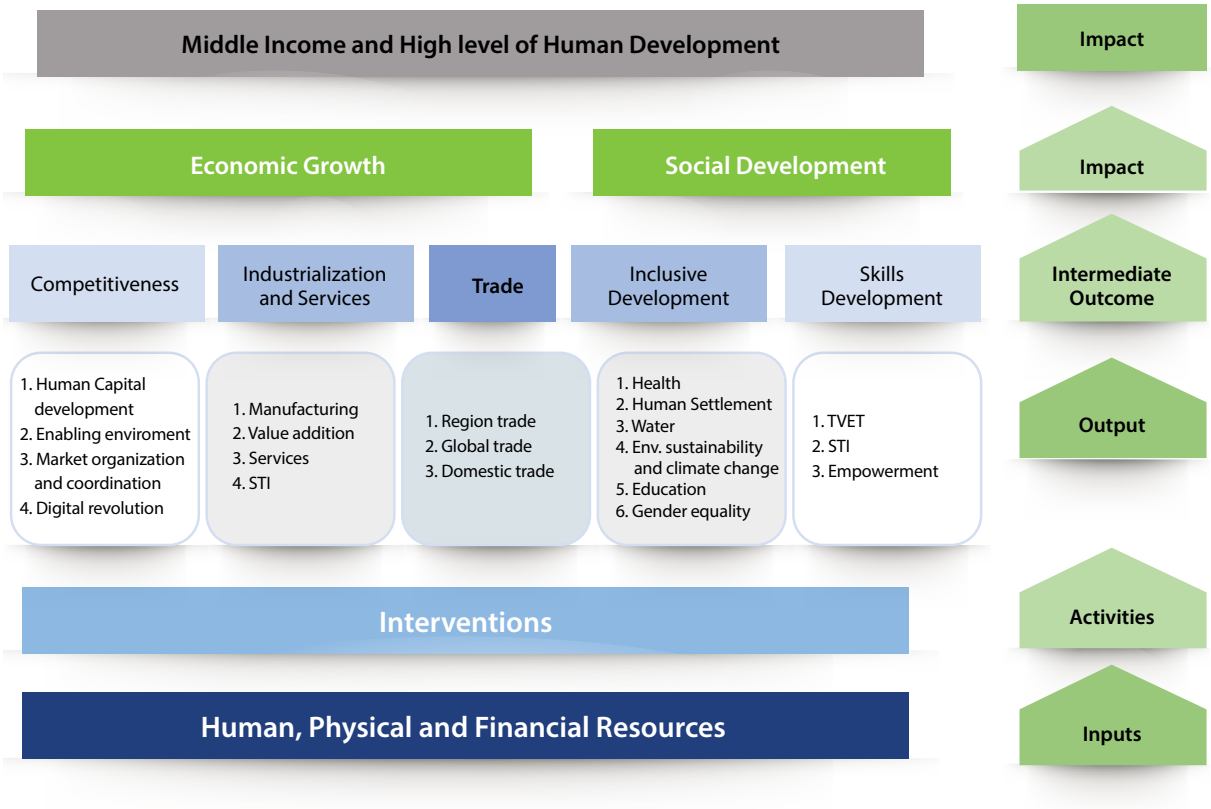
8.4.1. M&E Strategy

The FYDP III M&E Strategy will operationalize on how to track performance of the FYDP III including ascertaining clear points of control, inspections, reviews and evaluation. Tools for quality data collection and management and use of reports for evaluation form part of the Strategy. Further, these Strategies provide guidance on coordination and operationalization of the monitoring, evaluation and reporting systems across the public and private sectors. Such approach reflects on institutionalizing the M&E activities.

8.4.2. Result Framework for FYDP III

The results framework is an explicit expression of the different levels of results expected from particular strategies and in this case, the FYDP III development interventions. This framework describes the relationships between FYDP III objectives, inputs, activities and effects. In that regard, the results framework depicts the tracking progress from inputs to deliverables at management level and FYDP III expectations.

Figure 6: Result Chain for the FYDP III



8.4.3. Deliverables of the M&E Framework

The M&E framework is expected to deliver on tracking progress, effective coordination, assessing performance and institutionalizing and harmonizing M&E systems. These results will be shared through quarterly implementation reports; Stakeholders Dialogues Reports focusing on stakeholders' dialogues held to deliberate on policies and the implementation of the various interventions; supervision and monitoring reports prepared annually by MoFP in collaboration with MDAs and LGAs; and evaluation reports such as participatory, Mid-Term and Final evaluation reports. The operationalization of these deliverables will be undertaken through the FYDP III M&E Strategy.

8.4.4. Approaches to deliver M&E outputs

Mechanism for M&E will involve various approaches including: Control; Inspection; Review, Survey, Use of Data Management Systems, Studies and Research Supervision.

(i) **Control:** This is the process, in which, oversight over the use of the resources, financial control systems, procurement and human resource will be used and maintained. This approach will use the existing Government financial control measures and Internal Audit reports from MDAs, RS and LGAs to evaluate the proper use of financial resources.

(ii) **Inspections:** Regular follow-ups and inspection will be carried out on the implemented interventions. Inspection report will be generated and form part of monitoring and evaluation process. The Ministry of

Finance and Planning will undertake inspection of strategic and flagship projects for expenditure tracking, monitoring implementation and track poverty and SDGs indices under the coordination of the National Planning Division (NPD). LGAs and RS will inspect projects implemented on their jurisdiction and submit reports to MoFP through PO – RALG.

(iii) **Reviews:** Implementation Performance of Plan's interventions will be reviewed annually. An in-depth review (Midterm Term Review) will be conducted mid-term in the duration of the implementing the Plan. The methods that will be used in annual reviews shall include interviews, Focus Group Discussions (FGD) and Regional/District Consultative meeting reports. Standardized methods and tools will be developed by the MoFP to guide the process. The developed instruments will be further customized by MDAs, RSs, LGAs and Non-State Actors; for utilization at the level of Government systems.

(iv) **Census and Surveys:** Data on performance of the FYDP III at the level of outputs, outcomes and impact will be collected through surveys. The surveys are designed to collect information from a designed population, usually a representative sample for that purpose. The National Bureau of Statistics (NBS) will undertake multi-year surveys that will include the 2022 Population and Housing Census, Household Surveys, Demographic Surveys, Enterprise Surveys and Agricultural Surveys. (A calendar of surveys for multiyear surveys is indicated in annex III).

(v) Independent Studies and Research: Independent studies and research are used to produce evidence that contribute to enhance performance of designed plans and interventions. The academia and research institutions will implement the research agenda and produce the outputs to assess projects and services delivery performance in relation to FYDP III. More specifically, academia and research institution will, among others, ensure independence of research work and objectivity, the purpose being not to advocate certain actions or policies but to provide evidence for consideration by policy makers; produce research output that is of good quality and relevant for policy makers and the broad range of stakeholders engaged in FYDP III implementation; and set annual research and analysis of priorities on the basis of the broad-based research agenda.

(vi) **Use of Data Management System:** The MES for FYDP III will continue using existing comprehensive Management Information System (MIS) established at MDAs, RSs, LGAs, and NSAs for collecting routine data and information at different levels of implementation. Similarly, the MoFP will use the National Project Management Information System (NPMIS) to aid timely monitoring and evaluation of projects.

(vii) **Desk Review:** This method can also be termed as secondary data research whereby it does not engage field work in order to get data rather one can review various literatures such as reports and journals prepared by stakeholders so as to gain a broad understanding of the field and acquire information which can be reliable on performance of FYDP III.

(viii) **Commissioned studies:** This method is designed to collect information in collaboration with consultants who go through mix of methods that can either use primary or secondary data and even both in obtaining reliable information on performance.

8.5. Evaluation of FYDP III

The FYDP III will be evaluated in two broad categories, namely mid-term and end line evaluation. To enhance objectivity and transparency, the mid-term and end line evaluations will be undertaken by an independent evaluator outside of Government machinery with a close supervision from the MoFP to validate data and objectivity of the argumentations. The details of the evaluations are as discussed hereunder:

(i) Formative (Mid-term) Evaluation: This is done to monitor progress and adapt implementation of the FYDP III. It will be conducted after two and half years of FYDP III's implementation. This review will, mainly focus on assessment of performance against the intended objectives and targets. It will recommend any changes required to keep on track the right trajectory of implementation towards achieving the objective s and targets; and

(ii) Summative (Final) Evaluation: This is to be conducted after four-and-a-half years of FYDP III's roadmap of implementation. The evaluation will assess the overall effectiveness of FYDP III against its objectives and targets, and where possible, against outcomes and impacts. It will also constitute parts of the main analytical report to inform ways to coordinate implementation of the subsequent FYDPs.

ANNEXES

ANNEXES:

IMPLEMENTATION MATRICES OF FYDP III INTERVENTIONS

A. IMPLEMENTATION MATRIX FOR COMPETITIVE ECONOMY INTERVENTIONS

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
			ENERGY					
1.	Strengthen the availability and reliability of electrical power by increasing generation capacity, transmission, and distribution networks	Electricity production increased by 5,760 MW	Julius Nyerere Hydropower Project (2,115 MW)	5,817,690,000,000.00			5,817,690,000,000.00	Julius Nyerere Hydropower Project completed by Jan, 2022
			Kinyerezi I Extension –gas-fired plant (185MW)	60,000,000,000.00			60,000,000,000.00	Project completed by July, 2021
			Rusumo Hydro Power Project (80MW), to be equally shared by Tanzania, Burundi and Rwanda	496,187,000,000.00			496,187,000,000.00	Project completed by Feb, 2021
			Ruhudji Hydro Power Project (358MW)	965,272,800,000.00			965,272,800,000.00	Project completed by June, 2024
			Rumakali Hydro Power Project (222MW)	491,390,000,000.00			491,390,000,000.00	Project completed by June, 2024
			Kikonge Hydro Power Project (300MW)	96,000,000,000.00			96,000,000,000.00	Project completed by Dec 2023
			Kakono Hydro Power Project (87MW) and Malagarasi Hydro Power Project (45MW)	1,194,790,000,000.00			1,194,790,000,000.00	Project completed by Dec 2024
			Mtwara gas-fired plant (300MW)	560,080,000,000.00			560,080,000,000.00	Project completed by Sept 2024

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
			Kinyerezi III – 600MW combined cycle gas fired plant, two Phases (phase I – 300MW)	64,000,000,000.00			64,000,000,000.00	Project completed by Sept 2024
			Kinyerezi IV – 350MW combined cycle gas-fired plant,	64,000,000,000.00			64,000,000,000.00	Project completed by Sept 2024
		Increased Km 3,309 of Transmission Line	Singida – Arusha, Namanga 400kV Transmission Line	238,830,000,000.00			238,830,000,000.00	Project completed by Dec 2021
			Iringa – Dodoma, Shinyanga 400kV Transmission Line (Backbone – Phase II)	156,470,000,000.00			156,470,000,000.00	Project completed by Dec 2022
			Geta, Nyakanazi 200kV Transmission Line	103,000,000,000.00			103,000,000,000.00	Project completed by July, 2021
			North West Grid 400kV – (Iringa, Mbeya, Tunduma, Sumbawanga) Transmission Line	931,470,000,000.00			931,470,000,000.00	Project completed by Dec 2022
			Central - East Grid 400kV (Chalinze – Kinyerezi) Transmission Line	497,200,000,000.00			497,200,000,000.00	Project completed by Dec 2022
			Central - East Grid 400kV (Rufiji – JNHP - Chalinze – Dodoma) Transmission Line	643,200,000,000.00			643,200,000,000.00	Project completed by Dec 2022
			Ruhudji – Kisada (Iringa) 400kV Transmission line	193,520,000,000.00			193,520,000,000.00	Project completed by Dec 2025
			Rumakali – Uyole (Mbeya) 400kV Transmission line	145,750,000,000.00			145,750,000,000.00	Project completed by Dec 2025
			Kikonge -Madaba 400kV Transmission line	70,000,000,000.00			70,000,000,000.00	Project completed by Dec 2025

			Programmes/ Projects	Budget				Expected Outputs
					DPs	Private Sector	Total	
			Mtwara, Somanga Fungu – Kinyerezi 400kV	1,044,660,000,000.00			1,044,660,000,000.00	Project completed by Dec 2026
		Five Regional Power Interconnection and Power Trading	Kenya - Tanzania Power Interconnector Project (KTPIP)	900,000,000.00			900,000,000.00	Project completed by year 2021
			Tanzania - Zambia Power Interconnector Project (TAZA)	900,000,000.00			900,000,000.00	Project completed by year 2023
			Tanzania Mozambique Power Inter-connector Project (MOTA)	53,000,000,000.00			53,000,000,000.00	Project completed by year 2024
			Tanzania - Uganda Power Interconnector Project (TAUPIP) – Mwanza –Masaka.	63,000,000,000.00			63,000,000,000.00	Project completed by year 2026
			Tanzania – Rwanda and Burundi Power Interconnector Project (TARBUPIP)	1,400,000,000.00			1,400,000,000.00	Project completed by year 2021
		Electrification of 2,880 villages in 26 Region	Rural Electrification Projects (REA Turnkey Phase II and III) and Rural Energy Master Plan	2,212,000,000,000.00			2,212,000,000,000.00	Project completed by Dec 2025
2.	Construct and strengthen natural gas supply infrastructures for domestic, industrial and transport use	To construct LNG Plant and establish Petroleum Reserve and oil storage infrastructure by 2025	Liquefied Natural Gas (LNG) – Lindi	5,200,000,000.00		60,003,200,000,000.00	60,008,400,000,000.00	Project completed by year 2025
			Rehabilitation of Oil Storage Tank No.8 at Kigamboni	16,000,000,000			16,000,000,000	Rehabilitation completed by year 2025
		To construct a 5,457 km of Natural Gas Pipeline by year 2025	East Africa Crude Oil Pipeline (EACOP)	5,000,000,000.00		6,975,200,000,000.00	6,980,200,000,000.00	Project completed by year 2023

			Programmes/ Projects	Budget				Expected Outputs
					DPs	Private Sector	Total	
			New TAZAMA White Petroleum Products Pipeline (New TAZAMA)	6,500,000,000.00	2,000,000,000.00	2,372,000,000,000.00	2,380,500,000,000.00	Project completed by year 2023
			Tanzania – Uganda Natural Gas Pipeline (TUNGAP)	22,000,000,000.00		63,000,000,000.00	85,000,000,000.00	Project completed by year 2025
			Tanzania – Kenya Natural Gas Pipeline (TAKEGAP)	25,000,000,000.00		63,000,000,000.00	88,000,000,000.00	Project completed by year 2025
			Tanzania – Zambia Natural Gas Pipeline (TANZA)	25,000,000,000.00		63,000,000,000.00	88,000,000,000.00	Project completed by year 2025
3.	Promote and develop renewable energy technologies and projects (Biogas, Geothermal, LPG, Solar and Wind Energies) particularly for rural households	Electricity production increased by 5,760 MW	Singida Wind Plant, (100MW) Singida Phase 1 – MW 50, Makambako Wind Plant (50MW) and Same Wind Plant (50MW)	125,000,000		125,000,000.00	125,000,000.00	Project completed by Sept 2026
			Dodoma Solar Power Project 55MW	416,775,000,000.00			416,775,000,000.00	Project completed by Sept 2026
			Shinyanga Solar Power Project 150MW -	198,850,000,000.00			198,850,000,000.00	Project completed by Sept 2026
			Songwe Geothermal plant (5MW); Mbaka – Kejo Geothermal plant (60MW) and Ngozi Geothermal plant (70MW)	174,520,000,000.00			174,520,000,000.00	Project completed by Sept 2025

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
4.	Strengthen the availability of oil and natural gas by enhancing petroleum exploration and development activities	To construct 5 natural gas distribution pipelines and associate facilities in 5 zones by 2025	Dar es Salaam and Coast Region Natural Gas Distribution Project; Mtwara and Lindi Natural Gas Distribution Project; Morogoro and Dodoma Natural Gas Distribution Project; Arusha, Tanga – Kilimanjaro Natural Gas Distribution Project and Morogoro, Iringa – Mbeya	174,000,000,000.00			174,000,000,000.00	Project completed by 2025
		To undertake oil and gas exploration in Eyasi-Wembere Block by year 2025	Eyasi-Wembere Petroleum Exploration Project	641,500,000,000.00			641,500,000,000.00	Project completed by 2025
		To increase amount of natural gas discovered and developed in Tanzania by year 2025	Mnazi-bay Petroleum Exploration Project	740,500,000,000.00			740,500,000,000.00	Project completed by Dec 2025
			West Songo Songo Petroleum Exploration Project	742,500,000,000.00			742,500,000,000.00	Project completed by Dec 2025
	Total			**19,890,639,800,000**	**2,000,000,000**	**69,772,400,000,000**	**89,665,039,800,000**	

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
				WORKS				
1	Construction and rehabilitation of Strategic Airports	Construction and rehabilitation of Airports facilitated by June, 2026	Construction and Rehabilitation of Mwanza International Airport (building a new passenger terminal), JNIA (Renovation of Second Passenger Building - TBII), Songwe Airport, KIA, Mtwara Airport (phase II), Arusha Airport, Songea Airport (phase II), Bukoba Airport, Musoma Airport, Lake Manyara Airport, Kilwa Masoko Airport, Tanga Airport and Kigoma Airport.	367,000,000,000	330,000,000,000		697,000,000,000	Improved air transport, National Security and Economic activities such as Tourism, Trade investment e.t.c
2	Construction and rehabilitation of Regional Airports	Construction and rehabilitation of Airports facilitated by June, 2026	Construction and Rehabilitation of Regional Airports in Iringa, Singida, Lindi, Njombe, Moshi, Tabora, Shinyanga and Sumbawanga.	170,000,000,000	381,000,000,000		551,000,000,000	Improved Airports facilities that provides air transport services in the country to International Standards (ICAO).
3	Construction of new Airports	Construction of Msalato International Airport, Geita Airport and Simiyu Airport facilitated by June, 2026	Construction of new Geita, Msalato and Simiyu Airports	480,000,000,000	600,000,000,000		1,080,000,000,000	Increased capacity to provide National and International Air Transport and compliance to International Standards (ICAO).

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
4	Completion of ongoing Construction and Rehabilitation of Airports Projects	Construction and rehabilitation of Airports facilitated by June, 2026	Upgrading of Mtwara, Songea, Dodoma and Songwe Airports	97,000,000,000			97,000,000,000	Improved Air transport services for National and International travelers
5	Improve ferry transport	Procuremet of the new ferry facilitated.	Procurement of new ferry to ply between Rugezi - Kisorya.	8,000,000,000			8,000,000,000	Ferry transportation completed by 2022 Project completed by 2022
6		Procuremet of the new ferries facilitated.	Procurement of new ferry to ply between Ijenga - Kahangala (Mwanza), Musoma - Kinesi (Mara), Nyamisati - Mafia (Pwani), Nyakalilo - Kome (Mwanza), Bwiro - Bukondo (Ukerewe), Ilugwa - Murutanga (Ukerewe), Kakuru - Gana (Ukerewe) (Mwanza), Msangamkuu - Msemo (Mtwara) and Ilungwa - Ukara (Mwanza) and fiber boat at Ilugwa - Ukara	81,880,000,000			81,880,000,000	Ferry transportation completed by 2025

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
7	Improvement of ferry ramp	Construction of infrastructures for ferry stations facilitated by 2025	Ferry ramp at Magogoni - Kigamboni (Kigamboni side) construction Infrastructures waiting lounge,offices, toilets and hostels for ten ferry stations at Msangamkuu - Msemo (Mtwara), Rugezi - Kisorya (Mwanza), Utete - Mkongo (Pwani), Chato - Nkome (Geita), Ilamba - Majita (Mara), Bugolora - Ukara (Mwanza), Kyanyabasa - Buganguzi (Kagera), Kilambo - Namoto (Mtwara), Kaunda - Maisome (Mwanza) and Rusumo - Nyakiziba (Kagera).	13,750,000,000			13,750,000,000	Ferry ramp completed by 2022
		Improvement of ferry ramps at Kikove (Mlimba - Malinyi) and Kilombero I and Kilombero II ferries and transport to Kikove (Mlimba Malinyi) facilitated	ferry ramps at Kikove (Mlimba - Malinyi), Kilombero I and Kilombero II ferries and transport to Kikove (Mlimba Malinyi)	1,750,000,000			1,750,000,000	Ferry ramps at Kikove completed by 2022 Ferry ramps at Kilombero I and Kilombero II completed by 2023

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
8.	To improve TEMESA by building capacity of staff and providing equipment and tools including those that identify non-genuine parts. Procurement of tools in bulk.	Improvement of TEMESA facilitated.	Procurement of spare parts in bulk and imorove mechanical works and services	15,000,000,000			15,000,000,000	Procurement of Spare parts completed by 2025
		Construction of workshops and garages in eight (8) districts and improve Dodoma Workshop facilitated.	Construction of workshops and garages for maintenance works at Kahama, Masasi, Nanyumbu, Simanjiro, Same, Chato, Kyela and Geita regions and improve Dodoma workshop.	3,000,000,000			3,000,000,000	Workshops and garage for mantenance in four districts completed by 2025
9.	To improve Intergrated Infrastructure Management System (IIMS)	Improvement of Intergrated Infrastructure Management System (IIMS) facilitated.	Improvement of Intergrated Infrastructure Management System (IIMS).	3,000,000,000			3,000,000,000	Infrastructure Management System completed by 2025
10.	Upgrading modern workshop (Arusha, Dar es Salaam (MT Depot) Mtwara, Mbeya, Mwanza to government vehicles.	Upgrading modern workshop (Arusha, Dar es Salaam (MT Depot) Mtwara, Mbeya, Mwanza government vehicles.	Upgrading modern workshop (Arusha, Dar es Salaam (MT Depot) Mtwara, Mbeya, Mwanza government vehicles.	6,500,000,000			6,500,000,000	Worshops completed by 2024 Worshops at Arusha, DSM-MT Depot, Mtwara, Mbeya, Mwanza completed by 2025
13.	Upgrading modern mobile workshops	Upgrading Modern mobile workshops facilitated.	Procurement of six mobile workshops	2,422,400,000			2,422,400,000	Modern mobile workshop completed by 2023

	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
					DPs	Private Sector	Total	
14.	To develop designing and strengthen management of government buildings including second phase project of government buildings in the government buildings in the government City at Mtumba, Dodoma.	Designing and strengthen management of government buildings including second phase project of government buildings in the government City facilitated.	Designing and strengthen management of government buildings including second phase project of government buildings in the government City at Mtumba, Dodoma.	5,450,000,000			5,450,000,000	Government buildings in the Government City constructed
				21,800,000,000			21,800,000,000	
16.	Constructions of 10,000 houses for Government leaders and public servant.	Constructions of 10,000 houses for Government leaders and public servant facilitated.	Constructions of 10,000 houses for Government leaders and public servant.	87,850,000,000			87,850,000,000	Houses for Government leaders and public servants constructed
17.	To strengthen implementation of strategies to improve office furniture and government houses and construction of furniture factory to reduce the cost of importing from abroad.	Construction of furniture factory and rehabilitation furniture factory and rehabilitation furniture workshop facilitated.	Construction of furniture factory and rehabilitation furniture workshop of TBA.	3,100,000,000			3,100,000,000	Furniture workshops completed by 2025

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
18.	To prepare and implement plans to construct and rehabilitate buildings and government houses with affordable and based on the specific needs of people with disabilities.	Construct and rehabilitate buildings and government houses with affordable and based on the specific needs of people with disabilities facilitated.	Construction and rehabilitation of buildings and government houses.	90,000,000,000			90,000,000,000	Buildings and government houses constructed and rehabilitated.
19.	To construct new residential houses to accommodate many families from former plots belonged to TAMISEMI	Construction of residential houses to accommodate many families facilitated by 2025.	Construction of residential houses to accommodate many families	10,000,000,000			10,000,000,000	Residential houses to accommodate many families constructed
20.	To increase working capital of TBA for the purpose of constructing many residential houses to be rented to public servants in different locations.	Construction of residential houses to be rented to public servants in different locations facilitated by 2025.	Construction of residential houses to accommodate many families.	45,000,000,000			45,000,000,000	Residential houses to be rented to public servants constructed
21.	To Construct office blocks to be used by government institutions for the purpose of reducing rental costs.	Construction of office blocks for government institutions facilitated by June 2025.	Construction of office blocks to be used by government institutions.	30,000,000,000			30,000,000,000	Office blocks constructed

	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
					DPs	Private Sector	Total	
22.	Infrastructure Development	Construction of Sumbawanga - Kanyani - Nyakanazi (km 562) to bitumen standard	•Construction of Kibaoni – Sitalike section (71.1 km) and Vikonge – Uvinza section (159 km) to bitumen standard	414,180,000,000	225,102,090,000		414,180,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
			•Construction of Kasulu – Kabingo section (184km) to bitumen standard Under AfDB	51,474,220,000	225,102,090,000		276,576,310,000	Connectivity of Different places within the Country and neighbouring country of Burundi (Country to country/ Region to Region/District, District to Districts)
		Construction of Tabora - Ipole - Koga - Mpanda (km 359) to bitumen standard	Construction of Usesula – Ipole – Koga – Mpanda (km 353.0) to bitumen standard	112,468,620,000	320,186,190,000		432,654,810,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
		Construction of Mto wa Mbu - Loliondo (km 213) to bitumen standard	• Construction of Sale Jct – Loliondo (49 km) to bitumen standard	87,126,450,000			87,126,450,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
			Construction of Sale Jct - Mto wa Mbu (164 km) to bitumen standard	295,200,000,000			295,200,000,000	
		Construction of Itoni - Ludewa - Manda (km 211) to bitumen standard	Construction of Lusitu – Mawengi (50 km)	159,217,440,000			159,217,440,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
			Construction of Itoni – Lusitu (km 50) and Mawengi – Manda (110 km) to bitumen standard	288,000,000,000			288,000,000,000	District to Districts)

	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
					DPs	Private Sector	Total	
		Construction of Makurunge - Saadani - Pangani - Tanga (km 178) to Bitumen standard	Construction of Pangani – Tanga (50 km) and Pangani – Mkange – Makurunge (124.5 km) to bitumen standard	66,853,270,000	1,100,000,000		67,953,270,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
		Kujenga barabara ya Magole – Turiani – Handeni (km 152.8) to bitumen standard	Construction of Turiani – Mziha - Handeni (104 km) to bitumen standard	187,200,000,000.00			187,200,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
		Construction of Katumba - Mbambo - Tukuyu (km 80) to Bitumen Standard	Construction of Katumba - Mbambo – Tukuyu (53km) to bitumen standard	95,400,000,000.00			95,400,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
		Construction of Dumila – Kilosa – Mikumi (km 141.8) to bitumen standard	Construction of Kilosa - Mikumi section (79km) to bitumen standard	142,200,000,000.00			142,200,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
		Construction of Kisarawe - Maneromango (km 54) to bitumen standard	Construction of Kisarawe - Maneromango 44km to bitumen standard	79,200,000,000.00			79,200,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
		Construction of Handeni - Kiberashi - Kondoa - Singida (km 460) to bitumen standard	Construction of Handeni – Kiberashi (km 50) to bitumen standard	90,000,000,000.00			90,000,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
		Construction of Arusha - Kibaya - Kongwa (km 430) to bitumen standard	Construction of Arusha - Kibaya - Kongwa (430 km) to bitumen standard	774,000,000,000.00			774,000,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)

	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
					DPs	Private Sector	Total	
		Construction of Makongolosi - Rungwa - Mkiwa (km 412) to bitumen standard	Construction of Makongolosi - Rungwa - Mkiwa (km 412) to bitumen standard	741,600,000,000.00			741,600,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
		Construction of Kibaya – Orkesumet - Mererani (km 132) to bitumen standard	Construction of Ngopito – Orkesumet (km 88) to bitumen standard	158,400,000,000.00			158,400,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
		Construction of Kolandoto - Lalago - Mwanhuzi - Matala - Oldeani Jct (km 328) to bitumen standard	Construction of Kolandoto - Lalago - Mwanhuzi - Matala - Oldeani Jct (km 328) to bitumen standard	590,400,000,000.00			590,400,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
		Construction of Mtwarapachani – Lingusenguse – Tunduru (km 300) to bitumen standard	Construction of Mtwarapachani – Lingusenguse – Tunduru (km 300) to bitumen standard	540,000,000,000.00			540,000,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
		Construction of Lupilo - Malinyi - Kilosa kwa Mpepo - Londo - Kitanda (km 296) to bitumen standard	Construction of Lupilo - Malinyi - Kilosa kwa Mpepo - Londo - Kitanda (km 296) to bitumen standard	532,800,000,000.00			532,800,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
		Construction of a Mtwara - Newala - Masasi (km 210) to bitumen standard	Construction of Mnivata – Newala – Masasi (km160) to bitumen standard	288,000,000,000.00			288,000,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)

	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
					DPs	Private Sector	Total	
		Construction of Njombe -Ndulamo - Makete - Kitulo – Isyonje (km 205) to bitumen standard	Construction of Makete - Kitulo – Isyonje (96.2 km) to bitumen standard	173,160,000,000.00			173,160,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
		Construction of Omugakorongo - Rwambaizi – Kigarama – Murongo (km 125) to bitumen standard	Construction of Omugakorongo - Rwambaizi – Murongo (km 125) to bitumen standard	225,000,000,000.00			225,000,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
		Construction of Njombe (Kibena) - Lupembe - Madeke (Mfuji) Morogoro/ Njombe Boarder (km 125) to bitumen standard	Construction of Njombe (Kibena) - Lupembe - Madeke (Mfuji) Morogoro/ Njombe Boarder (km 125) to bitumen standard	225,000,000,000.00			225,000,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
		Construction of Iringa - Ruaha National Park (km 104) to bitumen standard	Construction of Iringa - Ruaha National Park (km 104) to bitumen standard	187,200,000,000.00			187,200,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
		Construction of Morogoro (Bigwa) - Mvuha (km 78) to bitumen standard	Construction of Morogoro (Bigwa) - Mvuha (km 78) to bitumen standard	140,400,000,000.00			140,400,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
		Construction of Magu - Bukwimba - Ngudu - Jojiro (km 64) to bitumen standard	Construction of Magu - Bukwimba - Ngudu - Jojiro (km 64) to bitumen standard	115,200,000,000.00			115,200,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)

	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
					DPs	Private Sector	Total	
		Construction of Kahama – Nyamilangano – Uyogo (km 54) to bitumen standard	Construction of Kahama – Nyamilangano – Uyogo (km 54) to bitumen standard	97,200,000,000.00			97,200,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
		Construction of Kisarawe - Mlandizi (km 52) to bitumen standard	Construction of Kisarawe - Mlandizi (km 52) to bitumen standard	93,600,000,000.00			93,600,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
		Construction of Matai - Kasesya (km 50) to bitumen standard	Construction of Matai - Kasesya (km 50) to bitumen standard	90,000,000,000.00			90,000,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
		Construction of Madaba - Mundindi (Liganga) - Mkiu (km 46) to bitumen standard	Construction of Madaba - Mundindi (Liganga) - Mkiu (km 46) to bitumen standard	82,800,000,000.00			82,800,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
		Construction of Makutano – Nata – Mugumu (km 125) to bitumen standard	Construction of Sanzate – Natta section (km 40) and Natta – Mugumu section (km 35) to bitumen standard	39,469,860,000.00			39,469,860,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
		Construction of Kibondo - Mabamba (km 35) to bitumen standard	Construction of Kibondo - Mabamba (km 35) to bitumen standard	63,000,000,000.00			63,000,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)

	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
					DPs	Private Sector	Total	
		Construction of Kibaha - Mapinga (km 23) to bitumen standard	Construction of Kibaha - Mapinga (km 23) to bitumen standard	41,400,000,000.00			41,400,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
		Construction of Makambako - Songea (km 295) to bitumen standard	Rehabilitation of Makambako - Songea (km 295) to bitumen standard	531,000,000,000.00			531,000,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
		Construction of Segera – Same – Himo (km 285)	Rehabilitation of Same – Himo (km 66) to bitumen standard	118,800,000,000.00			118,800,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
		Construction of Morogoro - Dodoma (km 263) to bitumen standard	Construction of Morogoro - Dodoma (km 263) to bitumen standard	473,400,000,000.00			473,400,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
		Construction of Mtwara - Mingoyo - Masasi (km 200) to bitumen standard	Construction of Mtwara - Mingoyo - Masasi (km 200) to bitumen standard	360,000,000,000.00			360,000,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
		Construction of Arusha – Moshi – Himo – Holili (km 140) and Holili – Tarakea (km 53) to bitumen standard,	Construction of Tengeru – Moshi – Himo – Holili (km 83.5) and Holili – Tarakea (km 53) to bitumen standard	150,300,000,000.00			150,300,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)

	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
					DPs	Private Sector	Total	
		Construction of Igawa - Uyole -Mbeya - Tunduma (km 215.12) including Mbeya (Mbeya Bypass) 48km to bitumen standard	Construction of Igawa - Uyole -Mbeya - Tunduma (km 215.12) including (Mbeya Bypass) km 48 to bitumen standard	473,616,000,000.00			473,616,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
		Construction of Lusahunga - Rusumo (92 km) to bitumen standard	Construction of Lusahunga - Rusumo (km 92) to bitumen standard	165,600,000,000.00			165,600,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
		Construction of Nyakasanza - Kobero (60 km) to bitumen standard	Construction of Nyakasanza - Kobero (km 60) to bitumen standard	108,000,000,000.00			108,000,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
		Construction of Kongwa Ranch - Kiteto - Simanjiro - KIA (483 km) to bitumen standard	Construction of Kongwa Ranch - Kiteto - Simanjiro - KIA (km 483) to bitumen standard	869,400,000,000.00			869,400,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
		Construction of Sanya Juu - Kamwanga to bitumen standard	Construction of Sanya Juu - Kamwanga Alerai – Kamwanga (km 43) to bitumen standard	77,400,000,000.00			77,400,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
		Construction of Kidahwe - Ilunde - Malagarasi - Kaliua to bitumen standard	Construction of Malagarasi – Uvinza (km 51) and Kazilambwa - Chagu (km 36) to bitumen standard	156,600,000,000.00			156,600,000,000.00	Connectivity of Different places within the Country (Region to Region/District, District to Districts)

	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
					DPs	Private Sector	Total	
		Construction of Malagarasi - Uvinza to bitumen standard	Construction of Malagarasi – Uvinza (km 51) to bitumen standard	91,800,000,000.00			91,800,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
		Construction of Mpanda - Ugala - Kaliua - Ulyankulu - Kahama (428km) to bitumen standard	Construction of Mpanda - Ugala - Kaliua - Ulyankulu - Kahama (km 428) to bitumen standard	770,400,000,000.00			770,400,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
		Rehabilitation of Makuyuni – Mto wa Mbu - Karatu – Ngorongoro to bitumen standard	Construction of Makuyuni – Mto wa Mbu - Karatu – Ngorongoro to bitumen standard (km 77)	138,600,000,000.00			138,600,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
		Construction of Bariadi-Kisesa-Mwandoya - Ngoboko – Construction of Mwanhuzi - Sibiti – Mkalama - Iguguno (km 289) to bitumen standard	Construction of Bariadi-Kisesa-Mwandoya - Ngoboko – Construction of Mwanhuzi - Sibiti – Mkalama - Iguguno (km 289) to bitumen standard	520,200,000,000.00			520,200,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
		Construction of Babati - Orkesumet - Kibaya (km 225) to bitumen standard	Construction of Babati - Orkesumet - Kibaya (km 225) to bitumen standard	405,000,000,000.00			405,000,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
		Construction of Ntendo - Muze - Kilyamatundu (km 200) to bitumen standard	Construction of Ntendo - Muze - Kilyamatundu (km 200) to bitumen standard	360,000,000,000.00			360,000,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
		Construction of Liwale - Nachingwea - Ruangwa (185) to bitumen standard	Construction of Liwale - Nachingwea - Ruangwa (185) to bitumen standard	333,000,000,000.00			333,000,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
		Construction of Masasi – Nachingwea (km 45) to bitumen standard	Construction of Masasi – Nachingwea (km 45) to bitumen standard	81,000,000,000.00			81,000,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
		Construction of Ruangwa – Namichiga – Nanjilinji – Kiranjeranje (km 120) to bitumen standard	Construction of Ruangwa – Namichiga – Nanjilinji – Kiranjeranje (km 120) to bitumen standard	216,000,000,000.00			216,000,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
		Construction of Ngongo – Mandawa – Namichiga (km 85) to bitumen standard	Construction of Ngongo – Mandawa – Namichiga (km 85) to bitumen standard	153,000,000,000.00			153,000,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
		Construction of Kibaoni - Majimoto - Inyonga (km 162.8) to bitumen standard	Construction of Kibaoni - Majimoto - Inyonga (km 162.8) to bitumen standard	293,040,000,000.00			293,040,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
		Construction of Kanazi –(Kyetema) – Ibwera – Katoro – Kyaka II to bitumen standard	Construction of Kanazi –(Kyetema) – Ibwera – Katoro – Kyaka II to bitumen standard (km 60.7)	109,260,000,000.00			109,260,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
		Construction of Bukoba Mjini – Busimbe – Maruku – Kanyangereko – Ngogo to bitumen standard	Construction of Bukoba Mjini – Busimbe – Maruku – Kanyangereko – Ngogo to bitumen standard (km 19)	34,200,000,000.00			34,200,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
		Construction of Njombe (Kibena) – Lupembe – Madeke (Mfuji) – Morogoro/ Njombe Border (km 125) to bitumen standard	Construction of Njombe (Kibena) – Lupembe – Madeke (Mfuji) – Morogoro/ Njombe Border (km 125) to bitumen standard	225,000,000,000.00			225,000,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
		Construction of Murushaka – Murongo (km 125) to bitumen standard	Construction of Murushaka – Murongo (km 125) to bitumen standard	225,000,000,000.00			225,000,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
		Construction of Mvuha – Kisaki (km 73) to bitumen standard	Construction of Mvuha – Kisaki (km 73) to bitumen standard	131,400,000,000.00			131,400,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
		Construction of Likuyufusi – Mkenda (km 124) to bitumen standard	Construction of Likuyufusi – Mkenda (km 124) to bitumen standard	223,200,000,000.00			223,200,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
		Construction of Murugarama - Rulenge - Nyakahura (km 85) to bitumen standard	Construction of Murugarama - Rulenge - Nyakahura (km 85) to bitumen standard	153,000,000,000.00			153,000,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
		Widening og (Tegeta) - Bagamoyo (57 km) to bitumen standard	Widening og (Tegeta) - Bagamoyo (57 km) to bitumen standard	102,600,000,000.00			102,600,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
		Construction of Kilindoni – Ras Mkumbi – Mafia (55km) to bitumen standard	Construction of Kilindoni – Ras Mkumbi – Mafia (55km) to bitumen standard	99,000,000,000.00			99,000,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
		Construction of Igowole - Kasanga - Nyigo (54.5km) to bitumen standard	Construction of Igowole - Kasanga - Nyigo (54.5km) to bitumen standard	98,100,000,000.00			98,100,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
		Construction of Geita - Nzera - Nkome (km 54) to bitumen standard	Construction of Geita - Nzera - Nkome (km 54) to bitumen standard	97,200,000,000.00			97,200,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
		Construction of Katumbasongwe – Kasumulu – Ngana – Ileje (90.7 km) to bitumen standard	Construction of Katumbasongwe – Kasumulu – Ngana – Ileje (90.7 km) to bitumen standard	163,260,000,000.00			163,260,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
		Construction of Namanyere – Katongoro – New Kipili Port (64.8 km) to bitumen standard	Construction of Namanyere – Katongoro – New Kipili Port (64.8 km) to bitumen standard	116,640,000,000.00			116,640,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
		Construction of Kagwira – Ikola – Karema Port (112 km) to bitumen standard	Construction of Kagwira – Ikola – Karema Port (112 km) to bitumen standard	201,600,000,000.00			201,600,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
		Construction of Mutukula – Bukoba – Muhutwe – Kagoma (136 km) to bitumen standard	Construction of Mutukula – Bukoba – Muhutwe – Kagoma (136 km) to bitumen standard	244,800,000,000.00			244,800,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
		Construction of Ipole – Rungwa (172 km) to bitumen standard	Construction of Ipole – Rungwa (172 km) to bitumen standard	309,600,000,000.00			309,600,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
		Construction of Mpanda – Ugalla – Kaliua – Ulyankulu – Kahama (475 km) to bitumen standard	Construction of Mpanda – Ugalla – Kaliua – Ulyankulu – Kahama (475 km) to bitumen standard	855,000,000,000.00			855,000,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
		Construction of Shelui – Nzega (km 110) to bitumen standard	Construction of Shelui – Nzega (km 110) to bitumen standard	198,000,000,000.00			198,000,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
		Construction of Tarime – Mugumu (km 86) to bitumen standard	Construction of Tarime – Mugumu (km 86) to bitumen standard	154,800,000,000.00			154,800,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
		Construction of Musoma – Makojo –Busekela (km 92) to bitumen standard	Construction of Musoma – Makojo –Busekela (km 92) to bitumen standard	165,600,000,000.00			165,600,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
		Construction of Mwanza – Mwanza/ Shinyanga Boarder (km 102) to bitumen standard	Construction of Mwanza – Mwanza/ Shinyanga Boarder (km 102) to bitumen standard	183,600,000,000.00			183,600,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
		Construction of Nyanguge – Simiyu/ Mara Boarder (km 100.4) to bitumen standard	Construction of Nyanguge – Simiyu/ Mara Boarder (km 100.4) to bitumen standard	180,720,000,000.00			180,720,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
		Construction of Kumunazi – Bugene – Kasulo – Kyaka – Mutukula (km 163) to bitumen standard	Construction of Kumunazi – Bugene – Kasulo – Kyaka – Mutukula (km 163) to bitumen standard	293,400,000,000.00			293,400,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
		Construction of 11 Bridges	Construction of Kigongo - Busisi Bridge (Mwanza)	592,608,690,000.00			592,608,690,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
			Construction of Kirumi Bridge (Mara)	10,976,000,000.00			10,976,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
			Construction of Pangani Bridge (Tanga)		98,000,000,000.00		98,000,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
			Construction of Mkenda Bridge (Ruvuma) -108m	13,200,000,000.00			13,200,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
			Construction of Mtera Dam (Iringa)- 320m including 4.145 km approach roads	68,000,000,000.00			68,000,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
			Construction of Mitomoni Bridge (Ruvuma) - 47.7 m and 8km its approach roads	16,900,000,000.00			16,900,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
			Construction of Mkundi Bridge (Morogoro) m- 60.4	13,200,000,000.00			13,200,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
			Construction of Mirumba Bridge (Katavi) - 45m	1,800,000,000.00			1,800,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
			Construction of Ugalla Bridge (Katavi) - 115m	6,500,000,000.00			6,500,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
			Construction of Sanza (Singida) - 75m and 14.5 approach roads	23,000,000,000.00			23,000,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
			Construction of Mzinga (Dar es Salaam) - 48m	9,273,000,000.00			9,273,000,000	Connectivity of Different places within the Country (Region to Region/District, District to Districts)
23	Decongestion of Dar es Salaam City	Construction of 8 flyovers(at main junctions/ Intersections)	Construction of flyovers at Uhasibu. Chang'ombe, KAMATA, Morocco, Mwenge, Magomeni, Tabata and Gerezani	560,628,000,000.00	21,000,000,000.00		581,628,000,000	Increase Mobility and Accessibility within the city
		Construction of BRT Infrastructure in Dar es Salaam	Phase II: Kilwa and Kawawa (19.3 km) road	218,740,000,000.00			218,740,000,000	Improved public transport, Increase Mobility and Accessibility within the city

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
			Phase III: Nyerere, Uhuru, Bibi Titi Mohamed and Azikiwe roads (23.6 km)	258,829,000,000.00			258,829,000,000	Improved public transport, Increase Mobility and Accessibility within the city
			Phase IV: Maktaba, Ali Hassan Mwinyi, Sam Nujoma and Mwenge – Tegeta roads	280,266,000,000.00			280,266,000,000	Improved public transport, Increase Mobility and Accessibility within the city
			Phase V: Mandela Road – Bandari, Kinyerezi -Tabata – Kigogo – Kawawa (Round About).	251,365,000,000.00			251,365,000,000	Improved public transport, Increase Mobility and Accessibility within the city
			Phase VI: Morocco – Mwai Kibaki – Old Bagamoyo (9.1)	296,149,000,000.00			296,149,000,000	Improved public transport, Increase Mobility and Accessibility within the city
		Construction of a New Selander Bridge	Construction of a New Selander Bridge		97,740,420,806.81		97,740,420,806.81	Increase Mobility and Accessibility within the cities and towns
24	Decongestion of other Major Cities and towns	Construction of Dar Es Salaam - Chalinze Express Way	Construction of Dar Es Salaam - Chalinze Express Way	259,200,000,000			259,200,000,000	Increase Mobility and Accessibility within the cities and towns
		Construction of Dar Es Salaam Outer Ring Roads (Bunju - Mbezi (Morogoro Road) - Pugu)	Construction of Dar Es Salaam Outer Ring Roads (Bunju - Mbezi (Morogoro Road) - Pugu)	61,200,000,000			61,200,000,000	Increase Mobility and Accessibility within the cities and towns
		Construction of Babati Bypass	Construction of Babati Bypass	21,600,000,000.00			21,600,000,000	Increase Mobility and Accessibility within the cities and towns

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
		Construction of Iringa Bypass	Construction of Iringa Bypass 7km	13,140,000,000.00			13,140,000,000	Increase Mobility and Accessibility within the cities and towns
		Widening of Dodoma – Dar es Salaam (50km); Dodoma – Iringa (50km); Dodoma – Singida (50km); Dodoma – Babati (50 km)	Widening of Dodoma – Dar es Salaam (50km); Dodoma – Iringa (50km); Dodoma – Singida (50km); Dodoma – Babati (50 km)	360,000,000,000.00			360,000,000,000	Increase Mobility and Accessibility within the cities and towns
		Construction of Dodoma City Outer Ring Roads (114 km)	Construction of Dodoma City Outer Ring Roads (114 km)	35,826,950,000.00	185,874,470,000.00		221,701,420,000	Increase Mobility and Accessibility within the cities and towns
		Construction of Dodoma City Inner Ring Roads (15 km)	Construction of Dodoma City Inner Ring Roads (km15)	173,925,000.00			173,925,000	Increase Mobility and Accessibility within the cities and towns
		Widening of Arusha Mjini - Kisongo (km 8.8)	Widening of Arusha Mjini - Kisongo (km 8.8)	15,840,000,000.00			15,840,000,000	Increase Mobility and Accessibility within the cities and towns
25.	Capacity building for Professionals in the Works Sector	Capacity building for Professionals in the Works Sector facilitated by 2025	Capacity building for Professionals in the Works Sector	1,000,000,000.00			1,000,000,000	Skills development
		Local contractors in construction works enhanced by June 2026	Formalization of Contractors Assistance Fund	520,000,000.00			520,000,000.00	CAF in operational and increased Local contractors in construction works

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
26.	Capacity building for Women in Construction works	Ehnancement of Women Participation in in Road works	Ehnancement of Women Participation in Road works enhanced by 2025	1,500,000,000.00			500,000,000	Skills development
	SUBTOTAL			**23,603,576,567,666.70**	**2,260,103,170,806.81**		**25,863,679,738,473.51**	

TRANSPORT TRANSPORT

1.	Airport Development and Maintenance	25	Supply, installation and upgrading of ICT, Safety and Security facilities and equipment's	57,500,000,000.00			57,500,000,000.00	Safety and security equipments procured and installed
		17						Security fences constructed
		16 Airports						New surveillance system installed
		14	Supply, installation and upgrading of ICT, Safety and Security facilities and equipments	70,640,000,000.00			70,640,000,000.00	AGL System installation and commissioning
		13	Supply, installation and upgrading of ICT, Safety and Security facilities and equipments	20,560,000,000.00			20,560,000,000.00	Airport Management Information System installed
		1	Operationalization of JNIA Terminal III	80,000,000,000.00			80,000,000,000.00	JNIA TB III to continue to provide standard and quality service
		1	Upgrading and maintenance of airport infrastructure and facilities	228,800,000,000.00			228,800,000,000.00	JNIA terminal I and II operates

		Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
		11	Upgrading and maintenance of airport infrastructure and facilities	960,480,000,000.00			960,480,000,000.00	Airports constructed, rehabilitated and maintained
		17	Land valuation and acquisition	2,500,000,000.00			2,500,000,000.00	Land acquired
		24 airports	Land valuation and acquisition	64,920,000,000.00			64,920,000,000.00	Land acquired
		2	Airport projects preparation	1,180,000,000.00			1,180,000,000.00	Studies in place
		14	Airport projects preparation	700,000,000.00			700,000,000.00	Master Plan prepared
		3	Upgrading and maintenance of airport infrastructure and facilities	450,000,000,000.00			450,000,000,000.00	Cargo Terminals in place
2.	Revamping of the Air Tanzania Company Limited (ATCL)	1,549,764 passengers;	Procure new Aircrafts and improve operational infrastructure	2,937,000,000,000.00			2,937,000,000,000.00	1,549,764 uplifted passengers; Completion renovation at KIMAFA and JNIA;
		15 Domestic Destinations operated which are Arusha, Bukoba, Dar es salaam, Dodoma, Geita Iringa Kilimanjaro, Kigoma, Mbeya, Mpanda Mwanza, Mtwara, Songea, Tabora Zanzibar),						15 domestic destinations operated

		Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
		12 Regional destinations operated which are Accra, Bujumbura, Entebbe, Hahaya,Lusaka,						12 Regional destinations operated
		6 International destinations operated which are (Bangkok, Dubai, Guangzhou, Mumbai, Muscat and Tel Aviv						06 international destinations operated
3.	Improvement of Meteorological infrastructure and services	7 Weather Radars	Acquisition and installation of 2 Weather radars	15,800,000,000.00			15,800,000,000.00	2 Weather Radars procured and installed by 2025 and two Radars Upgraded by June, 2022/23
		Marine observation system installed in Indian Ocean and in major Lakes	Acquisition and installation of Meteorological Instruments	15,000,000,000.00			15,000,000,000.00	Marine observation systems installed at Indian Ocean and Major Lakes by June 2025
		Lightning detectors in place	Acquisition and installation of Lightning detectors	10,000,000,000.00			10,000,000,000.00	Phase I and II of the project of installing lighting detectors across the country completed by June 2025
		Modern meteorological instruments in place	Acquisition and installation of modern meteorological instruments	10,000,000,000.00			10,000,000,000.00	Other specialized Meteorological instruments procured and installed by June, 2025

		Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
		Central Forecasting Office (CFO) with required facilities in place	Construction of Central Forecasting Office (CFO)	625,000,000,000.00			625,000,000,000.00	Central Forecasting Office building with required facilities in place by June, 2025
		New buildings constructed and rehabilitation completed	National Meteorological Training Centre	10,000,000,000.00			10,000,000,000.00	New buildings constructed and rehabilitation completed by 2025
		12 meteorological stations rehabilitated	12 meteorological stations rehabilitated	1,000,000,000.00			1,000,000,000.00	12 meteorological stations rehabilitated by June, 2025
4.	Finalise upgrading of the Central line to SGR and Purchase rolling stocks for SGR;	2,100 Km of Standard Gauge Railway line	Construction of Standard Gauge Railway on Central line	9,600,000,000,000.00			9,600,000,000,000.00	Standard gauge railway line from DSM to Mwanza (1,219KM) Completed
		EMU - 10 sets, Electric Locomotive - 17, Diesel electric locomotives 5, Passenger coaches - 59, Freight Wagons - 1430 SGR Rolling stock procured	Procurement of SGR rolling stock	1,222,171,102,454			1,222,171,102,454	EMU - 10 sets, Electric Locomotive - 17, Diesel electric locomotives 5, Passenger coaches - 59, Freight Wagons - 1430 SGR Rolling stock procured
5.	Continue the improvement of railway infrastructure of TAZARA, Central, Eastern and Southern railway lines and Rehabilitate existing rolling stocks;	1,000 Km of Standard Gauge Railway line	Construction of standard gauge railway line of Mtwara-Mbambabay (Ameliabay) with spurs to Liganga and Mchuchuma			5,500,000,000,000	5,500,000,000,000	SGR line from Mtwara – Mbamba Bay (1,000 km) Completed
		1,223 Km of Standard Gauge Railway line	Construction of standard gauge railway line of Tanga-Arusha - Musoma with branches to Minjingu and Engaruka			4,100,000,000,000	4,100,000,000,000	SGR line from Tanga – Arusha Musoma (1,223 km) Completed

		Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
		2,537 Km of MGR rehabilitated	Rehabilitation and revamping of existing MGR line	1,524,000,000,000			1,524,000,000,000	Existing railway MGR network rehabilitated and operational
		63 MGR mainline locomotive procured	Procurement of new MGR mainline locomotives	185,870,000,000.00			185,870,000,000.00	63 MGR Mainline locomotives procured
		690 wagons and 37 coaches rehabilitated	Rehabilitation of wagons and coaches	200,600,000,000.00			200,600,000,000.00	600 wagons and 37 coaches rehabilitated
6.	Expand Sea ports of Dar es Salaam, Tanga and Mtwara (DSM)	21.2 Million DWT, 1 Million TEUs, 1,600 ship calls, 2 Million Passenger and 22 Million DWT Port Capacity	Dredging of the Entrance channel and Port Turning Basin	219,000,000,000			219,000,000,000	Deeper and wider entrance channel up to 14.5m and 270m respectively compatible to Post Panamax ships.
			Strengthening and Deepening of Berth 1-7 and Construction of RoRo Berth at Gerezani Creek.	170,000,000,000.00			170,000,000,000.00	Strong berths with 14.5 m depths.
			Strengthening and Deepening of Berth 8-11	20,000,000,000.00			20,000,000,000.00	Strong berths with 14.5 m depths.
			Development of Tank Farm	13,200,000,000.00			13,200,000,000.00	5 Tanks developed.
			To construct DSM Port's access roads of Bandari and Mivinjeni	14,900,000,000.00			14,900,000,000.00	New Mivinjeni road constructed and Bandari road
			Institution of conveyor systems in handling dry bulk cargo	400,000,000.00			400,000,000.00	Multipurpose conveyor system which can accommodate up to 70,000 tons ships

		Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
			Acquisition of Port Operations equipment	16,000,000,000.00			16,000,000,000.00	100% of operational equipment available
			Modernization of DSM Port Central Workshop.	2,600,000,000.00			2,600,000,000.00	A modern and well-equipped Central Workshop.
			Construction of Bagamoyo Port	260,000,000.00			260,000,000.00	Project completed by 20%
7.	Expand Sea ports of Dar es Salaam, Tanga and Mtwara (Tanga)	765,367 DWT, 12,000 TEUs, 200 ship calls, 100,000 Passengers and 1,000,000 DWT Port Capacity	Modernization of Tanga Port Phase II	256,800,000,000.00			256,800,000,000.00	2 new Berths at Tanga Port and deeper quay side up to 14.5 m
			Construction of Oil Jetty and Tank Farm at Raskazone.	10,000,000,000.00			10,000,000,000.00	A new oil jetty and Tank Farm at Raskazone.
8.	Expand Sea ports of Dar es Salaam, Tanga and Mtwara (Mtwara)	600,000 DWT, 7,000 TEUs, 150 ship calls, and 1,000,000 DWT Port Capacity	Construction of Four (4) additional Berth – Phase II	3,160,000,000.00			3,160,000,000.00	Second new berth completed at 10%.
			Renovation of Lindi Port's cargo shed.	1,400,000,000.00			1,400,000,000.00	A rehabilitated and operational shed.
			Acquisition of land at Mtwara Port for future expansion of the Port	3,000,000,000.00			3,000,000,000.00	Additional land with title deed acquired at Mtwara Port.
			Construction of a road to the new Berth at Mtwara.	1,000,000,000.00			1,000,000,000.00	A paved road leading to the new berth.
9.	Expansion and improvement of Infrastructure and Services at Lake Victoria Ports	250,315 DWT, 1,000,000 Passengers and 400,000 DWT Port Capacity	Construction and Rehabilitation of Lake Victoria Ports of Mwanza North and South, Bukoba, Kemondo Bay, Musoma na Nansio	3,000,000,000.00			3,000,000,000.00	Lake Ports with required capacities.

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
			Second phase construction of the Nyamirembe Port at Lake Victoria.	210,000,000.00			3,000,000,000.00	Port with required capacity and facilities to handle cargo and passengers.
			Rehabilitation of a road leading to Mwanza South Port.	500,000,000.00			210,000,000.00	Rehabilitated road at Mwanza South Port.
			Rehabilitation of Musoma Port Link Span.	500,000,000.00			500,000,000.00	Functional rail link at Musoma Port.
			Construction of waves/ water breaker at Bukoba Port	500,000,000.00			500,000,000.00	Water breakers at Bukoba Port fully constructed.
10.	Expansion and improvement of Infrastructure and Services at Lake Tanganyika Ports	300,000 DWT, 4,000 Passengers and 400,000 DWT Port Capacity	Construction and Rehabilitation of Kigoma Port, extension of Kasanga Jetty	7,500,000,000.00			7,500,000,000.00	Ports with required capacity and facilities to handle cargo and passengers
			Construction of Karema Port at Lake Tanganyika	9,850,000,000.00			9,850,000,000.00	Ports with required capacity and facilities to handle cargo and passengers at Karema
			Construction of Kirando Jetty at Lake Tanganyika.	600,000,000.00			600,000,000.00	Port with required capacity and facilities to handle cargo and passengers
			Construction of pavements at Kipili Jetty.	500,000,000.00			500,000,000.00	Kipili Jetty with required capacity and facilities to handle cargo

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
11.	Expansion and improvement of Infrastructure and Services at Lake Nyasa Ports	30,000 DWT, 6,000 Passengers and 300,000 DWT Port Capacity	Construction of Ramps for Lake Nyasa Ports of Kiwira, and Ndumbi	5,000,000,000.00			5,000,000,000.00	Landing ramps at Kiwira and Ndumbi Ports.
			Construction of Landing Jetties and Facilities for Lake Nyasa Ports.	10,000,000,000.00			10,000,000,000.00	Jetties with appropriate facilities constructed at Lake Nyasa.
			Construction of a dispensary at Kyela-Lake Nyasa Ports.	300,000,000.00			300,000,000.00	A new Dispensary completed.
			Construction of Matema passenger lounge	500,000,000.00			500,000,000.00	A functional passenger lounge at Matema.
12.	Construct Dry Ports along DSM and Central Corridors.	5 Dry Ports of Kwala, Isaka, Ihumwa, Fela and Inyala constructed by 2025.	Construction of potential Dry Ports along DSM and Central	37,000,000,000.00			37,000,000,000.00	5 Dry Ports of Kwala, Isaka, Ihumwa, Fela and Inyala constructed by 2025
13.	Enhance Training Institutions in the Sector	17 short courses, 4 2,000 strained students per year	Expansion and Improvement of college infrastructures	1,000,000,000.00			1,000,000,000.00	Classes and a conference constructed by 2025.
			Establishment of technician training and technology incubation centre for maritime and oil/gas industries at NIT – Lindi Campus	17,470,400,000			17,470,400,000	i. Existing gap in specialized technical skilled human resources for operation and maintenance of national flagship projects installations filled iii. Expanded community involvement and adaptation of technologies in specialized areas

		Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
			Establishment of technician training and technology incubation center for Railway industry at NIT – Dodoma Campus	18, 070,200,000			18, 070,200,000	i. Railway modernization ii. Railway rolling stock fabrication iii. Skilled human resource capacity building and Spare parts manufacturing
14.	Improvement of Maritime Safety	Maritime accidents for vessels less than 50 GT maintained below 9	Project to Support Marine Safety, Security & Environment	27,260,000,000.00			27,260,000,000.00	Maritime accidents, incidents and death toll reduced
		40 Ships (of 50 GT) Registered, Unregistered/ Deregistered for License and Mortgages	Implementation of corrective action plan for IMO Member State Audit Scheme (IMSAS) finding	2,725,000,000.00			2,725,000,000.00	Increased number of Ship registered under Tanzanian Flag
		Zero accidents on ships of 50 GT or above maintained	Procurement of Inspection, Search and Rescue Boats	9,200,000,000.00			9,200,000,000.00	At least five (5) marine inspection Boats owned by TASAC
		5,000 Seafarers' Certificates issued annually in accordance with STCW-1978 as amended	Maritime safety system (Automation of Vessel, seafarer's registration and Certification)	6,300,000,000.00			6,300,000,000.00	Number of qualified Tanzanian seafarer increased

		Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
			Establishment of Library with a Section dedicated on Examination Bank and purchasing relevant books for Marine Officers, deck and engineers including IMO guidelines and CDs on Maritime affairs	1,000,000,000.00			1,000,000,000.00	
			Preparation and Production of Seafarers Identity Document (SID)	4,950,00,000.00			4,950,00,000.00	Internalization of Tanzanian seafarers
		Maritime accidents death toll reduced to 10%	Multinational Lake Victoria Maritime Communications & Transport Project	3,200,000,000	20,000,000,000.00		23,200,000,000.00	
			Consultancy to develop East African Maritime Transport Strategy	20,000,000,000.00			20,000,000,000.00	Wider coverage of Mobile Communication, Search and Rescue facillities within inland waterways
		Incidents of Pollution resulting from maritime transport activities kept at Zero	Implementation of corrective action plan for IMO Member State Audit Scheme (IMSAS) finding	3,600,000,000.00			3,600,000,000.00	Zero Pollution to marine environment from ships
			Operationalization of National Marine Oil Spill Response Contingency Plan to stakeholders (NMOSRCP)	1,000,000,000.00			1,000,000,000.00	

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
		Eight (8) ISPS Ports Facilities Compliance to IMO White list maintained annually	Procurement of specialized/ technical equipment for Maritime Rescue Coordination Centre (MRCC)	6,550,000,000.00			6,550,000,000.00	Tanzania ports remained compliant to IMO White list, and Zero incidents of Piracy, armed robbery, human trafficking, Illicit Weapon smuggling, Illicit Weapon smuggling, Illicit Drug smuggling
		Incidents related to Maritime Security within Tanzanian territorial water sustained at zero		500,000,000.00			500,000,000.00	
15.	Enhancing Regulation of Maritime Transport services	100% Compliance of regulated providers of ports and shipping services to Regulations, performance Standards and benchmarks	Enhancement of maritime transport services to Inland Waterways (Lakes Victoria, Nyasa and Tanganyika)	12,270,000,000.00			12,270,000,000.00	Wider scope/ coverage of regulated service providers monitored as per the Performance Standard & Benchmarks
		Coverage of monitored Port Terminals increased from twenty-two (22) to one hundred (100)	Facilitate Capacity building to Port operators of 70 cluster Ports and local government officers around inland waterways					Number of licensed/ registered port and shipping services increased
		At least 100 ports services providers & 924 Shipping Service providers issued with license/registered	Consultancy study for identification of formal and informal ports and mapping					

		Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
		Institutional relationship with five (5) Regional and International Maritime Transport organs sustained	Participate in Regional and International Meetings discussing on Maritime Transport Agenda and Shipping Business					Increased share/ volume of seaborn cargo in the National Income Account
		Coverage of monitored regulated service providers increased to 100%	Improvement of maritime transport service providers delivery capacity through facilitation of Capacity Building					
		Four (4) reports on assessment of extent of competition in the regulated services prepared and recommendations implemented	Assessment On the extent of competition in the regulated services	3,400,000,000.00			3,400,000,000.00	i. Fewer incidents or Absence of Monopoly and anti-competitive behaviour ii. Decreased costs of provision of services
		Ten (10) reports on compliance of regulated service providers with regulatory benchmarks disseminated	Promotion of economic efficiency					
		Four (4) regulated services subjected to regional tariff benchmarking	Establishment and monitoring of Detailed Cost of services for selected regulated services	200,000,000.00			200,000,000.00	Standardized Template of Cost of Services

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
		Detailed cost of services for 5 regulated services established and monitored	Carry-out study on Costs of Regulated Maritime Transport Services	100,000,000.00			100,000,000.00	
		Average cargo clearance time maintained to 7 days after receiving full set of documents	Operationalization of Integrated Shipping Business Management System (SBM)	8,290,000,000.00			8,290,000,000.00	Clearing & Forwarding Agency Services performed to all cargoes under exclusive mandate
		95% of responsi-bilities of freight forwarding services performed	Upgrading SBMS Module of Clearing & Forwarding Agency					
		100% of Clearing and forwarding agency services automated	Upgrading SBMS Module of Clearing and Forwarding agency services					
		100% of cargo imported and exported through Tanzanian ports tallied by June, 2026	Upgrading SBMS Module of Ship Tallying processes	4,420,000,000.00			4,420,000,000.00	Ship Tallying Services performed to all cargo imports and exports through Tanzanian ports
		75% of customers of ship tallying services satisfied by June, 2026						
		100% of tallying data/ information capturing and reporting automated by June, 2026						

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
16.	Improvement of Shipping Agency services	Shipping agency services covered to 7 Categories of ships under exclusive mandate	Upgrading SBMS Module of Ship Agency processes	3,590,000,000.00			3,590,000,000.00	Shipping Agency Services performed to ship categories under exclusive mandate
		1,700 ships (i.e. 340 ships annually) handled TASAC ship agency section						
		Two (2) modules of Shipping Business Management Systems (Shipping agency and document control processes) fully automated						Increase of revenue
17.	Enhance Training Institutions in the Sector	1316 persnnel per annum	Construction of infrastructures for International Civil Aviation Training Centre	52,000,000,000.00			52,000,000,000.00	(i) Increase of enrolment rate from within and abroad (ii) Increase of revenue (iii) Indirect employments to Tanzanians

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
		20	Replace VHF Area Cover Radios Nyashana -Mwanza, Kaze hill Tabora, Kasulu-Kigoma, Songwe, Seronera, Kalue-Mbeya, Matogoro- Songea, Changarawe-Iringa, Lilungu-Mtwara, Gairo-Dodoma, Loksale -Arusha, Mnyusi- Tanga na Dar – es Salaam; and Install new VHF main at Mwanza and KIA Airports	26,000,000,000.00			26,000,000,000.00	Improved VHF Radio coverage within Dar es Salaam airspace and hence enhanced safety
		20,500 long course students enrolled	Establishment of University of Transport		62,000,000.00		62,000,000.00	Number of students trained in transport sector
			Establishment of Centre of Excellence in Aviation and Transport Operation		21,250,000,000.00		21,250,000,000.00	
			Establishment of Regional Centre of Excellence in Road Safety		2,100,000		2,100,000	
			Establishment of Technician Training and Technology Incubation Centre for Maritime and Oil/Gas Industries at NIT Lindi Campus	17,400,000,000.00			17,400,000,000.00	

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
			Establishment of Technician Training and Technology Incubation Centre for the Railways Industry at NIT Dodoma Campus	18,070,000,000.00			18,070,000,000.00	
			Procurement of teaching simulator at Dar es Salaam Maritime Institute (DMI)	7,000,000,000			7,000,000,000	Teaching facilities in place
20.	Procure and rehabilitate marine vessels	816,000 passengers and 1,088,040tons from 22 operating vessels	Construction of 11 new vessels in Lake Victoria and Tanganyika and Indian Ocean	534,000,000,000.00			534,000,000,000.00	A total of 12 new vessels constructed in Lake Victoria, Tanganyika and in the Indian Ocean by 2025
			Major rehabilitation of 12 existing vessels					A total of 12 existing vessels in Lake Victoria, Tanganyika and Nyasa rehabilitated by 2025
		90,180 tourists transported per annum	Construction of 3 new tourist boats in Lake Victoria and Tanganyika and Nyasa	6,000,000,000.00			6,000,000,000.00	3 new tourist boats acquired by 2025
21.	Continue the improvement of railway infrastructure of TAZARA, Central, Eastern and Southern railway lines and Rehabilitate existing rolling stocks;	33 Main line locomotives	Procurement and Rehabilitation	30,000,000,000.00			30,000,000,000.00	Rolling stock improved by 2025
		9 Shunting Locomotives		10,500,000,000.00			10,500,000,000.00	Trade and Transport between Tanzania and Land locked /linked countries facilitated
		1050		62,900,000,000.00			62,900,000,000.00	
		1 Tamping Machine	Procure 1 New Tamping Machine	8,150,000,000.00			8,150,000,000.00	

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
		1 New Ballast Regulator	Procure 1 New Tamping Machine	5,705,000,000.00			5,705,000,000.00	
		6 Trolley	Procure 2 New Trolley	1,400,000,000.00			1,400,000,000.00	
		20 Trolley 24 HP	Procure 20 New Trolley 24 HP	70,050,000.00			70,050,000.00	
		6000 Rail	Procure 6,000 pcs Wooden Sleepers	83,400,000,000.00			83,400,000,000.00	
		60,000 Pcs	Procure 60,000 pcs Wooden Sleepers	8,050,000,000.00			8,050,000,000.00	
		52,000Pcs	Procure 52,000 pcs Concrete Sleepers	1,908,000,000.00			1,908,000,000.00	
		Availability of Spare parts	Maintenance and Rehabilitation project	1,970,000,000.00			1,970,000,000.00	
		318 Bridges and Culverts	Maintenance and Rehabilitation of 318 Bridges and Culverts	5,510,000,000.00			5,510,000,000.00	
		Along the line	Rehabilitation of building and offices along the line	2,770,000,000.00			2,770,000,000.00	
		The system in place	Signaling and Communication system	50,290,000,000.00			50,290,000,000.00	
		1 Quarries	Rehabilitation of Quarries equipment	4,540,000,000.00			4,540,000,000.00	
		3 workshops (DSM, MBY and MPK)	Rehabilitation of Quarries equipment	18,640,000,000.00			18,640,000,000.00	

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
		Locomotive Deport and VRS	Rehabilitation of Locomotive Deports and Vehicle Repair Shops (VRS)	237,000,000.00			237,000,000.00	
22.	Automate Land Transport Services	ICT systems and Infrastructure for supportive road services and developed and integrated with stakeholders by June 2025;	Improvement, integration with stakeholders and Local capacity building for Vehicle Tracking System	2,500,000,000.			2,500,000,000	• Advanced data processing technologies utilized • Vehicle tracking coverage increased • Local capacity on VTS system developed • VTS integrated with other stakeholders
			Improvement of Road and Railway Information Management System (RRIMS)	1,500,000,000			1,500,000,000.	Road and Railways Information Management Systems Improved
			Installation of Passenger Management Information System infrastructure	1,500,000,000.			1,500,000,000.	Passenger Management Information System installed and available online
			Development and improvement of Commercial Drivers' Testing systems	1,000,000,000			1,000,000,000	Commercial Drivers' Testing automated
			Maintenance and improvement of LATRA ICT infrastructure	2,500,000,000.			2,500,000,000.	Efficient ICT infrastructure in place

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
23.	Strengthen Road and Railway Transport Safety	Vehicle Inspections and drivers testing centres established by June 2025.	Construction of Commercial Vehicle Inspection Centres at Mwanza, Arusha, Mbeya, Kibaha and Dodoma.	15,000,000,000			15,000,000,000	Vehicle Inspections and drivers testing centers established
			Development and operationalization of Commercial Drivers Testing and Train Drivers Testing Centres	2,500,000,000.			2,500,000,000	
		Inspections of infrastructure, rolling stock and operations of railways conducted by June, 2025	To Investigate the Reported Railway Accidents (TAZARA-TRC)	500,000,000			500,000,000	Safe and reliable transport
			To develop SGR Safety Standards (infrastructure and Rolling's stock) and finalization for SGR commission	400,000,000			400,000,000	SGR Safety Standards in place
24.	Promote Land Transport Service Competition and Economic Efficiency	20 Market surveys on land transport services conducted by June, 2025	Conduct Studies, Research and benchmark on efficiency of land transport services	1,000,000,000			1,000,000,000	Research reports on Land transport available
		Research framework developed and implemented by June, 2025	Conduct survey for establishing service delivery baseline indicators of LATRA	500,000,000			500,000,000	Number of baseline indicators developed

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
25.	Promote Rural Transport Services	Rural Transport Services improved by June 2025	Conduct Studies, Research and benchmark on regulatory mechanism for promoting and improving rural land transport services	500,000,000			500,000,000	Improved rural land transport system
	SUBTOTAL			**20,154,266,152,454**	**21,314,100,000**	**9,600,000,000,000**	**29,775,580,252,454**	
			COMMUNICATION					
1	Expand or extend the National Telecommunication Broadband infrastructure and services to increase collaboration with service providers and private sector on rural ICT investments.	15,000 Km of optic fibre laid and connected	National ICT Broadband Infrastructure (NICTBB) [Project Number 4283]	800,000,000,000			800,000,000,000	Increase availability and access of broadband services countywide;
			Upgrading telecommunication towers with 2G technology to 3G or higher technology	193,000,000,000	60,000,000,000		253,000,000,000	Ensure 80% of Tanzanian are connected with broadband
		2,388 Telecommunication Towers constructed and operated	Construction of telecommunication infrastructures in rural and urban under-served area.	51,528,360,000			51,528,360,000	100% of Tanzanian have access to telecommunication services.
2	Developing National Physical Address System in all wards	National Addressing and Postcode System established in 4,067 wards	National Addressing and Postcode System (NAPS)	100,000,000,000			100,000,000,000	All wards have access to physical addressing system services

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
3	Promote increased utilisation of development possibilities offered by the Internet while protecting against gender-based Internet abuses especially against children;		Digital Tanzania		352,816,500,000		352,816,500,000	Connecting Digital technology with well - being of local people
4	Strengthen the operational effectiveness of national communication institutions;	Five (5) communication sector Government institutions authorities facilitated	Empowering five (5) Communication Sector authorities to operationalize effectively	196,467,060,000			196,467,060,000	Well established and operational National Center for ICT Research and innovation and ICT parks
5	Establish ICT Centres of Excellences, Support local R&D in ICT, ICT innovation, promotion of new products, processes and patenting (innovation);		ICT Innovation and Softcenter Development [Project Number 6226]	446,724,400,000			446,724,400,000	Development of five Research and innovation soft centers to produce new software products Well established and operational National Center for ICT Research and innovation and ICT parks
6	Encourage investment and local manufacturing of ICT equipment and its end life management;	Two (2) ICT equipment plants constructed	Construction of ICT equipment plants	50,000,000,000			50,000,000,000	Production of ICT products and services locally for local use and export;
		One (1) mobile phone manufacturing plant established	Develop mobile phone factory under PPP.	4,447,825,000			4,447,825,000	Full in operation Mobile factory

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
7	Secure international scientific, technical and innovation cooperation agreements			36,000,000,000			36,000,000,000	Well established international scientific, technical and innovation cooperation.
	SUB TOTAL			**1,878,167,645,000**	**412,816,500,000**	**4,000,000,000**	**2,294,984,145,000**	
	TOTAL			**64,288,419,777,454**	**4,543,320,441,614**	**60,299,200,000,000**	**129,130,940,219,068**	

B. IMPLEMENTATION MATRIX FOR PROMOTING INDUSTRIALIZATION FOR ECONOMIC GROWTH INTERVENTIONS

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
				AGRICULTURE				
				AGRICULTURE – CROPS				
1	Expand sustainable water and land use management through integrated land use planning and improvement of irrigation systems	(i) Area under irrigation will increase from 694,715 hectares to 1,200,000 hectares by 2025	Agricultural Sector Development Programme (ASDP) II	364,492,000,000	386,869,600,000	287,808,000,000	1,039,169,600,000292	i) Irrigated area increased from 694,715 hectares to 1,200,000 hectares. 88 rainwater harvesting dam constructed
		Land use planning and watershed management enhanced by 2025	Agricultural Sector Development Programme (ASDP) II, Water and Lands	227,700,870	319,270,180	1,915,600,310.0	2,462,571,360	i) Large scale farms increased from 110 to 200 ii) Soil fertility with 630,000 Ha of cultivated land affected by ph related constraints imroved in Ruvuma, Iringa, Njombe, Rukwa, Songwe, Mbeya and Katavi regions
		Resilience for Climate Variability/Change and Natural Disasters Mainstreamed by 2025	Agricultural Sector Development Programme (ASDP) II, Environment, Water, Lands and Natural Resource	555,100,000	13,877,000,000	832,600,000	15,264,700,000	i) LGAs with climate resilience increased from 87 to 185 ii) LGAs adopted climate smart agriculture practices and technologies increased from 87 to 185
			Agricultural Sector Development Programme (ASDP) II	465,900,000	164,800,000	198,900,000	829,600,000	i) Food security monitoring systems strengthened ii) Rainfall data collection centred and strengthened

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
		(i) Production and Productivity of food crops increased by 2025/2026.	Agricultural Sector Development Programme (ASDP) II	14,872,000,000	11,256,000,000	11,276,000,000	37,404,000,000	i) Crop suitability map prepared and desseminated ii) improved varieities that are highly yielding, resistance to pest and disease, drought torelant and disired traits iii) Increase production and productivity of food crops
2	Enhancing Research and Development (R&D) in strategic crops	(ii) Timely availability and timely distribution of Agro inputs improved by 2025	Agricultural Sector Development Programme (ASDP) II	6,979,700,600	1,699,400,000	1,019,600,400	9,698,701,000	i) National Biological Control Unit (NBCU) strengtherned by 2025 ii) Management of invasive plant pest strengtherned iii) control system of armyworrm, locust, birds, and other outbreak strengtherned
			Agricultural Sector Development Programme (ASDP) II	15,641,900,000	3,910,480,000	2,346,290,000	21,898,670,000	Increse in accessibility of agricultural inputs
		(iv) Agricultural research and extension services strengthened by 2025	Agricultural Sector Development Programme (ASDP) II	4,132,100,000	2,830,200,000	1,698,100,000	8,660,400,000	i) Number of client oriented research technologies developed ii) Research infrastructure improved iii) capacity of researcher improved i

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
			Agricultural Sector Development Programme (ASDP) II	6,289,000,000	15,722,000	15,722,000	6,320,444,000	Extension strengthened
			Agricultural Sector Development Programme (ASDP) II	3,551,700,000	1,379,200,000	8,275,000,000	13,205,900,000	i) enrolment of students in the training institutes & centre increased
3	Enhancing productivity in strategic crop production	(ii) Timely availability and timely distribution of Agro inputs improved by 2025	Agricultural Sector Development Programme (ASDP) II	2,642,500,000	1,606,300,000	9,638,000,000	13,886,800,000	Accessibility and use of agricultural mechanizations increased from 20% to 35% .
		Production of highly demanded domestic crops include wheat, palm oil, sugarcane, and sunflower	Agricultural Sector Development Programme (ASDP) II	3,437,900,000	400,000,000	638,000,000	4,475,900,000	i) Wheat production increased from 63,000 tons to 200,000 tons. ii) Decrease in wheat importation
			Agricultural Sector Development Programme (ASDP) II	24,600,000,000	83,670,000,000	7,465,000,000	115,735,000,000	i) Palm oil production increased from 1,744,000 seedling to 10,000,000 seedling. ii) Decrease in palm oil importation.
			Agricultural Sector Development Programme (ASDP) II	366,000,000	1,125,000,000	1,560,000,000	3,051,000,000	i) Sugar production increased from 345,000 tons to 700,000 tons ii) Decrease in gap sugar importation

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
			Agricultural Sector Development Programme (ASDP) II	3,320,000,000	2,230,000,000	2,300,000,000	7,850,000,000	i) Sunflower production increased from 790,000 tones to1,500,000 tones. ii) Decrease importation of cooking oil
		Increase Production Horticulture crops from 6,556,102 tons in 2018/2019 to 14,600,000 tons by 2025/2026	Agricultural Sector Development Programme (ASDP) II	12,681,000,000	6,703,000,000	40,220,000,000	59,604,000,000	Production Horticulture crops increased from 6,556,102 tons in 2018/2019 to 14,600,000 tons by 2025/2026
		Reduced food crop postharvest losses by 50% 2025	Agricultural Sector Development Programme (ASDP) II & TAIDF	1,120,000,000	1,300,000,000	1,263,000,000	3,683,000,000	i) Postharvest losses on major food crops reduced 17.5% ii) National guidelines on harvesting and post-harvest handling of food crops available iii) Post harvest management improved
		(vii) Production and productivity for traditional cash crops from 794,000 in 2019/2020 to 1,583,200 by 2025/26	Agricultural Sector Development Programme (ASDP) II	5,560,000,000	5,210,000,000	42,500,000,000	53,270,000,000	i) increase in production and productivity of traditional crops
4	Competitive crop value chains and commercialization strengthened	(i) Agricultural Financial Systems strengthened by 2025/2026	Agricultural Sector Development Programme (ASDP) II	441,300,400	435,330,500	421,200,100	1,297,831,000	i) Accessibility and availability of agricultural finance for investment improved ii) Increase the agricultural investment

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
		Development of processing and value addition for crop products	Agricultural Sector Development Programme (ASDP) II & TAIDF	19,320,000,856	28,302,000,140	16,981,000,284	64,603,001,280	i) 14 warehouses with a storage capacity of 34,000 tons in 10 regions constructed ii) 13 silos with a capacity to store 97,000 tons constructed iii) 11 warehouses with a storage capacity of 59,000 tons rehabilitated
			Agricultural Sector Development Programme (ASDP) II	833,500,000	525,600,000	116,000,000	1,475,100,000	i) Agro-processing industry of priority food crops (horticultural, palm oil, sunflower and cassava) established ii) Paddy milling machine with capacity of 96MT/day and maize milling machine with capacity of 126MT/ day in Mwanza installed iii) Increase production of cassava for export
		Availability of local and international market for crops produced in the country strengthened by 2025/2026.	Agricultural Sector Development Programme (ASDP) II	488,740,000	322,180,000	73,310,000	884,230,000	(i) Agriculture market information strengthened. (ii) Crop market system established (iii)strong contract farming system developed

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
5	Strengthen institutions, enablers and coordination framework	Policy and Regulatory Framework and Business Environment strengthened by 2025	Agricultural Sector Development Programme (ASDP) II	384,170,764	460,440,410	276,260,646	1,120,871,820	ii. Laws and Regulations for institutions reviewed by 2025
			Agricultural Sector Development Programme (ASDP) II	292,000,000	45,200,000	65,300,000	402,500,000	i) Legal Framework for management of land utilizations, development and coordination of agricultural systems, extension services and promote utilization of agricultural mechanization established ii) Authority and Regulations for managing plant health established
6	Encourage the use of ICT in operation of cooperatives	Cooperative society's perfomance strengthened by 2025	Agricultural SectorDe-velopemnt Programe (ASDP) II	2,673,000,200	6,683,000,000	400,900,800	9,756,901,000	i) Number of industries owned by Cooperatives incresed to 183 ii) Number of Cooperative members increased from 5.9 million to 14.5 million by 2025.
7	Introduce modern crop management systems.	Food and nutrition Security Improved by 2025	Agricultural Sector Development Programme (ASDP) II	13,200,000,000	2,300,000,000	5,600,000,000	21,100,000,000	i) 56 silo with capacity of 190,000 and 9 warehouses with storage capacity of 60,000 in seven NFRA zones constructed. Ii) increase NFRA storage capacity from 501,000 to 700,000 for food security

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
			Agricultural Sector Development Programme (ASDP) II	394,700,200	986,800,000	592,000,800	1,973,501,000	i) Multipilcation of the seed, seedling and cuttings of nutrient rich varieties incresed
	SUBTOTAL			**508,961,913,890**	**564,626,523,230**	**445,495,785,340**	**1,519,084,222,460**	
			LIVESTOCK					
1	Increase the number and capacity of processing industries for livestock products (hides/skins, milk and meat)	50% of quality hides and skin 14% of Milk Processed 500 tons of Meat Processed70% of cattle registered in TANLITS database.	Agricultural Sector Development Programme (ASDP) II	16,732,000,000	0	721,500,000,000	738,232,000,00 0	(i) Hides and skins collection centres constructed and operationalized by 2025; (ii) TANLITS operationalized by 2022; (iii) Livestock farmers educated on TANLITS by 2023.
2	Construct and improve primary, secondary and border livestock markets, modern abattoirs and the construction of milk collection centers	480 primary livestock markets rehabilitated; 14 livestock secondary markets and 12 boarder markets improved. 24 primary livestock markets constructed and 24 primary markets upgraded to to secondary and boarder markets.	Agricultural Sector Development Programme (ASDP) II	168,700,000,000	0	0	168,700,000,000	(i) Improved livestock markets infrastructure by 2024. (ii) Increased number of milk collection centres in the country by 2025. (iii) Increased number of livestock markets by 2025.

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
3	Sensitize and facilitate livestock keepers to improve their herds by raising livestock breeds that produce high quantity and quality of milk, meat and eggs;	2,769 in calf heifers produced per year in Livestock Multiplication Units.	Agricultural Sector Development Programme (ASDP) II	40,951,536,000	0	10,500,000,000	51,451,536,000	(i) Increased population of daiy cattle for increasing production of milk by 2025. (ii) NAIC infrastructure improved and working tools in place by 2022. (iii) 6 Zonal Artificial Insemination Centres equiped by 2022. (iv) Relaible supply of indegenous chicken by 2023.
		80% conception rate from semen produced by NAIC						
		5 indigenous chicken breeding centres established.						Relaible supply of broilers and layers by 2025.
		1 domestic investor in production of chicken parent stock						
		2 Poultry Centres of Excellency in Government farms.						Two (2) Poultry Centres of Excellency in place by 2022.
4	Strengthen NARCO by improving 5 ranches (Kongwa, Ruvu, Kalambo, Missenyi and West Kilimanjaro) in order to increase productivity in meat value chain	70% of land carrying capacity accommodated	Agricultural Sector Development Programme (ASDP) II	37,880,000,000	0	0	37,880,000,000	(i) Increased production of beef by 2025. (ii) Improved NARCOs working environment annually.

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
5	Strengthen animal diseases surveillance systems.	10,000 hactres of livestock diseases free compartments designated.	Agricultural Sector Development Programme (ASDP) II	10,000,000,000	0	0	10,000,000,000	5 functional designated diseases free compartments by 2025.
		12% of livestock mortality rate due to diseases.	Agricultural Sector Development Programme (ASDP) II	19,185,000,000	0	0	19,185,000,000	Reduced prevalance of trans-boundary deseases and zoonotic deseases by 2025.
6	Facilitate availability and affordablility of vaccines.	50% livestock vaccination coverage	Agricultural Sector Development Programme (ASDP) II	231,834,100,000	0	578,034,400,000	809,868,500,000	Reliable supply of vaccines at affordable price by 2025. Reliable supply of vaccines at affordable price by 2025.
7	Facilitate dipping of livestock for parasite control.	85% of livestock dipped	Agricultural Sector Development Programme (ASDP) II	257,650,000,000			377,650,000,000	Reliable supply of acaricides at affordable price by 2025.
8	Improving the management and use of fodder for livestock;	149 veterinary clinics constructed and 38 retooled.	Agricultural Sector Development Programme (ASDP) II	67,665,000,000	0	0	67,665,000,000	Reliability of animal health facilities which in turn reduces prevalence of livestock diseases by 2025.
9	Increase acreage of grazing land demarcated, surveyed and developed.	6,000,000 hactres of grazing land demarcated and surveyed	Agricultural Sector Development Programme (ASDP) II	22,055,494,150		100,000,000,000	122,055,494,150	Reliable availability of pasture for livestock by 2025
		2,000,000 hay bales produced	Agricultural Sector Development Programme (ASDP) II	1,000,000,000			1,000,000,000	Improved farm equipment's and infrastructure in place by 2023
10	Promote investment in compounded animal feeds and feed additives industries.	8 tons of animal feeds produced.	Agricultural Sector Development Programme (ASDP) II/ TAIDF	200,000,000		11,000,000,000	11,200,000,000	Domestic production of animal feeds additives by 2025.

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
11	Increase the number of water infrastructure for livestock.	1,842 charcoal dams and 225 boreholes.	Agricultural Sector Development Programme (ASDP) II	481,890,000,000	0	0	481,890,000,000	Reliable supply of water for livestock by 2025
12	Develop and disseminate modern technological packages in livestock product production, productivity and marketing.	5 Certified pasture seeds (ii)weight gain of 300 grammes a day for cattle under feedlot.	Agricultural Sector Development Programme (ASDP) II	5,725,000,000	0	0	5,725,000,000	Livestock farmers access information on increasing production and productivity by 2025.
13	Facilitate research in livestock, livestock products and conservation of livestock breeds and strengthen livestock gene bank.	10 liters of milk a day for Mpwapwa Cattle breed 6 livestock vaccines in place. 5 Pasture Seeds Certified 7 new social economic researches undertaken.	Agricultural Sector Development Programme (ASDP) II	16,047,000,000	0	2,600,000,000	18,647,000,000	Increase in livestock production and productivity.
14	Facilitate student enrolment in livestock training institutions.	9,760 students enrolled	Agricultural Sector Development Programme (ASDP) II	21,000,000,000	0	0	21,000,000,000	LITAs enrolment capacity increased by June 2025.

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
15	Increase the number of extension officers, facilitate availability of improved extension service delivery at village, and ward levels.	16,000 Extension Officers at village and Ward levels and 17,848 Extension Officers trained as ToT	Agricultural Sector Development Programme (ASDP) II	73,120,020,000	0	65,571,190,000	138,691,210,000	All Wards and Villages accessed with extension officers by 2025
		184 LGAs trained on climate smart agriculture in livestock sector.	Agricultural Sector Development Programme (ASDP) II	1,110,000,000	0	0	1,110,000,000	Increased number of LGAs with Livestock farmers using biogas.
		National Livestock Policy Reviewed	Agricultural Sector Development Programme (ASDP) II	1,100,000,000	450,000,000	0	1,550,000,000	(i) Reviewed National Livestock Policy in place by 2022. (ii) Reviewed livestock sector legislations in favour of trade and investments by 2023.
	SUBTOTAL			**1,473,845,150,150**	**450,000,000**	**965,600,000,000**	**2,439,895,150,150**	
			FISHERIES					
1	Increase Fishing processing industries along coastal areas and lakes (Victoria, Tanganyika and Nyasa)	5% contribution of the fisheries sector to GDP	Agricultural Sector Development Programme (ASDP) II/ TAIDF	1,850,000,000				
		17 processing industries	Agricultural and Fisheries Development Programme/TAIDF	5,398,793,692		6,000,000,000	7,850,000,000	Fishing processing industries along coastal areas and lakes (Victoria, Tanganyika and Nyasa) increased

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
			Agricultural Sector Development Programme (ASDP) II/ TAIDF			21,595,174,768.00	26,993,968,460	
		One (1) fishing harbour	Agricultural Sector Development Programme (ASDP) II	366,929,160,000	156,000,000.00		387,627,728,000	Fishing harbour along the coastline of Tanzania Constructed
2	Establish Fishing gears (nets, boats etc) manufacturing industries		Agricultural Sector Development Programme (ASDP) II		18,734,740.81	312,000,000	330,734,741	Fishing gears (nets, boats etc) manufacturing industries established
3	Establish fish feed manufacturing industries	2,500 tons fish feed production per year.	Agricultural Sector Development Programme (ASDP) II/ TAIDF	4,607,520,000.00			4,607,520,000	Fish Feed Manufacturing Industries Established
4	Construction of Fishing harbour along the coastline of Tanzania							
5	Support private sector to establish and rehabilitate fishing industries;	Reduce post-harvest loss by 20%	Agricultural Sector Development Programme (ASDP) II	981,787,000.00			981,787,000	Fishing Infrastructure (landing sites, Cold Storage facilities, Fish Markets) Constructed
		46 landing site;						
		21 Fish Markets	Agricultural and Fisheries Development Programme/TAIDF					
6	Strengthening fisheries research and improve appropriate fisheries technologies	Use of appropriate fisheries technologies	Agricultural Sector Development Programme (ASDP) II	1,540,000,000			1,540,000,000	Strengthened fisheries research and appropriate fisheries technologies improved or adopted

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
7	Conserve marine and freshwater fisheries protected areas	IUU fishing eliminated by 98% 10% of marine area protected	Agricultural Sector Development Programme (ASDP) II	800,000,000			800,000,000	Aquatic biodiversity and environment protected and conserved
8	Support investment in fisheries and aquaculture infrastructure and facilities including promotion of commercial aquaculture production	12 Aquaculture Development Centres	Agricultural Sector Development Programme (ASDP) II	2,500,000,000	8,000,000		2,508,000,000	Established and Strengthened Aquaculture Development Centres (ADC)
9	Ensure access to capital, expertise, skills, knowledge and fishing gears to small-scale fishermen through their respective social groups;	62,000 tons exported per year	Agricultural Sector Development Programme (ASDP) II	2,800,000,000			2,800,000,000	Fish and fisheries products utilization, safety and quality standards improved for the domestic, regional and global markets
10	Provide appropriate extension services to transform fishing practice	1,850 extension officers	Agricultural Sector Development Programme (ASDP) II	3,200,000,000			3,200,000,000	Provision of demand driven quality and timely fisheries extension services improved.
	SUB TOTAL			**390,607,260,692**	**39,087,202,741**	**27,907,174,768**	**457,601,638,201**	

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
			MINING					
1	Strengthen the management and control of large and medium scale mining	100 permits for TSF construction and operation issued by 2025. 100 Mine closure Plans (MCPs) approved by 2025 50 Mining Plans approved by 2025	Sustainable Management of Mineral Resources Project (SMMRP)	900,000,000			900,000,000.00	Geochem and geo-tech stability of TSF and WRD MCP and Mining Plan approved TSF and WRD permits issued
		227 employees contracted		920,000,000			920,000,000.00	Increased revenues collection
		98% of the managerial position to be held by Tanzanians.		1,500,000,000.00			1,500,000,000.00	Management Control by Tanzanians in Large and medium scale mining
		40 motor vehicles acquired.		6,684,582,680.00			6,684,582,680.00	Increased revenues collection
		25 reports on Local Content and 15 CSR report prepared and submitted by 2025.		1,200,000,000			1,200,000,000	Greater participation of Tanzanians in the Mining sector, Technology transfer to Tanzanians, Economic growth of the Country

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
2	Empower small-scale miners to participate in feasible mining activities by licensing areas with basic geological information, necessary training on productive mining and mining business through STAMICO;	1500 Prospecting Licenses, 8,000 Primary Mining Licenses (PML) and 100 Mining Licenses issued by June, 2026		919,056,000.00			919,056,000.00	Increased revenue collection Growth of the sector and its contribution to the GDP
		19,157 PMLs granted by 2025 and 100 new Small-Scale Mines developed by 2025.		581,000,000			581,000,000	Formalized small scale miners
3	Strengthen the Mining Commission, Geological Survey of Tanzania (GST) Institute and Tanzania Gemmological Centre (TGC).	20% of country covered by high resolution airborne geophysical surveys; 10 QDS (equip to 3% to make 98%); 25% of country covered by geochemical surveys; 85% of geological maps and geo-scientific information digitalized; and To publish 20 geoscientific research papers and journals		8,103,000,000			8,103,000,000	i. Availability of coal quantity data and percent of purity to enable power generation for domestic use. ii. Availability of statistics of strategic minerals (REE) for informed design making for investment on mining sector. iii. Increase awareness on land use planning for safety residential purposes.

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
4.	Strengthen the Mining Commission so that it continues to oversee mining activities, collect data and track mineral revenue for the purpose of increasing Government revenue	TZS 1 trillion of Government revenues collected by 2025		5,646,695,054			5,646,695,054	Accurate valuation of mineral value; Increased employment especially for youth and availability of accurate minerals statistics.
		Construction of Mining Commission HQ Office		2,256,142,753.3			2,256,142,753.3	Improved Working condition
		"5 large scale mines, 1000 medium scale mines and 15,000 small scale mines inspected/audited by 2025.		1,500,000,000			1,500,000,000	Safe working environment for miners improved (zero accidents/incidents) Complying with legislation
		Provide training on health, safety, environment and explosive management for 40,000 small scale miners by November, 2025						

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
		Five (5) Small Scale Miners' organizations trained and facilitated to secure capital by June, 2026. 10 ASM potential mining areas explored by June, 2026. Coal production at Kabulo and Kiwira Project increased by 70% by June, 2026. Development of Chigongwe Quarry, Kiwira Coal Briquettes, Chemicals, Explosive and Gold Projects Operationalized by June, 2026.		195,463,688,803			195,463,688,803	Formalized Artisanal; Mining Businesses and increase contributions of ASM to the National Economy; Increase productivity to ASM which will increase government revenue through taxes; Coal production Increases to meet country coal needs Conserving the environment by reducing deforestation. As well increase revenue to Corporation. Increase revenue for Corporation and contribution to Government through taxes
		6 TEITI reports,10 awareness raise and activities on use of EITI Data and 50 extractive companies registered in a Register for Disclosing Beneficial Ownership Information.		2,320,000,000	86,304,400		2,320,000,000	Transparency and accountability in extractive sector improved; • Payment made by extractive sector and revenues received by Government for fiscal; year 2019/2020 to 2024/2025 published; • Beneficial ownership register built ; and • Awareness about the use of EITI Data enhanced.

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
5.	Promote mineral value addition and beneficiation.	2 Processing licenses (PCL), 2 Refineries (RFL) granted by 2025		1,500,000,000			1,500,000,000	Increasing employment opportunities especially for youth and women, ensuring that the Government receives revenue from the entire value chain, Promoting technology to Tanzanians
		About 95% of exports processed		980,000,000.0			980,000,000.0	
		Construction of new building for students, staff offices and other uses by 2025		10,300,000,000			10,300,000,000	
		100 gemmological equipment, 100 lapidary equipment, 150 jewellery equipment and 100 gem and rock carving equipment procured by 2025.		1,800,000,000			1,800,000,000	
		New 200 reference books procured by 2025.		150,000,000.0			150,000,000.0	
		4 vehicles to be procured by 2025.		900,000,000			900,000,000	
		120 CCTV Camera installed by 2025.		90,000,000			90,000,000	
		New Hostel and cafeteria furniture procured by 2025.		500,000,000			500,000,000	

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
		10 types of Rocks and minerals samples procured by 2025.		600,000,000			600,000,000	
		10 Staff to be trained in the field of Gemmology, Lapidary and Jewellery Design and Manufacturing by 2025.		1,050,000,000			1,050,000,000	
6.	Strengthen Corporation and Mineral Markets, Demonstration Centres and Centres of Excellence	8 mineral markets and 21 mineral buying centers established by 2025, 5 Centers of excellence and 3 Mineral Demonstration Centers established by 2025		4,824,908,257			4,824,908,257	Reduce the recurring effects of arbitrary mining • Reduce and ultimately eliminate the use of mercury in gold refining that affects human health and the environment. Strengthening the performance of Resident Mining Officer's Office in Songwe, Manyara, Iringa, Rukwa and Tanga Regions
		Kalema Gold Market established		772,764,177			772,764,177	Improve trading of imported minerals and revenues increase from Kalema Gold Market
7.	Identify, promote and facilitate extraction of rare minerals	5 new strategic mineral potentials identified by 2025.		2,000,000,000			2,000,000,000	Strategic mineral production increased.
	SUBTOTAL			**256,277,704,074.3**	**86,304,400**	**0**	**256,277,704,074.3**	

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
			MANUFACTURING					
1.	Promote investment and trade for SEZs/ EPZ	Bagamoyo SEZ developed by 2025	Tanzania Mini Tiger Plan	97,441,709,753			97,441,709,753	Bagamoyo SEZ operationalized
		Kigoma SEZ and other SEZ developed by 2025	Development of Special Economic Zones Project	60,750,000,000			60,750,000,000	Tanga, Kigoma, Kahama, Bunda, Songwe, Manyara and Mtwara SEZ construction completed and operationalized
		Pharmaceuticals industries Textile & Apparel manufacturing and Motor Vehicles Assembly plant increased by 2025	Institutional support-TAMCO Industrial Park project	31,750,000,000		73,370,000,000	105,120,000,000	Industrial sheds and assembly plants constructed
2.	Develop Trade and logistics as well as Agro-industrial Parks	Kurasini Trade and Logistics Center developed by 2025	EPZ Development -Kurasini Trade and Logistics Centre Project	58,930,495,711			58,930,495,711	Kurasini Trade and Logistic Centre finalised and operationalised
3.	Develop Iron and Steel technologies from locally available ore deposits and revamping of privatized industries	Coal & iron ore Mine, Power Station, iron and steel plant and Transmission Line linking Mchuchuma and Liganga established by 2025	Mchuchuma and Liganga Projects	4,742,000,000		5,579,037,000,000	5,583,779,000,000	Production of coal 3.0M tpa and generation of 600MW coal power from Mchuchuma, and production of 1.0Mt/y of steel from Liganga
			Katewaka Coal project	3,200,000,000		46,000,000,000	49,200,000,000	1.0Mtpa Katewaka coal mining established
			Mhukuru coal Project	500,000,000			500,000,000	

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
		Revamp of General Tyre Manufacturing Plant by 2025	General/Arusha Tyre Manufacturing Plant	1,200,000,000		690,000,000,000	691,200,000,000	General Tyre manufacturing plant revived and operation-alized
		Rehabilitate KMTC by 2023	Kilimanjaro Machine Tool project	4,260,680,544		4,000,000,000	8,260,680,544	Effective operation of KMTC
		TAMCO Tractor Assembly plant strengthened by 2025	Institutional support-URSUS Tractors	1,088,300,000			1,088,300,000	TAMCO Tractor assembly plant operations improved
4	Promote production of Sodium Carbonate, glass, Chlor- Alkali products, Pure Aluminium and associated products, Helium Gas and other chemicals	soda ash extraction plant with capacity of 1.0 million tons per annum constructed by 2025	Engaruka Soda Ash Project /Natron	39,750,000,000		401,458,000,000	441,208,000,000	Engaruka Soda ash extraction plant constructed and operationalized
5.	Promote and support agro – processing industries, particularly leather and edible oils industries	Finalize construction and rehabilitation of ZUZU leather cluster in Dodoma by 2025	Program for Country Partnership (PCP) & ASDP II	3,500,000,000			3,500,000,000	Zuzu leather cluster opera-tionalized
		Review and implement Cotton to Cloth Strategy (C2C) by 2025	Program for Country Partnership (PCP) & ASDP II	1,250,000,000			1,250,000,000	Cotton to cloth strategy reviewed and implementation started

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
		Sunflower and Groundnuts edible oil extraction plant in Dodoma and Singida, and development of Palm oil industrial shed in Kigoma established and operationalized by 2025	Integrated Industrial Development Programme/PCP & ASDP II	3,550,000,000		1,350,000,000	4,900,000,000	Reduction in Imports of Edible Oil; Industrial shed and oil processing plant constructed and operation-alized
		Cotton Seed Oil industries in lake zone established	TAIDF & PCP	2,000,500,000		25,000,000,000	27,000,500,000	cotton seed oil processing industries constructed and operationalized
	SUBTOTAL			**313,913,686,008**	**-**	**6,820,215,000,000**	**7,134,128,686,008**	
			SMALL AND MEDIUM ENTREPRISES DEVELOPMENT SECTOR					
1.	Promote micro, small and medium entrepreneurs	Strengthern Quality program for MSMEs by 2025	Institutional support -SIDO (Code:6260) Quality program for MSMEs	11,000,000,000			11,000,000,000	Program prepaired and implemented; MSMESs products quality improved
		Develop Modern MSMEs facilities by 2025	Institutional Support (SIDO)- develop industrial parks/ shed, improve TDCS (Code:6260)	18,500,000,000			18,500,000,000	Appropiate moder MSMEs facilities developed and technologies installed, National coordinating Institution established

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
2.	Provide entrepre-neurship training and promote start-ups eco-system	Entrepreneurship access to finance and physcial infrastructure enhanced by 2025	Institutional support-SIDO_ National Entrepreneur-ship Development Fund (NEDF) {Project Code:6260)	3,504,000,000			3,504,000,000	NEDF fund mobilized; Entrepreneur access to finance increased
			Developmet of MSMEs Industrial park and centres - Institutional Support (SIDO)- (Project Code:6260)	12,000,000,000			12,000,000,000	MSMES physical infrastructure constructed and operationalized
3.	Strengthen R&D in manufacturing.	Develop and strengthern Research and development institutional capacity by 2025	Research and Development Programme (Institutional Support for CAMARTEC, TIRDO, TBS, TEMDO, SIDO)	19,600,000,000	0	-	19,600,000,000	Modern and effective technologies adapted; Increase in quality and prodcutivity
4.	Strengthen Tanzania Automotive Technology Centre;	Technology Disseminated and Industrialized by 75%, by June, 2026	TATC capacity development	55,052,320,000			55,052,320,000	Dissemination of technology and industrialization by 75%
		3 R&D laboratories constructed by June, 2026	TATC capacity development	5,100,000,000			5,100,000,000	3 R&D laboratories constructed
		Technology base developed by 75 %, by June,2026	TATC capacity development	8,234,205,000			8,234,205,000	Technology base developed
		To recruit 290 employees and human resource developed by June, 2026	TATC capacity development	320,000,000			320,000,000	290 Employees recruited and Human resource developed
	SUBTOTAL			**133,310,525,000**	**-**	**-**	**133,310,525,000**	

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
			NATURAL RESOURCES					
1.	Develop and implement strategies to combat poaching, illegal trade and illegal harvesting of wildlife, forest, bee and antiquities resources in the country	Zero poaching by year 2025	Capacity Building in Game Reserves and Anti-Poaching Unit in Tanzania	1,0000,000,000	0	0	1,000,000,000	55,999 of Game Reserves road network maintained
			Combat poaching and illegal wildlife trade in Tanzania through integrated approach	0	14,614,200,000	0	14,614,200,000	Conservation of wildlife
2.	Increase contribution of Beekeeping sub sector in the economy	15 Bee products processing industries in place by 2026	Beekeeping Development Programme	3,000,000,000	0	0	3,000,000,000	15 bee products processing industries in place.
		Beekeping research, data and supporting infrastructure improved	Support to Beekeeping Value Chain Pro-gramme-BEVAC	0	11,615,000,000	0	11,615,000,000	Institutional capacity and enabling environment for beekeeping value chain actors enhanced
3.	Improve infrastructure in Forestry and Beekeeping Instituttions	Infrastructure in in three (3) forestry and beekeeping institutions capacitated	Capacity Building in Forestry and Beekeeping institutions	7500,0000,000	0	0	7500,000,000	Increased knowledge in forestry and beekeeping
4.	Promote stakeholder's engagement in development and management of plantation forest resources for conservation and economic growth	250,000 ha of planted and managed by small holder free farmers in Southern highlands	Private Plantation and Value Chain in Tanzania Phase II		1,640,000,000	0	1,640,000,000	i. 250,000 ha of trees planted; ii. 9,000 smallholders tree farmers and SMEs engaded in forestry value chain business in the Southern highlands

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
		Areas under community-based forest conservation and private sector increased by 100,000 ha bya 2026	Forestry and Value Chain Development Programme (FORVAC)		10,000,000,000	0	10,000,000,000	i. six (60 Land Use (LUPs) and Village Land Forest Reserves (VLFRs) established; ii. 85 VLFRs mobilised and developed; iii. Low level of lawenforcement , forest governance and trade; iv. 850 VNRCs members and 96 District Officials capacitated v. Curriculum of forest value chain developed; vi. Forestry database updated.
	SUBTOTAL			**4,750,000,000**	**37,869,200,000**	**0**	**42,619,200,000**	
	TOTAL			**3,081,666,239,814.30**	**642,119,230,371**	**8,259,217,960,108**	**11,983,003,430,293.30**	

C. IMPLEMENTATION MATRIX FOR TRADE AND INVESTMENT INTERVENTIONS

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
				TRADE				
1	Identify and negotiate better market access opportunities for domestic produced goods and services;	Bilateral and Multilateral trade undertaking enhanced by 2025	Bilateral, regional and multilateral engagements.	500,000,000			500,000,000	International trade facilitated; Trade Missions in Strategic Countries conducted; Bilateral Agreements negotiated
		Market Access for domestically produced goods enhanced by 2025	EU - EAC Markup Project for helping MSMEs to produce at quality with less cost and access European Market	250,000,000			250,000,000	Effective Utilizationa of Market Access Opportunities
2	Simplify and streamline regulatory reforms to address non-tariff barriers;	Eliminate NTBS by 2025	TMEA Project (Trade Facilitation Project) and COMESA Project for Supporting Border Markets	150,000,000			150,000,000	Smooth operation of trade
		TBT and SPS regulatory requirements facilitated by 2025	TRASE (37 Venture) EU Project for supporting SPS issues in EAC	150,000,000			150,000,000	Effective utilization of international markets

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
3.	Reduce logistics costs through improved efficiency and reliability of transport infrastructure, border agencies, logistics regulators and service providers	E-commerce trading platform established by 2025	EIF Tier Two Project for supporting e-Commerce in Tanzania	490,000,000			490,000,000	E - Commerce platform and Strategy prepared and implemented
		Trade and Market Information Systems improved to final users and media coverage increased by 50% by 2025	ASDP II; Build Sustainable An-ti-corruption Action in Tanzania (BSAAT)-BRELA {Project Code:6260} & Institutional Support-TBS	7,413,000,000			7,413,000,000	private sector participation in trade and marketing improved;
4	Improve trade facilitation and effective utilisation of risk management as a tool for restricting the number of costly physical inspections;	Up- Scale the use of Warehouse Receipt System by 2025	Institutional support-WRRB	3,003,480,000			3,003,480,000	Customized Warehouse Design Automated Interface established
		Access to Marketing information enhanced by 2025	ASDP II, TAIDF	3,982,073,000			3,982,073,000	Market information systems upgraded
		Strengthen trade and marketing related, legal and institutional framework	TMEA Project, Blueprint for Regulatory Reforms to Improve Business Environment; ASDP II	2,530,000,000			2,530,000,000	Business environment improved

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
5.	Coordinate and facilitate construction of strategic markets at border areas;	Diversify market infrastructure, improve traceability, quality goods and services for export by 2025	TMEA Project, DASP, ASDP II; Institutional Support-TBS	33,511,710,000	116755000		33,628,465,000	Improved marketing undertakings; Test and market infrastructure constructed
6.	Promote trade of domestically value-added goods and services;	Private sector involvement in Domestic and International Markets promoted and enhanced by 2025	ASDP II, Institutional support-TANTRADE	7,186,437,000			7,186,437,000	Domestic and Foreign Trade improved
		Participation in National and International Exhibition facilitated by 2025	Institutional support-TANTRADE	33,071,820,000			33,071,820,000	National and international exhibition conducted; Stakeholders products sold in exhibitions
7.	Develop Tanzania National Brand for Tanzanian's products.	Promote utilization of Tanzania goods and services by 2025	Institutional support-TANTRADE - Promoting utilization of Tanzania goods and services	7,135,000,000	0	900,000,000	8,035,000,000	Tanzania products identified internationally; Domestic products consumption enhanced
	SUBTOTAL			**99,373,520,000**	**116,755,000**	**900,000,000**	**100,390,275,000**	

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
			INVESTMENT PROMOTION					
1.	Strengthen institutional arrangement for investment coordination at all level	Investment Development Strategy developed and operationalized by June, 2022		200,000,000	940,844,000	0	1,140,844,000	Investment Development Strategy in place
		Investment Monitoring, Control and Evaluation Framework operational by June, 2022		150,000,000	352,816,500	0	502,816,500	Investment Monitoring, Control and Evaluation Framework in place
2.	Ensure all sector reforms implemented through Roadmap or Blueprint recom-mendations	All sector reforms implemented through Roadmap or Blueprint by June, 2025	Roadmap/Blueprint	700,000,000	2,587,321,000	0	3,287,321,000	Various reforms to improve Business Enabling Environment and Ease of Doing Business in place
		60 regional investment forums coordinated by June, 2026		1,500,000,000	-	0	1,500,000,000	At least 10 regional investment forums coordinated and conducted annually
		60 international investment forums coordinated by June, 2026		1,200,000,000	705,633,000	0	1,905,633,000	At least 12 international investment forums conducted annually
		100 local investment forums coordinated in regions by June, 2026		600,000,000	0	0	600,000,000	At least 15 local investment forums coordinated and conducted annually

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
		200 national and international Investment meetings coordinated by June, 2026		1,000,000,000	0	0	1,000,000,000	At least 40 national and international investment meetings conducted and attended annually
3.	Strengthen investment facilitation in all sectors of the economy	Zonal or regional One Stop Centre for investment operational by June, 2026		1,000,000,000	0	0	1,000,000,000	Zonal or regional One Stop Centre to facilitate investment established and operational
		ICT base for One Stop Center operationalized by June, 2022		1,000,000,000	0	0	1,000,000,000	ICT base for One Stop Center developed and installed
		Portal for designated Land for Investment operationalized by June, 2022		150,000,000	0	0	150,000,000	Portal for investment land developed and installed
		National Investment Statistics Database operationalized by June, 2022		200,000,000	0	0	200,000,000	National Investment Database developed and installed
		Five zonal plug and play infrastructure established		9,000,000,000	117,605,500,000	0	126,605,500,000	Plug and play investment infrastructure
		Database for investors complaints feedback in place and operational by June, 2022		100,000,000	0	0	100,000,000	Investors complaints database developed and operational

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
4.	Strengthen investment promotion in all sectors of the economy	National wide investment promotion programe operational by June, 2022		500,000,000	352,816,5000	0	852,816,500	National wide investment program developed and implemented
		National Investment Guide prepared and disseminated by June, 2022		250,000,000	0	0	250,000,000	Investment guide prepared and disseminated
		Regional Investment Guides published by June, 2022		200,000,000	0	0	200,000,000	Regional Investment Guide prepared and disseminated
5.	Encourage utilization and access of financial resources through innovative sources	186 Bankable Investment Projects prepared by June, 2023		500,000,000	235,211,000	0	735,211,000	Bankable Investment projects write-ups prepared
6.	Enhance provision of adequate, reliable and predictable investment incentives	Framework for predictable Investment Incentives established by June, 2022		300,000,000	235,211,000	0	535,211,000	Report on the impact of incentives in place

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
7.	Strengthening the effectiveness of land administration by empowering the Tanzania Investment Centre (TIC) land bank, accelerate formalization of residential and commercial lands, and reducing land conflicts between investors and indigenous communities	186 LGAs sensitized to allocate land for investment and developed by June, 2025		300,000,000	1,176,055,000	0	1,476,055,000	186 LGAs sensitized on how to allocate land for investment purposes
		186 LGAs capacitated to conduct masterplan and allocate land for investment by June, 2025		500,000,000	940,844,000	0	1,440,844,000	186 LGAs capacitated to conduct masterplan and allocate land for investment purposes
	SUBTOTAL			**19,350,000,000**	**128,307,600,500**	**0**	**147,657,650,500**	
			TOURISM					
1	Promote new tourism products development and diversification for sustainable growth	5,000,000 tourists and USD 6.0 Billion	1.Tourism Development Programme	2,300,000,000	0	0	2,300,000,000	i. One (1) Convention Centre constructed; ii. Three (3) beach tourism areas developed; iii One (1) Multipurpose Cruise terminal constructed; iv. One (1) exclusive cruise terminal constructed; v. Six(6) tourism products developed; vi. 392 hotels graded;

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
								viii.100 tourism programmes aired; viii.One Presidential Meseum constructed; ix. One Dinosaurus Museum constracted
			0	0	2,300,000,000	0	3,500,000,000	One International Convention Centre
2		Number of tourists in southern circuit increased to 356,500	2.Resilient Natural Resources for Tourism and Growth –REGROW Project	750,000,000	167,758,480,000	0	168,508,480,000	i. 2051 of roads, 132.5 kms of trails, and associated systems constructed; ii. 14 air strips upgraded; iii. 80 buildings constructed; iii. Lielihoods for 20,0000 households improved; iv. Dry season water supply sources constructed in RUNAPA; v. Effective implementation of the Project
	SUBTOTAL			**6,550,000,000**	**167,758,480,000**	**0**	**174,308,480,000**	
	TOTAL			**125,273,520,000.00**	**296,182,835,500.00**	**900,000,000.00**	**422,356,355,500.00**	

D. IMPLEMEMTATION MATRIX FOR HUMAN DEVELOPMENT INTERVENTIONS

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
			SOCIAL PROTECTION					
1	Extend social protection coverage to both formal and informal sectors	1.4 million extreme poor households targeted and supported	Livelihoods Enhancement (Productive Inclusion)	0	221,740,111,274	0	221,740,111,274	200,000 beneficiary households supported by projection completion 2023
			Public Works Program	0	404,532,482,581	0	404,532,482,581	837,573 beneficiaries provided with employment in 27,000 sub-projects by 2023 Materials purchased for implementation of 27,000 sub-projects by 2023
			Cash Transfer Program	0	931,739,279,421	0	931,739,279,421	1.4m extreme poor and vulnerable households provided with benefits by end of project in 2023
			Institutional capacity and delivery systems	32,410,000,000	346,389,020,000	0	378,799,020,000	Effective implementation of PSSN II Project by 2023
			OPEC IV Program and Targeted Infrastructure Development Projects		115,750,000,000	0	115,750,000,000	2,475 OPEC IV Program sub-projects implemented in 5 Regions by 2023 and 1500 Targeted Infrastructure Development Projects sub-projects implemented in 186 PAAs by 2023
	SUBTOTAL			**32,410,000,000**	**2,020,150,893,276**		**2,052,560,893,276**	

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
				GOOD GOVERNANCE				
	Improve governance systems and coordination of government business;	20% political leaders with conflicts of interest	Building Sustanable Anti Corruption Action Tanzania (BSAAT)	189,750,000	620,000,000	-	809,750,000	Clear Procedures for Public Leaders declarations and verification of assets and Liabilities in place
		NACSAP III reviewed and NACSAP IV developed	National Anti Corruption Strategy Action Plan (NACSAP III)	30,000,000	291,985,000	-	321,985,000	NACSAP IV document in place
	Promote good governance and rule of law	Capacity building of MDAs, RSs, and LGAs Integrity Committee on implementation of NACSAP III enhanced	National Anti Corruption Strategy Action Plan (NACSAP III)	16,100,000	190,850,000	-	206,950,000	Report on implementation of NACSAP III
	Improve governance systems and coordination of government business;	5,760 project to be tracked, 15 research studies conducted and 3,160 system analyses conducted	Building Sustanable Anti Corruption Action Tanzania (BSAAT)	7,419,850,000	1,102,835,000	-	8,522,685,000	Number of Project Tracked Number of research projects conducted Number of system analyses conducted 1,720 Workshops/ meetings conducted 1,440 follow ups conducted
	Improve governance systems and coordination of government business;	25,920 public awareness programs conducted	Building Sustanable Anti Corruption Action Tanzania (BSAAT)	1,296,000,000	-	-	1,296,000,000	Number of public awareness programs prepared and Conducted
		5,260 corruption cases investigated	Building Sustanable Anti Corruption Action Tanzania (BSAAT)	3,456,000,000	-	-	3,456,000,000	Number of cases investigated
	SUBTOTAL			**12,407,700,000**	**2,205,670,000**	**-**	**14,613,370,000**	

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
			PUBLIC SERVICE MANAGEMENT					
1.	Improve governance systems and coordination of government business	185 LGAs participating in organizational innovative rewards coordinated by June,2026	PSRP	27,273,417,100	-	-	27,273,417,100	Public Service delivery in 460 MDAs strengthened
		Standards and redesigning procedures in 23 Ministries reviewed by June 2026		5,253,975,000	-	-	5,253,975,000	
		Business processes in all 3 institutions of accountability revised by June,2026		6,129,637,500	-	-	6,129,637,500	
2.	Implement sustainable leadership assessment to identify and promote future leaders	Leadership assessment and succession processes implemented in 460 MDAs by June, 2026		15,948,733,000	-	-	15,948,733,000	A pool of gender based visionary future leaders developed based on competency assessments
		One Leaders' club constructed in Dodoma by June, 2026		10,000,000,000	-	-	10,000,000,000	Completed leaders' club in Dodoma Capital City
3.	One Leadership center constructed in Dodoma by June,2026		12,711,130,000	-	-	12,711,130,000	Completed leadership development center	

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
	Strengthen human resources meritocracy services	Meritocratic Public Service Human Resources processes performed by June, 2026		2,518,405,350	-	-	2,518,405,350	Better managed HR and remuneration, strengthened meritocracy and ensured right people for the right job
4.	Strengthen performance incentives and accountability	Adjusted payment based on Human Capital Management Information System (HCMIS) in 460 MDAs executed by June, 2026		2,521,225,000			2,521,225,000	Adjusted salary levels
		Guidelines and institutional arrangements for appointment and promotion revised by June,2026		3,225,300,000			3,225,300,000	Guidelines and institutional arrangements for appointment and promotion
		Remuneration Schemes in 460 public institutions harmonized and rationalized by June, 2026		1,401,060,000			1,401,060,000	Harmonized remuneration schemes
5.	Improve public and private sectors service delivery processes	One HR Management center established in Dodoma city by June,2026		39,023,614,000	-	-	39,023,614,000	Completed HR Management center

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
6.	Improve Service Delivery Process through e-government	15 new e-Services developed and operationalized by June, 2026		17,863,515,000			17,863,515,000	
		Infrastructure for LGA Last mile connections established by June, 2026		22,183,450,000			22,183,450,000	
		500,000 Citizens transacting services via e-Government facilitated by June, 20026		198,483,500			198,483,500	
		31 Regional OSSCs operationalized by June 2026		28,122,790,000			28,122,790,000	
	SUBTOTAL			**194,374,735,450**	**-**	**-**	**194,374,735,450**	

REGIONAL ADMINISTRATION AND LOCAL GOVERNMENT(PO-RALG)

1.	To improve learning environment at all levels of basic education	To construct 1,026 new Secondary Schools	Secondary Education Quality Improvement Programme (SEQUIP)	0	744,000,000,000	0	744,000,000,000	1,026 new Secondary Schools onstructed.
		To construct new 1,800 Science laboratories Secondary Schools		0	54,000,000,000	0	54,000,000,000	New 1,800 Science laboratories in Secondary Schools constructed
		To equip new laboratories 1800 with laoratory equipments		0	27,000,000,000	0	27,000,000,000	Newly constructed 1800 laboratories equiped with laoratory equipments

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
		To construct 14,774 houses for Secondary Schools teachers		0	30,000,000,000	0	30,000,000,000	14,774 houses for Secondary School teachers constructed
		To Construct 200 dining halls in Secondary Schools		0	20,000,000,000	0	20,000,000,000	Construction of 200 dining halls in Secondary Schools completed
		To construct 2000 Secondary School libraries		0	25,000,000,000	0	25,000,000,000	New 2000 Secondary School libraries cobstructed
		To construct 4,040 Classrooms for Secondary Schools		0	80,800,000,000	0	80,800,000,000	4,040 Classrooms for Secondary Schools constructed
		To construct 500 domitories		0	40,000,000,000	0	40,000,000,000	500 domitories constructed
		To construct 12250 latrines		0	13,475,000,000	0	13,475,000,000	12250 latrines constructed
		To instal ICT facilities to 2000 Secondary Schools and supplied wth ICT equipment		0	50,000,000,000	0	50,000,000,000	ICT facilities installed to 2000 Secondary Schools and supplied wth ICT equipment
		To capacitate 10 agricultural workshops and 10 technical schools		0	800,000,000	0	800,000,000	10 agricultural workshops and 10 technical schools capacitated

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
		To start 450 pilot classes for nursery education and make sure children go throgh one year nursery school before joining standard one		0	13,224,701,880	0	13,224,701,880	Presence of 450 pilot classes and make sure children go through one year nursery school school before joining standard one
		To prive Disabled pupils with assistive and learning materials		0	3,000,000,000	0	3,000,000,000	Disabled provided with assistive and learning materials
		Water supply and sanitation, toilet construction to 946 Primary school in 26 Regions	Rural Water Supply and Sanitation Programme (WASH)	0	677,250,000	0	677,250,000	946 Primary school in 26 Regions facilitated with Water supply and sanitation and construction of tolilet
2.	Quality education	To conduct on job training to 52,800 teachers of Mathematics and Science	Secondary Education Quality Improvement Programme (SEQUIP)	0	25,292,000,000	0	25,292,000,000	Training conducted to 52,800 teachers of Mathematics and Science
		600 Teacher Resource Centres present and operational		0	10,008,351,752	0	10,008,351,752	600 Teacher Resource Centres present and operational
		Learning and teaching of Literacy and numeracy (3Rs) in 26 Regions	Programu ya Usaidizi ya UNICEF	0	197,352,000.00	0	197,352,000	Learning and teaching of Literacy and numeracy (3Rs) done in all 26 Regions

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
		Primary Education Development Programme -	LANES	0	9,340,914,000.00	0	9,340,914,000	Learning and teaching of Literacy and numeracy (3Rs) done in all 26 Regions
3.	Aacces to education to out of school age chhildren	8 Regions	Adolescent Education & Skills Building in TZ(IPOSA)	0	5,448,566,667.00	0	5,448,566,667	Adolescent Education & Skills provided in 9 Regions
4.	Road accessibil-ity(Construction and Maintanance), upgrading of rural and urban roads to improve business and service delivery and provide socio economic opportunities leading to poverty reduction	mprove urban Imanagement, service delivery, business and investment environment in 45 Municipals, Town and City Councils	Tanzania Cities Transforming Infrastructure and Compettiveness (TACTIC)	-	1,176,000,000,000	-	1,176,000,000,000	Improved capacity in urban management; Improved infrastructure and services and Improved business and investment environment
		Extend coverage and quality of urban Services in Ilala City Council and Kinondoni, Temeke, Kigamboni and Ubungo Municipal Council in Dar es Salaam Region	Dar es Salaam Metropolitan Development Project Phase 2 (DMDP II)	-	1,176,000,000,000	-	1,176,000,000,000	Inrease the coverage of road network in Dar es Salaam thereby reducing the connectivity gap for road and reducing transport costs; contributing economic growth; adress resiliency, emergency reponse and climate change
		Extension of Msimbazi drainage systsem and construction of bridge	DaR es Salaam Metropolitan Development Project Phase 2 (DMDP II)	-	282,240,000,000		282,240,000,000	controllled of flood and storm water drainage along Msimbazi river

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
		Construction and maintainance of public road network in 184 LGAs	Support Road Maintanance and Rehabilitation	1,362,500,000,000	-	-	1,362,500,000,000	Urban mobility and accessibility of rural transport and travel are improved; and Transport Safety and Security are enhanced.
5.	Improved working environment to leaders and staffs at RS and LGA level	Construction of offices for 5RCs, 190 DCs, 311 division officers	Construction of Office Buildings	50,874,589,676.11	-	-	50,874,589,676.11	Offices for 5RCs, 190 DCs, 311 division officers Constructed
		Construction of houses for 4 RCs, 5 RASs, 16 DCs , 50 DASs, 311 Division and 95 AASs	Construction of Government Quarters	62,063,749,125.00	-	-	62,063,749,125.00	Houses for 4 RCs, 5 RASs, 16 DCs , 50 DASs, 311 Division and 95 AASs constructed
		Rehabilitation of offices for 26 RCs, 139 DCs and 259 Division Officers	Rehabilitation of RC's Office	51,154,580,531.25	-	-	51,154,580,531.25	Offices for 26 RCs, 139 DCs and 259 Division Officers rehabilitated
		Rehabilitation of houses for 26 RCs, 26 RASs, 113 AASs, 139 DCs and 89 DASs , and 259 Division Officers houses	Rehabilitation of Government houses	71,313,751,687.50	-	-	71,313,751,687.50	Houses for 26 RCs, 26 RASs, 113 AASs, 139 DCs and 89 DASs , and 259 Division Officers rehabilitated
		Construction 100 District Council buildings	Construction and Rehabilitation of Council building	270,000,000,000	0	0	270,000,000,000.00	100 District Council buildings constructed
		Construction of 180 staff houses (DED's and HoD's)	Construction and rehabilitation of staff houses	27,000,000,000	0	0	27,000,000,000.00	180 staff houses (DED's and HoD's) constructed

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
		Construction of 1,965 WEO offices, 3,526 MEO office and 7,359 VEO Offices	Construction LLG staff offices	407,170,000,000	0	0	407,170,000,000	Offices for 1,965 WEOs 3,526 MEOs and 7,359 VEOs constructed
6.	Economic empowerment to Women, Youth and People with disabilities	To provide loan total of Tshs 3,600,000,000.00 which is 10% of Own Source Revenue for Women (144,000,000,000.00) , Youth (144,000,000,000.00) and People with disability (Tshs 72,000,000.000.00) in 184 LGAs	28211114: Women group - Development contribution	144,000,000,000	0	0	144,000,000,000	Total loan total of Tshs 360, 000,000,000.00 which is 10% of Own Source Revenue to be disbursed to Women (144,000,000,000.00) , Youth (144,000,000,000.00) and People with disability (Tshs 72,000,000.000.00) in 184 LGAs
			28211115: Youth group - Development contribution	144,000,000,000			144,000,000,000	
			28211116: Disabled group - Development contribution	72,000,000,000			72,000,000,000	
7.	Reducing dependence of LGAs on funds from Central Government	38 Strategic Revenue Generating Projects that are implemented in 30 LGAs.	6424: Revenue Generating Projects.	143,792,632,584	0	0	143,792,632,584	Attain revenue collection of 3.6 trillion, Some LGAs to meet
8.	To improve in-dustrialization and business environment	26 RSs and 49 MDAs	Regional and Local Government Authorities Streghening Program-me(RLGSP)	83,192,103,000	82,602,643,000	0	165,794,746,000	Promote small and medium scale industrialisation through improving value addition in local pro-duces(agriculture, livestock, fisheries, forestry etc)

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
		Construction of 163 One Business Stop Centres	Blue Print	8,150,000,000	0	0	8,150,000,000	163 Construction Business Stop Centres
9.	Revenue enhancement/ revenue mobilization	3.6 trillion collected by 2026	(code) PFMRPV	0	3,946,319,000	0	3,946,319,000	50 revenue mobilization, expenditure and procurement Acts, guidelines and procedures are adhered
10.	Improve primary health care	26 RSs and 184 LGAs	5421:Health sector Basket Fund	0	558,543,566,435	0	558,543,566,435	Reaching all households with quality Health care services
		26 RSs and 184 LGAs	5493:Global Fund	0	40,250,049,644	0	40,250,049,644	Reduced disease burden of HIV, TB and Malaria and Increased number of Health centres and Dispensaries renovted and equiped;Number of TB DOT centres constructed
		26 RSs and 184 LGAs	4305:UNICEF	0	20,059,596,364	0	20,059,596,364	Reduce stunting and violence agaist women and children
		17 2RSs and 86 LGAs	3201:Rural Water Supply, Sanitation & Hygiene (SRWSS)	0	93,135,157,695	0	93,135,157,695	Construction of water supply infrastructures and construction of toilets and hand wash facilities in health facilities
		2RSs and 6 LGAs	5437:Strengthening Health Systems	0	5,756,397,295	0	5,756,397,295	Reducce of maternal and newborn mortality rates in the country; Increased number of Health centres and Dispensaries renovted and equiped in 6 LGAs

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
		26 RSs and 184 LGAs	(CODE): Tanzania reproductive maternal, neo natal child and adolescent health investment project (Investing in People)	0	218,080,000,000		218,080,000,000	Number ofDistrict reahabilitated and equiped Number of Health centres upgraded and equiped
11.	Monitoring and Cordination of Rs and LGAs	26 RSs and 184 Ministries, Departiments and Agencies	RLGSP	600,000,000	0	0	600,000,000	Purchased 3 vehicles for programme management
			RLGSP	1,000,000,000	0	0	1,000,000,000	RCs, RASs, DCs, DAs, Councillors and Village/Mitaa Chairperson trained in their areas of juridistiction.
			RLGSP	1,200,000,000	0	0	1,200,000,000	To establish 5 iinnovation and Investiment support centres in 5LGAs
		26 Regions and 184 LGAs	RLGSP	4,700,000,000	0	0	4,700,000,000	implementation of Decen-tralization by DevolutionPol-icy in 26RS and 184 LGAs coordinated
		15 LGAs in MDAs	5308 Decetralizing Climate Financing Project	0	714,725,000	0	714,725,000	Training on Climate Change adaptation and Mitigation conducted in 15 LGA
					1,000,000,000	0	1,000,000,000	Environmental conservation practices supported in 15 LGAs
		154 LGAs	4486 Agricultural Sector Development Programe (ASDP)	1,000,000,000	0	0	1,000,000,000	154 LGAs trained on how to develop District Agricultural development Plans (DADPs)

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
				1,191,500,000	0	0	1,191,500,000	154 LGAs supported in terms of technical backstoping and follow up (DADPs)
				2,000,000,000	0	0	2,000,000,000	Implemented ASDP2 in accordance to Plan
		Services Delivery at RSs and LGAs improved 4 Rs and 8 LGAs	4305: UNICEF Support Programme	0	1,190,000,000	0	1,190,000,000	To provide techinical backstoping ,Monitoring and Evaluation of programmes implemented in LGAs under UNICEF support
		Conducting Monitoring and Evaluation of Projects and Programmes	Monitoring and Evaluation	5,000,000,000.00			5,000,000,000	Proper implentation of Projects and Programs to realise value for money
		Cordinating Plans for 26 Rs and 184 LGAs	Cordination of Plans	1,000,000,000.00			1,000,000,000	Timely and accurately preparation of Plans and budget inline with the budget guidelines
	SUBTOTAL			**3,032,508,406,604**	**5,587,975,590,732**	**-**	**8,620,483,997,336**	

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
			ENVIRONMENT AND UNION MATTER					
1.	Promote afforestation, renewable green energy technologies (biogas, LPG, Solar Energy)	Program for up-scaling the use of alternative sources of energy which are readily accessible and affordable to public developed and implemented by June, 2026	Ecosystem Based Adaptation for Rural Resilience (EBARR) in Tanzania Project	600,000,000.00	150,000,000.00	-	750,000,000.00	National Climate Change Strategy (2012) reviewed and implemented.
		To continue with implementation of Ecosystem Based Adaptation for Rural Resilience (EBARR) in Tanzania Project		-	9,126,592,373.00	-	9,126,592,373.00	Ecosystem Based Adaptation for Rural Resilience (EBARR) Project implemented
		To implement Adaptation to Climate Change Pilot Project in Lake Victoria Basin		-	675,476,873.00	-	675,476,873.00	A pilot project for Adaptation to Climate Change in Lake Victoria Basin implemented
2.	Reduce Deterioration of Aquatic System	Strategy for Conservation of Ocean, Lakes, Rivers and Dams implemented, monitored and evaluated by June, 2026	Conservation of Ocean, Lakes, Rivers and Dams	3,300,000,000.00	0	0	3,300,000,000.00	5 awareness programmes on Conservation of Ocean, Lakes, Rivers and Dams implemented.

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
3.	Biodiversity Conservation	Five (5) aquatic ecologically sensitive areas to be gazette as protected areas by June, 2026	Biodiversity conservation	300,000,000.00			300,000,000.00	5 aquatic ecologically sensitive areas identified, gazetted and protected.
		National Biodiversity Strategy and Action Plan (2015 -2020) reviewed and implemented by June, 2026	National Biodiversity Strategy and Action Plan (2015 -2020)	3,000,000,000.00	12,000,000,000.00	0	15,000,000,000.00	National Biodiversity Strategy and Action Plan (2015 -2020)
		Strategies for addressing Invasive Species implemented and monitored by June, 2026	National Invasive Species Strategy and Action Plan – 2019 -2029	4,062,000,000.00	16,584,000,000.00	0	20,646,600,000.00	National Invasive Species Strategy and Action Plan – 2019 -2029 implemented
		Research programmes on the development of modern biotechnology products monitored by June, 2026	The National Biosafety Project	300,000,000.00	600,000,000.00	0	900,000,000.00	National Biosafety Framework, Regulations and Guidelines implemented and monitored

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
4.	Safe use and handling modern biotechnology	25 awareness programmes on the safe use of modern biotechnology conducted by June, 2026	Programmes for raising public awareness on handling and safe use of modern biotechnology.	150,000,000.00	300,000,000.00	0	450,000,000.00	25 programmes for raising public awareness on handling and safe use of modern biotechnology prepared and implemented.
		Programme for valuation of biodiversity developed and integrated into national strategies and plans by June, 2026	Programme for valuation of biodiversity	300,000,000.00	0	0	300,000,000.00	Programme for valuation of biodiversity and integrate into national strategies and plans developed and implemented.
		Environmental strategy for Sustainable Blue Economy developed, implemented and monitored by June, 2026	Environmental Strategy for Sustainable Blue Economy	600,000,000.00	120,000,000.00	0	720,000,000.00	Environmental strategy for sustainable Blue Economy developed, implemented and monitored.
5.	Climate Change Adaptation and Impacts Mitigation Measures	National Climate Change Strategy (2012) reviewed and implemented by June 2026	National Climate Change Strategy (2012)	600,000,000.00	150,000,000.00	0	750,000,000.00	National Climate Change Strategy (2012) reviewed and implemented.
			Ecosystem Based Adaptation for Rural Resilience (EBARR) in Tanzania Project	0	9.126,592,373.00	0	9,126,592,373.00	Ecosystem Based Adaptation for Rural Resilience (EBARR) Project implemented
								A pilot project for Adaptation to Climate Change in Lake Victoria Basin implemented

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
		Develop and implement five (5) projects to address climate change challenges		600,000,000.00	15,000,000,000.00	0	15,600,000,000.00	Five (5) projects to address climate change challenges developed and implemented
		25 awareness programmes on climate change adaptation and mitigation conducted by June, 2026	25 Awareness Programmes on Climate Change adaptation and mitigation	300,000,000.00	0	0	300,000,000.00	25 awareness programmes on climate change adaptation and mitigation developed and implemented.
		REDD+II Strategy implemented and monitored by June, 2026	REDD+II Project	1,440,000,000.00	0	0	1,440,000,000.00	The National Strategy for Reducing Emission from Forest Degradation and Deforestation (REDD+) coordinated and implemented.
			Strategic Support to Tanzania to become REDD+ Ready by 2022 (SSTRR) Project	0	1,440,000,000.00	0	1,440,000,000.00	Project for Strategic Support to Tanzania to become REDD+ Ready by 2022
		National Adaptation Plan (NAP) implemented and monitored by June, 2026	National Adaptation Plan (NAP)	3,342,700,000.00	184,433,280,000.00	120,000,000,000	307,775,980,000.00	National Adaptation Plan (NAP) developed and implemented
		Nationally Determined Contributions (NDCs) to address climate change implemented and monitored by June, 2026	Nationally Determined Contributions (NDCs)	600,000,000.00	15,000,000,000.00	0	15,6000,000,000.00	Nationally Determined Contributions (NDCs) to address climate change implemented

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
		Project for preparation of National Communication on Climate Change	National Communication on Climate Change	600,000,000.00	3,000,000,000.00	0	3,600,000,000.00	Project for preparation of the 3rd Report of National Communication on Climate Change implemented and the report prepared
								Project for preparation of Bi- annual update report on Climate implemented and the report prepared
6.	Reduced Land Degradation	National Strategy on Land Degradation and Water Catchments (2019 -2024) implemented and monitored by June, 2026	National Strategy on Land Degradation and Water Catchments (2019 -2024)	3,000,000,000.00	0	0	3,000,000,000.00	National Strategy on Land Degradation and Water Catchments (2019 -2024) implemented
		Reversing Land degradation Trend and Increase Food Security in Degraded Ecosystem in Semi-Arid Areas in Tanzania	Reversing Land degradation Trend and Increase Food Security in Degraded Ecosystem in Semi-Arid Areas in Tanzania	7,910,451,820.00	0	0	7,910,451,820.00	Project on Reversing Land degradation Trend and Increase Food Security in Degraded Ecosystem in Semi-Arid Areas in Tanzania implemented
		3 projects on sustainable land use management.	Sustainable Land Use Management.	180,000,000.00	9,000,000,000.00	0	9,180,000,000.00	Three (3) projects on sustainable land use management developed and implemented.
		3 projects on sustainable land use management.	Sustainable Land Use Management.	600,000,000.00	0	0	600,000,000.00	20 awareness programmes on sustainable land use management prepared and implemented

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
		20 awareness programmes on sustainable land use management	150 Million trees planted annually by each LGAs monitored by June, 2026	3,000,000,000.00	120,000,000.00	300,000,000.00	3,420,000,000.00	National Tree Planting Campaign of planting 1.5m trees in every district annually implemented and monitored.
		To implement the Green Dodoma Initiative by June, 2026	Green Dodoma Initiative	100,000,000.00	200,000,000.00	0	300,000,000.00	The Green Dodoma Initiative implemented and monitored
		National Environmental Action Plan (2013 -2018)	National Environmental Action Plan (2013 -2018)	3,000,000,000.00	0	0	3,000,000,000.00	National Environmental Action Plan (2020-2025) implemented and monitored
		Compendium of Sustainable Land Management Best Practices (2014)	Compendium of Sustainable Land Management Best Practices (2014)	150,000,000.00	0	0	150,000,000.00	Sustainable Land Management Best Practices promoted.
		Compendium of Sustainable Land Management Best Practices (2014)	National Action Plan to Combat Desertification (NAP) 2014 -2018	1,500,000,000.00	0	0	1,500,000,000.00	National Action Plan to Combat Desertification (NAP) 2014 -2018 reviewed and implemented
		Land Degradation Neutrality Target Setting (2018 -2030)	Land Degradation Neutrality Target Setting (2018 -2030)	1,500,000,000.00	120,000,000.00	0	1,62,000,000.00	Land Degradation Neutrality Target Sets (2018 -2030) implemented
		National Drought Plan (2020 -2030) implemented and monitored by June, 2026	National Drought Plan (2020 -2030)	1,500,000,000.00	120,000,000.00	0	1,620,000,000.00	National Drought Plan (2020 -2030 prepared and implemented

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
7.	Minimize environmental pollution and resultant adverse effects on the environment and human health;	National Strategy for sound management of chemicals and Hazardous waste implemented and monitored by June, 2026	National Strategy for sound management of chemicals and Hazardous waste (2020-2025)	600,000,000.00	-	-	600,000,000.00	Regulations on waste management including e-waste, Hazardous waste, solid waste, plastic waste and Mercury implemented and enforced.
		Promotion of BAT and BEP to reduce POPs release from waste open burning in participating African Countries of SADC sub-region project		144,728,120	0	0	144,728,120	Project for Promotion of BAT and BEP to reduce POPs release from waste open burning in participating African Countries of SADC sub-region implemented.
		Comprehensive National Waste Management Strategy developed and implemented by June, 2026	Comprehensive National Waste Management Strategy	3,250,000,000	0	0	3,250,000,000	A Comprehensive National Waste Management Strategy developed and implemented
		To enforce compliance to Plastic Waste and, Mercury Regulations		150,000,000.00	-	-	150,000,000.00	Compliance to Plastic Waste and Mercury Regulations enforced
		National Action Plan for Artisanal and small scale gold mining implemented by June, 2026	National Action Plan for Artisanal and small-scale gold mining (2020- 2025)	500,000,000	369,440,000	0	869,440,000	National Action Plan for Artisanal and small-scale gold mining (2020- 2025) implemented.

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
8.	Enforce Environment Management Act 2004	Compliance of Environmental Management Act of 2004 in industrial and mining monitored by June, 2026	Compliance of Environmental Management Act of 2004 in industrial and mining monitored by June, 2026	3,000,000,000.00	0	0	3,000,000,000.00	Enforcement and compliance of Environmental Management Act of 2004 in industrial and mining activities strengthened develop and implement National Guideline for Solid Waste Management through Reduce, Reuse and Recycle (2020) developed and implemented
		Enforce EIA and Audit Regulations (2005) as amended 2018		30,000,000.00	-	-	30,000,000.00	EIA and Audit Regulations (2005) as amended 2018 implemented and monitored
		To implement Strategic Environmental Assessment Regulations 2008		600,000,000.00	-	-	600,000,000.00	Strategic Environmental Assessment Regulations 2008 implemented and monitored
		Guideline for Solid Waste Management Through Reduce, Reuse and Recycle (2020) implemented and monitored by June, 2026	National Guideline for Solid Waste Management Through Reduce, Reuse and Recycle (2020)	300,000,000.00	-	-	300,000,000.00	Guideline for Solid Waste Management Through Reduce, Reuse and Recycle (2020) implemented and monitored

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
		National Implementation Plan for Stockholm Convention (2019-2024) implemented and monitored by June, 2026	National Implementation Plan for Stockholm Convention 2019- 2024	600,000,000.00	52,645,200.00	0	652,645,200.00	National Implementation Planform Stockholm Convention 2019- 2024 implemented
		National Implementation Plan form Minamata Convention developed and implemented by June, 2026	Minamata Convention on control of Mercury chemicals	600,000,000.00	12,000,000.00	0	612,000,000.00	National Implementation Plan for Minamata Convention developed and implemented
9.	Improved Institutional coordination	Environmental Management in 186 LGAs and 13 Sector Ministries coordinated and Strengthened by June 2026	Institutional Capacity Building Project for Implementation of EMA, 2004	2,712,000,000.00	0	4,156,2000,000.00	6,868,200,000.00	Institutional capacity for Implementation of the Environmental Management Act 2004 built. Guideline for stakeholders involvement in environmental conservation and protection developed and implemented
	SUBTOTAL			**54,871,879,940.00**	**277,700,026,819.00**	**161,862,000,000.00**	**494,433,906,759.00**	

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
			COMMUNITY DEVELOPMENT					
1.	Strengthen alternative care, including foster parenting and adoption services	200 children placed under foster care	Support to social welfare services	0	1,000,000,000	0	1,000,000,000	Most Vulnerable Children living with Foster Parents and provided with basic services such as food, clothing, shelter and education.
		60 children adopted	Support to social welfare services	0	250,000,000	0	250,000,000	Adopted children
		Number of children placed under fit persons to reach 1,189	Support to social welfare services	200,000,000	2,150,300,000	0	2,350,300,000	Most Vulnerable Children provided with basic services
2.	Strengthen efforts against gender-based violence and violence against children	184 Councils reached by Ant-Gender Based Violence campaign	Resource Planning for Gender	500,000,000	3,000,000,000	0	3,500,000,000	Community awareness on Gender Based Violence in 184 Councils.
		Number of established Police Gender and Children Desks to reach 455						Established Gender and Children Desks at Police Stations
		Number of established One Stop Centres for GBV Victims to reach 23						Established One Stop Centres for GBV Victims
		50% of decision making positions held by women						Women in decision making positions

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
		Number of motorcycles provided to CDOs and SWO in Councils to reach 179						Community Development Officers (CDOs) and Social Welfare Officers (SWO) provided with motorcycles
		4,000 women	Development Integration Program on Women	200,000,000	2,500,000,000	0	2,700,000,000	Trained Women in Poultry, Dairy Products and Horticulture
		30,000 women provided with soft loans	Women Economic Empowerment project	5,000,000,000	0	0	5,000,000,000	Women entrepreneurs provided with soft loans
		Number of Women and Children Protection Committees at all levels to reach 30,000	Child Survival and Development	0	3,000,000,000	0	3,000,000,000	Women and Children Protection Committees at all levels.
		Number of children victims of violence who get referral services through Child Helpline Service (116) to reach 12,000						Children victims of violence who get referral services through Child Helpline Service (116)
		Number of Child Protection Desks established at primary and secondary schools to reach 1,182						Established Child Protection Desks at primary and secondary schools

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
		5000 Child Protection service providers in 184 LGAs provided with positive parenting education	Child Survival and Development	0	2,500,000,000	0	2,500,000,000	Child protection service providers at LGAs with positive parenting skills
		Number of parenting groups established at community level to reach 11,663						Established Parenting Groups at community level
		Number of Junior Councils established to reach 1,919	Child Survival and Development	500,000,000	0		500,000,000	Established Junior Councils
		2,000,000 adolescents trained on Health and well being.	National Accelerated Action and Investment Agenda for Adolescent Health and wellbeing (NAIA)	500,000,000	3,500,000,000		4,000,000,000	Trained Adolescent on Health and well being in place
3.	Strengthen Early Childhood Development services and child protection	Number of Registered Day Care Centres to reach 2,427	Support to Social Welfare Services	550,000,000			550,000,000	Registered Day Care Centres
		Number of Registered Crèches to reach 43						Registered Crèches
		Number of Registered Children Homes to reach 49						Registered Children Home

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
		1,000,000 children enrolled in Day Care Centres						Enrolled Children in Day Care Centres
		25,000 reconciled children maintenance cases						Children of parents with matrimonial conflicts get their basic rights
		Number of established Community-Based ECD Centres to reach 180	Child Survival and Development		1,000,000,000	0	1,000,000,000	Established Community-Based ECD Centres
		400 Children in Conflict with Law diverted from formal legal system	Support to Social Welfare Services	0	1,000,000,000	0	1,000,000,000	Children in conflict with law diverted from formal leal system
		2 Retention Homes and one Approved School built, 5 Retention Homes rehabilitated	Support to Social Welfare Services	3,000,000,000	2,000,000,000	0	5,000,000,000	Constructed and rehabilitated Retention Homes, Approved School and Children Homes
4..	Strengthen provision of social welfare services including health services and psychosocial support to vulnerable groups and communities	5,000 Social Protection service providers in in 184 LGAs trained on psychosocial care support	Support to Social Welfare Services	0	950,000,000	0	950,000,000	Social Protection service providers in LGAs with psychosocial care support skill
		11,000 students enrolled at Institute of Social Work	Support to Social Welfare Services	5,000,000,000	0	0	5,000,000,000	Graduates with Social Work skills

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
5.	Strengthen Elderly Councils and accessibility of essential services to elders	13 Elderly Homes rehabilitated	Support to Social Welfare Services	2,000,000,000	2000,000,000		4,000,000,000	Improved living environment in Elderly Homes
		Number of established Elderly Councils to reach 17,383	Support to Social Welfare Services		500,000,000	0	500,000,000	Functional Elderly Councils
		Number of destitute elders provided with health insurances cards for free medical services to reach 1,356,052	Support to Social Welfare Services		500,000,000	0	500,000,000	Identified Destitute Elders provided with Health Insurance Cards
6..	Strengthen the community empowerment and private sector development initiatives	10,000 students enrolled at Tengeru Institute of Community Development (TICD)	Rehabilitation of Community Development Training Institutes (CDTIs)	4,000,000,000	0	0	4,000,000,000	Graduates with Community Empowerment Skills
		20,000 students enrolled at 8 Community Development Training Institutes.	Rehabilitation of Community Development Training Institutes (CDTIs)	6,000,000,000	0	0	4,000,000,000	Graduates with Community Empowerment Skills
	SUBTOTAL			**26,950,000,000**	**26,350,300,000**	**0**	**53,300,300,000**	

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
			HEALTH					
1.	Construct and rehabilitate health facilities	18 Regional Referral Hospitals (RRH) and three (3) zonal Hospitals	Strengthening of Referral Hospitals	100,000,000,000	0	0	100,000,000,000	18 Regional Referral Hospitals (RRH) and 3 zonal hospitals constructed
2.	Employ health professionals, working environment, and ensure professional ethics are adhered	Number of Health Workforces from 103,469 to 117,469 Workforces	Human Resources Development (Recruitment of health workers)	89,416,033,236	0	0	89,416,033,236	Vacancy rate reduced
		Health Work Forces Production from 27,077 to 28,837 workers	Human Resources Development (To provide teaching facilities at health training institutions)	26,000,000,000	0	44,400,200,000	70,400,200,000	Teaching facilities increased
3.	Ensure availability of medicine, medical supplies, reagents, vaccine and pharmaceutical equipment	Medicine availability for 312 tracer items to be 94% that can save six months need	Strengthening of Referral Hospital	30,000,000	600,000,000	0	630,000,000	Medicine availability for 312 tracer items reached 94% that can save six months need
4.	Promote and increase scope, as well as coverage of health insurance schemes	increase enrolment from 33% to 50% of the population in Tanzania Mainland	Health Plans and Management	400,000,000	0	0	400,000,000	e Enrolment increased and awareness of Health Insurance raised

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
5.	Strengthen specialized and super-specialized services in all zonal, specialized and national referral hospitals	Reduced from 40 patients to less than 20 patients to be referred abroad by 2025	Strengthening Specialized and Super specialized services	60,000,000	200,000,000	0	260,000,000	Equipment for specialized and super-specialized purchased
		100% of Hospitals at National and Zonal level to provide super specialized services by 2025	Strengthening Specialized and Super specialized services	30,000,000	10,000,000	0	40,000,000	Super specialized Health workers trained
6.	Improve traditional health services/ alternative medicines	A comprehensive research on traditional medicine to 12-15 ethnic groups (10-12.5%) conducted in order to generate enough evidence from traditional health practitioners about their indigenous way of managing disease	Strengthening of Referral Hospital	17,929,320,000	0	0	17,929,320,000	At least 12-15 ethnic groups comprehensively researched on traditional medicine in order to generate enough evidence from traditional health practitioners about their indigenous way of managing disease
		45000 (60%) Traditional health practitioners sensitized regarding legal framework and registration procedures	Improve provision of traditional and alternative medicine services	22,744,490,000	0	0	22,744,490,000	Traditional medicine sensitization regarding legal framework and registration procedures carried out

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
		comprehensive (100%) supervisory role to research institutions, manufacturing firms, region and council levels carried out	Strengthen institutional capacity for developing, promoting, supervising and controlling traditional medicine and its practices in the country	39,359,860,768	0	0	39,359,860,768	Institutional capacity for developing, promoting, supervising and controlling traditional and alternative medicine and their practices in the country strengthened.
7.	Promote and support establishment of vaccines, medicines and medical equipment manufacturing industries	50% or less health commodities imported	Local production of health commodities	70,100,000,000	20,000,000	0	70,120,000,000	Public human vaccine plant established
8.	Promote and support private sector investment in health commodity supply chain;	three Prime vendor each region	Strengthening of Referral Hospital	0	0	0	0	Improved availability of health commodities at SDP
9.	Design and establish proper logistics and storage of medical commodities	6000 SDP with conducive storage facility	Strengthening of Referral Hospital	50,000,000,000	800,000,000	0	50,800,000,000	improved storage facilities
		12 MSD zonal offices with sales point		0	20,000,000,000	0	20,000,000,000	Four warehouse in a box constructed in Ruvuma and Simiyu
10.	Educate the community for precaution measures and early detection on infectious disease control	from 60% to 80%	Control of Communicable Disease	0	1,000,000,000,000	0	1,000,000,000,000	Case detected; Awareness Created and knowledge Enhanced

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
11.	Educate the community precaution measures and early detection on Non-Communicable Disease	From 40% to 60%	Control of Non-Communicable Disease	600,000,000,000	0	0	600,000,000,000	Case detected; Awareness Created and knowledge Enhanced.
12.	Strengthen public health rapid response teams	150 Public health response teams established at National as well as regional levels on all regions	Strengthening multi sectoral coordination and response to public health events at all levels	3,000,000,000	0	0	3,000,000,000	EOC strengthened and established in 16 regions
13.	Improve Emergency Medical Services (EMS)	Establishment of Multi Hazard ambulance and rescue services for optimal emergency care in 9 regions along the major highway	Emergency Medical and Rescue Services	50,000,000,000.00	0	0	50,000,000,000	Emergency Medical Services (EMS) establishment in in 9 regions; Morogoro – Dodoma – Singida -Tabora (Nzega and Igunga), Shinyanga -Mwanza and Tanga (Chalinze - Mombo), Iringa Mbeya (Tunduma - Kyela).
	SUBTOTAL			**1,119,069,704,004**	**1,021,630,000,000**	**44,400,200,000**	**2,185,099,904,004**	

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
			EDUCATION					
			BASIC EDUCATION					
1.	Strengthened access and quality basic education	Primary PCR 1:50; Secondary PCR 1:40	SEQUIP	323,827,320,000	379,989,420,177	0	705,791,740,177	Guidelines for school infrastructure development in use.
2.	Improve Literacy skills in Early Grades	80%	LANES II, Children in Crossfire; UNICEF	2,128,000,000	3,260,000,000	0	5,388,000,000	No. of Circulars and guidelines on literacy developed, updated and in use.
3.	Train Pre service and Inservice teachers for Science, Mathematics, Agriculture, Technical, Vocational Studies, Social Science, Language and Commercial subjects	Pre-Service Teachers 19,000and In-Service Teachers6,013	ESPJ; TESP; EP4R; UNESCO	14,900,000,000	12,033,086,320	0	26,933,086,320	19,000-pre service and 6,013 in-service teachers for Science, Mathematics, Agriculture, Technical, Vocational Studies, Social Science, Language and Commercial subjects trained.
4.	Improve ICT integration in teachers' colleges	75%	ESPJ	6,261,680	6,261,680,000	0	6,267,941,680	No. of teacher's colleges connected with the national optic fibre
5.	Improve Teaching and learning of Physical Education in secondary schools and teachers' colleges	100%	SEQUIP,TESP		330,000,000	0	330,000,000	Kupitiwa na Kusambazwa kwa Nyaraka na Muongozo kuhusu maendeleo ya elimu ya viungo.
		95%	LANES; EP4R; SEQUIP		5,000,000,000	0	5,000,000,000	Kuhuisha kwa Nyenzo na muongozo wa uthibiti ubora
		50%	Project Concern International (PCI)		520,000,000	0	520,000,000	kusambazwa kwa muongozo ya lishe na afya shuleni

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
6.	Collaborate with the private sector, civil society organizations including religious institutions in increasing access to education and skills	95%	LANES; EP4R; SEQUIP	0	850,000,000	0	850,000,000	No. of circulars developed and disseminated
					5,000,000,000	0	5,000,000,000	SQA guidelines and tools reviewed and in use.
7.	Improve working environment for teaching staff at	150	LANES; EP4R; SEQUIP		1,893,000,000	0	1,893,000,000	(i) No. of vehicles for district and zonal QA offices procured and distributed; No. of ICT facilities and equipment for district and zonal SQA offices procured and distributed; and
	SUBTOTAL			**340,855,320,000**	**406,350,726,497**	**0**	**747,206,046,497**	
			HIGHER LEARNING					
1.	Improve availability of academic staff, laboratory technicians, workshop technicians and librarians	890	Higher Education for Economic Transformation (HEET)	0	18,000,000,000	0	18,000,000,000	No. of Academic staff, laboratory technicians, workshop technicians and librarians employed
2.	Improve teachers' competency at all levels, particularly in Mathematics and Science subjects	1,299	HEET	0	500,000,000	0	500,000,000	Increased number of lecturers with Master's degrees and PhDs in 15 Public Universities

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
		430						Improve teaching and learning methods and expanded use of advanced ICT in teaching and learning in 15 Public Universities
3.	Improve and incorporate inclusive teaching and learning environment (classrooms, desks, text books, latrines/ toilets ratios; boarding for girls; etc.) at all levels;			0	10,000,000,000	0	10,000,000,000	No. of T/L resources procured
				0	0	0	0	No. of T/L material maintained and repaired
		50%		₮ 7,762,500,000₮	2,000,000,000	0	9,762,500,000	Percentage of University infrastructure constructed
				100,912,500,000	0	0	100,912,500,000	
		14		0	16,500,000,000	0	16,500,000,000	No. of lectures theaters, lectures rooms laboratories and workshops in 14 public universities rehabilitated
				7,762,500,000	2,000,000,000	0	9,762,500,000	
4.	Review and Updating curriculum with alignment to labour market	290	HEET	0	5,000,000,000	0	5,000,000,000	No. of of existing curricula reviewed in 15 Public Universities
		144						No. of new curricula developed
5.	Strengthen national, regional and international scientific and technical cooperation in education at all levels;	85%	HEET	500,225,220,000	37,000,600,000	0	537,225,820,000	

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
6.	Increase access to student loans at Higher Education especially for those in Science, Mathematics, special and rare cadre courses	2,300 students provided with the services	heet	2,587,500,000,000	300,000,000	0	2,587,800,000,000	Improved Loan disbursement and recovery systems
7.	Improve Guidance and Counselling Services to Students		EJMU		900,000,000		900,000,000	Availability of guidelines for guidance and counselling
	SUBTOTAL			**3,204,162,720,000.00**	**92,200,600,000.00**	**-**	**3,296,363,320,000**	
			PEACE AND SECURITY					
1.	Enhance public safety, law and order;	Procurement of 21 Rescue Vehicles in the Country by June 2026	Expansions of Fire and Rescue services	23,600,000,000			23,600,000,000	21 Rescue Vehicles added by June 2026
		Procurement of Fire 10 Ambulances in the Country by June 2026		5,000,000,000			5,000,000,000	10 Ambulances added by June 2026
		Construction of 50 Fires Stations in the Country by June 2026		50,000,000,000			50,000,000,000	50 Fires Stations added by June 2026
		Procurement of 10 staff houses and 8 classrooms in the Country by 2026.		6,000,000,000			6,000,000,000	10 staffs and 8 classrooms added by June 2026

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
		Procurement of 111 residential houses in the Country by June 2026		60,000,000,000			60,000,000,000	111 residential houses added by June 2026
		Capacity Building to 25,000 conducted in the Country by June 2026	Police Services Development Programme	30,000,000,000			30,000,000,000	25,000 capacitated by June 2026
		Construction of 2,000 residential House and 35 Police Stations in the Country by June 2026		160,000,000,000			160,000,000,000	Construction of 2,000 residential houses and 35 Police stations constructed by June 2026
		Procurement of 2000 new transport facilities in the Country by June 2026		500,000,000,000			500,000,000,000	2000 Facilities added by June 2026
		Construction of 5 Vocational Training colleges in the Country by June 2026	Prisons Services Development Programme	20,000,000,000			20,000,000,000	5 Vocational training increased by June 2026
		Construction of 7 New Industries for increasing export-led industrial productions on Leather goods, sugar, cooking oil and foodstuff in the Country by June 2026		20,000,000,000			20,000,000,000	7 Industries increased by June 2026

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
		Construction of 3 New Factories for increasing export-led industrial productions on Leather goods, sugar, cooking oil and foodstuff in the Country by June 2026		120,000,000,000			120,000,000,000	3 Factories added by June 2026
		Construction of 3 Irrigation Schemes in the Country by June 2026		30,000,000,000			30,000,000,000	3 Irrigations Schemes by June 2026
		Construction of 49 New District Prisons in the Country by June 2026		250,000,000,000			250,000,000,000	49 New District Prisons added by June 2026
		Recruitment of Human Capital Personnel through its vocational training colleges (Ruanda Trade school, Kingolwira Prisons Farm Driving School and Wami Vijana Young Offenders Prison). in the Country by June	Human capital investment programme	450,000,000,000			450,000,000,000	10,000 New prisons staff recruited by June 2026

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
2.	Improve identification and registration of citizens and non-citizens and e-immigration services;	Registration of New ID cards FOR 10,986,966 people		100,000,000,000			100,000,000,000	10,986,966 people added and registered with ID Cards by June 2026
		Connection/ integration of 160 institutions into National ID Database		4,000,000,000			4,000,000,000	160 institutions added by June 2026
		Provision of Residence Permits to investors in the Country by June 2026	Immigration services development programme	30,000,000,000			30,000,000,000	Residence permits (class A: 1,972 and B: 7,506) added to the system by June 2026
		Provision of Residence Permits to foreigners in improving coordination and delivering of its services, this will improve qualities of services delivered to the foreigners.by June 2026		30,000,000,000			30,000,000,000	• Passport from 150,424 • Residence permits 20,089 • Visa 427,270 added by June 2026
		Provision of Residence Permits and Visa for Tanzanians who export goods and services abroad by June 2026		30,000,000,000			30,000,000,000	Increased Issuance of Immigration services (Passports, Residence Permits, Business Visa and Business Passes) 274,514 Increased number of Immigration service's 170,513 added by June 2026

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
		Construction of Immigration Offices and Houses by June 2026		60,000,000,000			60,000,000,000	Construction of 131 Immigration Offices, 2,649 residential houses constructed and 50 residential building rehabilitated added by June 2026
		3 Immigration Academy constructed by June 2026		30,000,000,000			30,000,000,000	3 Immigration Academy constructed by June 2026
		Procurement of 500 motor vehicles, 600 motorcycles and 13 patrol boats for ISD in the country by June 2026		40,000,000,000			40,000,000,000	500 motor vehicles, 600 motorcycles and 13 patrol boats added by June 2026
3.	Develop an effective coordination, collaboration and information sharing system among law enforcement agencies; and	2500 men recruited and 2050 trained on job Training and recruiting new fire men for improving their performance in the Country by June 2026	Security forces Capacity Building programme	10,000,000,000			10,000,000,000	new 2500 men recruited and 2050 trained by June 2026
		20,000 new police officers recruited in the Country by June 2026		150,000,000,000			150,000,000,000	new 20,000 new police officers recruited by June 2026
		Recruitment of Human Capital Personnel in the Country by June 2026		30,000,000,000			30,000,000,000	• 16,212 new Immigration Officers recruited by June 2026

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
4.	Institute crime record management and coordination system.	To reduce the crime by 30% in the country and record keeping by June 2026		150,000,000,000			150,000,000,000	5% decreased by June 2026
	SUBTOTAL			**2,388,600,000,000**	**0**	**0**	**2,388,600,000,000**	
			CONSTITUTION AND LEGAL AFFAIRS					
1.	Strengthening legal systems and infrastructure	1	Construction of Judiciary HQ Building	129,000,000,000	-	-	129,000,000,000	Improved access to court services
		18	Construction of Integrated Justice Centres	-	93,600,000,000	-	93,600,000,000	Improved access to court services, Increased citizen satisfaction on Judiciary services, reduces travelling time and cost for litigants,
		75	Construction District Court buildings	-	75,937,500,000	-	75,937,500,000	Improved access to court services, Increased citizen satisfaction on Judiciary services, reduces travelling time and cost for litigants,
		142	Construction Primary Court buildings	-	105,435,000,000	-	105,435,000,000	Improved access to court services, Increased citizen satisfaction on Judiciary services, reduces travelling time and cost for litigants,
		93	Construction of staff Houses	47,182,500,000	-	-	47,182,500,000	

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
		10	Constructions of AG's Regional Offices	4,000,000,000	-	-	4,000,000,000	Legal Services close to the public
		6	Constructions of NPS Regional Offices	2,400,000,000	-	-	2,400,000,000	Prosecutions services improved
		10	Constructions of NPS Regional Offices	4,000,000,000	-	-	4,000,000,000	Civilianization services improved
		5	Construction of SG Regional Offices	2,000,000,000	-	-	2,000,000,000	Litigate civil cases and arbitral proceedings on behalf of the Central Government improved
		5	Rehabilititation of High Court Buildings	8,100,000,000	-	-	8,100,000,000	Improved access to court services, Increased citizen satisfaction on Judiciary services, reduces travelling time and cost for litigants,
		8	Rehabilitation of Resident Magistrate Court Buildings	3,780,000,000	-	-	3,780,000,000	Improved access to court services, Increased citizen satisfaction on Judiciary services, reduces travelling time and cost for litigants,
		50	Rehabilitation of District Court Buildings	13,500,000,000	-	-	13,500,000,000	Improved access to court services, Increased citizen satisfaction on Judiciary services, reduces travelling time and cost for litigants,
		100	Rehabilitation of Primary Court Buildings	13,500,000,000	-	-	13,500,000,000	Improved access to court services, Increased citizen satisfaction on Judiciary services, reduces travelling time and cost for litigants,

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
		N/A	Citizen - Centric Judicial Modernization and Justice Service delivery Project		14,580,000,000	-	14,580,000,000	Reduction in litigation costs and time,
2.	Promoting the use of ICT in access and delivery of justice	26	Citizen - Centric Judicial Modernization and Justice Service delivery Project	-	1,500,000,000	-	1,500,000,000	Reduction in litigation costs and time,
		10	Citizen - Centric Judicial Modernization and Justice Service delivery Project	-	120,000,000	-	120,000,000	Reduction in litigation costs and time,
		10	Citizen - Centric Judicial Modernization and Justice Service delivery Project	-	150,000,000	-	150,000,000	Reduction in litigation costs and time,
		e-services for Justice delivery in place	Citizen - Centric Judicial Modernization and Justice Service delivery Project	-	800,000,000	-	800,000,000	Reduction in litigation costs and time,
			Citizen - Centric Judicial Modernization and Justice Service delivery Project	-	1,200,000,000	-	1,200,000,000	Reduction in litigation costs and time,
			Citizen - Centric Judicial Modernization and Justice Service delivery Project	-	125,000,000	-	125,000,000	Reduction in litigation costs and time,

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
3.	Strengthening legal information and archive management	2%	Citizen - Centric Judicial Modernization and Justice Service delivery Project	10,799,700,000	-	-	10,799,700,000	Improved access to court services, Increased citizen satisfaction on Judiciary services, reduces travelling time and cost for litigants,
		6	Citizen - Centric Judicial Modernization and Justice Service delivery Project	-	3,720,110,000	-	3,720,110,000	Improved access to court services, Increased citizen satisfaction on Judiciary services, reduces travelling time and cost for litigants,
		1000	Citizen - Centric Judicial Modernization and Justice Service delivery Project	-	519,240,000	-	519,240,000	Improved access to court services, Increased citizen satisfaction on Judiciary services, reduces travelling time and cost for litigants,
		75	Citizen - Centric Judicial Modernization and Justice Service delivery Project	4,410,000,000	-	-	4,410,000,000	Improved access to court services, Increased citizen satisfaction on Judiciary services, reduces travelling time and cost for litigants,
		80%	Citizen - Centric Judicial Modernization and Justice Service delivery Project	-	425,000,000	-	425,000,000	Improved access to court services, Increased citizen satisfaction on Judiciary services, reduces travelling time and cost for litigants,
4.	Improve timeliness and reliability of records and information;	1	Citizen - Centric Judicial Modernization and Justice Service delivery Project	-	1,202,000,000	-	1,202,000,000	Improved access to court services, Increased citizen satisfaction on Judiciary services, reduces travelling time and cost for litigants,

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
		150	Citizen - Centric Judicial Modernization and Justice Service delivery Project	-	1,125,000,000	-	1,125,000,000	Improved access to court services, Increased citizen satisfaction on Judiciary services, reduces travelling time and cost for litigants,
		140	Citizen - Centric Judicial Modernization and Justice Service delivery Project	-	1,823,923,000	-	1,823,923,000	Improved access to court services, Increased citizen satisfaction on Judiciary services, reduces travelling time and cost for litigants,
5.	Strengthening guidelines and procedures for the provision of legal aid and assistance	Reviewed legal framework on improving and promoting business in place and opera-tionalized	Strengthening Access to Justice And Protection of Human Rights (in Tanzania.	45,000,000	-	-	45,000,000	Increase investors confidence and hence number of investors in Tanzania increased by June,2025
		Regulations to implement the Arbitration Act, 2020 prepared and operationalized by June, 2026	Strengthening Access to Justice And Protection of Human Rights (in Tanzania) Project	65,000,000	-	-	65,000,000	Time used to resolve probate conflicts reduced by 75%
		Regulated probate activities	Strengthening Access to Justice And Protection of Human Rights (in Tanzania) Project	55,000,000	-	-	55,000,000	

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
6	Increase under five birth registrations in Tanzania	100%	UNICEF Support to Multi-sectoral	-	115,000,000	-	115,000,000	Right of children national and family recognitions achieved
		Second Child Strategy prepared and operationalized	Strengthening Access to Justice And Protection of Human Rights (in Tanzania) Project	-	49,615,000,000	-	49,615,000,000	Child care and protection system in place improved by June, 2026
7.	Promote good governance and rule of law	Second National Human Right Action Plan prepared and implemented by June, 2025	Strengthening Access to Justice and Protection of Human Rights in Tanzania Project	35,000,000	248,000,000	-	283,000,000	Community trust on public institution observe human right increased by 75%
		Policy Guidelines and standards for effective implementation of Justice delivery system in place	Strengthening Access to Justice and Protection of Human Rights in Tanzania Project	-	54,000,000	-	54,000,000	
		Strategy for protection human right and individual right developed and operationalized	Strengthening Access to Justice and Protection of Human Rights in Tanzania Project	25,000,000	45,000,000	-	70,000,000	Public perception on protection of human right and individual right increased by 50%
		Quarterly reports on implementation of strategy for protecting human and individual rights in place	Strengthening Access to Justice and Protection of Human Rights in Tanzania Project	15,000,000	35,000,000	-	50,000,000	
		320	LSRP II	740,000,000	-	-	740,000,000	Human resources capacity building improved

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
8.	Promote transparency of natural wealth and resources contracts	Legal and regulatory framework that gurantees right for public to participate ineconomic, social and political matters developed and operationalised by June, 2025	Strengthening Access to Justice And Protection of Human Rights (in Tanzania) Project	200,000,000	32,000,000	-	232,000,000	Rate of citizens legally participate in social, economic and political activities increased by 20%
		Natural Wealth and resources Contracts Observatory Electronic System in place and operationalized	LSRP II	3,239,000,000	3,635,000,000	-	6,874,000,000	Public trust on implementation of natural wealth and resources contract
9.	Strengthen provision of legal aid to the district level	115	IMPACT	2,550,000,000	4,543,000,000	-	7,093,000,000	Complaints on access to justice decreased by 50%
10.	Ensure timely response of all international allegations of human right violations in Tanzania	6 Month	Strengthening Access to Justice And Protection of Human Rights (in Tanzania) Project	175,000,000	25,245,000	-	200,245,000	Complaints on violations of human rights decreased by 50%
11.	Expand efforts of adoption of e-services in legal service delivery in a country.	E-justice service delivery system in place and operation-alized	e-justice Project	7,800,000,000	-	-	7,800,000,000	Complaints on access to justice decreased by 50%
		Integrated OAG's electronic service delivery mechanism in place and opera-tionalized	Citizens centric Judicial Modernization and Justice Service Delivery	-	285,000,000	-	285,000,000	Efficiency in OAG's Service Delivery

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
12.	Strengthen forfeited assets and recovery in a country	80%	LSRP II	350,000,000	-	-	350,000,000	Access of wealth through criminality reduced by 80%
		Assets recovery management mechanism in place and implemented	LSRP II	75,000,000	-	-	75,000,000	
13.	Increase public awareness of good governance and rule of law	Outreach programmes for good governance and rule of law in place and operationalized	LSRP II	53,000,000	-	-	53,000,000	Complaints on good governance and rule of law reduced by 50%
				250,000,000	-	-	250,000,000	
14.	Develop an effective coordination, collaboration and information sharing among LEA	Information sharing data base among LEA's in place and operationalized	BSAAT	-	271,700,000	-	271,700,000	Crime rate decreased by 35%
15.	Institute crime record management and coordination system	Integrated data base for crime record management and coordination system	BSAAT	-	25,560,000	-	225,560,000	Rate of reoffending reduced by 80%
16.	Develop and Operationalize policies in the criminal justice subsectors	7	BSAAT	-	398,860,000	-	398,860,000	Stability in criminal subsector
	SUBTOTAL			**258,344,200,000**	**361,791,138,000**		**620,135,338,000**	

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
			WATER					
1.	Strengthen supply infrastructures for clean and safe water	improve water services coverage in rural areas from 70.10% in 2020 to 90% in 2025	Rural water Projects for Construction, Expansion and rehabilitation of water infrastructure in rural areas including transmission pipes, distribution networks	350,000,000,000	450,000,000,000		800,000,000,000	Rural Water Supply Projects constructed and rehabilitated
			Construction of charco dams, water wells and cattle troughs for livestock	150,000,000,000	150,000,000,000		300,000,000,000	
			Community Based Water Supply Organizations (CBWSOs) for enhancing sustainability of rural water supply and sanitation services	3,000,000,000	2,000,000,000		5,000,000,000	
		Improve urban water services coverage from 84% in 2020 to 95% in 2025	Construction, expansion and rehabilitation of water infrastructure for Urban Water Projects	455,000,000,000	500,000,000,000		955,000,000,000	Urban Water Supply Projects constructed and rehabilitated

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
			Identifying and Construction of Bulk Water Supply (National Water Grid) Projects to ensure adequate and affordable supply of water for enhancing industrial-ization in urban areas	380,000,000,000	500,000,000,000		880,000,000,000	
			Conduct feasibility studies, design and construction of Lake Victoria to Singida and Dodoma Water supply project	50,000,000,000			50,000,000,000	Lake Victoria - Singida and Dodoma Water Supply Project Constructed by 2024
			Construction of the Mwalimu Nyerere water supply project from Rufiji – Dar es Salaam Water supply projects	150,164,000,000	250,000,000,000		400,164,000,000	Rufiji – Dar es Salaam Project constructed by 2025
			Construction of Kidunda dam	10,000,000,000	409,000,000,000		419,000,000,000	Kidunda dam project completed by 2025
			Construction of Farkwa dam and Water Supply Networks	50,000,000,000	500,000,000,000		550,000,000,000	Construction of Farkwa dam and water supply networks completed by 2024
2.	Establish programmes and mechanisms for management, monitoring and assessment of water and wastewater quality	Improve the sanitation services from 15% in 2020 to 30% in 2025	Construction, Rehabilitation and expansion of sewerage infrastructures such as sludge treatment facilities, storage, treatment ponds, sewer lines in all areas	40,000,000,000	125,000,000,000		165,000,000,000	Sewerage infrastruc-tures (treatment facilities, sludge, storage) projects constructed by 2025

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
			Promote appropriate technologies for further treatment of effluent and sludge for recycling and re-use purposes	300,000,000	0		300,000,000	Project completed by 2024
3.	Strengthen conservation and protection programmes of water resources and water sources	Water sources demarcated and gazette for protection and conservation increased from 80 in 2020 to 200 in 2026	Management, development and equitable utilization of trans- boundary water resources	2,500,000,000	3,200,000,000		5,700,000,000	Agreement on trans-boundary water resources established and implemented by 2025
			Construction of Songwe Dam in Songwe River	20,000,000,000	100,000,000,000		120,000,000,000	Songwe Dam and its allied infrustrcuture constructed by 2025
			Conservation and protection of water resources and water sources	5,020,000,000	1,520,000,000		6,540,000,000	Water Sources demarcated and gazzeted by 2025
			Construction of 23 water harvesting infra-structures	80,000,000,000	70,000,000,000		150,000,000,000	23 Water storage infrastruc-tures constructed by 2025
4.	Strengthen water resources research systems, data collection, processing, storage and dissemination of water statistics		Construction/ Rehabilitation of water Laboratories and equip them	1,550,000,000	5,250,000,000		6,800,000,000	Water Laboratories constructed/rehabilitated and equipped by 2025
			Management of water quality for competing beneficial water uses	300,000,000	100,000,000		400,000,000	Water quality management systems established by 2023

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
			Strengthening water resources Data collection and management systems	800,000,000	3,000,000,000		3,800,000,000	Monitoring stations constructed and installed by 2025
			Monitor water bodies to conserve aquatic ecosystem and improve ambient water conditions	650,000,000	150,000,000		800,000,000	Water quality management and pollution control strategy implemented by 2025
			Water quality management technologies promoted	250,000,000	0		250,000,000	Appropriate water quality technologies promoted by 2023
	SUBTOTAL			**1,749,534,000,000**	**3,069,220,000,000**	**-**	**4,818,754,000,000**	

LANDS, HOUSING AND HUMAN SETLLEMENTS DEVELOPMENT

1.	Promote and facilitate planning, surveying and titling of land parcels for investment and human settlement	45 Master plans, 12,838 urban detailed layout plans, 4,602,025 plots surveyed and approved, 4,059,609Certificates of Right of Occupancy (CROs issued), 3,463,474 Certificates of Customary Right of Occupancy (CCROs) issued, 37% of land surveyed474,885.4 Acres of land secured for investment purpose	Planning, Surveying and Land Titling Programme	36,077,000,000.00	4,704,220,000.00	0	40,781,220,000.00	24 Master plans prepared • 10,025 detailed layout plans prepared • Curtailed land disputes • Planned, resilient and serviced cities 2,500,000 Plots surveyed and approved 875,000 Certificates of Right of Occupancy (CROs) issued

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
		21,738 residential licenses	Land Tenure Improvement Project	500,000,000.00	0	0	500,000,000.00	20,000 residential licenses issued 576 villages issued with certificates of village land aerial photographs prepared for 24 townships • 125,000 CROs issued
		1,452,416acres of land allocated and protected for public use	Planning, Surveying and Land Titling Programme	3,600,000,000.00	13,823,945,000.00	0	17,423,945,000.00	593,750 acres of land allocated and protected for public use
2.	Prepare urban, islands and coastal development master plans	25% of general land covered by Informal settlements	Land Tenure Improvement Project	3,600,000,000.00	13,823,945,000.00	0	17,423,945,000.00	500,000 urban landed properties regularized 600,000 village land parcels regularized • Reduced informal settlements • Secured land tenure
			Planning, Surveying and Land Titling Programme	1,800,000,000.00	0	0	1,800,000,000.00	• 987,000 urban landed properties Regularized • 13,000 farms allocated 1,000,000 village landed properties Regularized
		200 Nautical miles equivalent to 370 km length of Exclusive Economic Zone (EEZ) extended into the Indian Ocean		100,000,000.00	0	0	100,000,000.00	• 987,000 urban landed properties Regularized • 13,000 farms allocated 1,000,000 village landed properties Regularized

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
		• 12,319 with Villages Land Use Plans • 95 districts with Land Use Plans	Planning, Surveying and Land Titling Programme	1,600,000,000.00	0	0	1,600,000,000.00	Land use plans in three (3) economic corridors covering strategic projects including Standard Gauge Railway (SGR), Oil Pipeline (EACOP) and Rufiji Mwalimu Nyerere hydro-power generation projects prepared
			Land Use Planning Project	6,735,900,000.00	0	0	6,735,900,000.00	• Land Use Plans prepared in 54districts • Reduced land conflicts
				18,006,500,000.00	0	0	18,006,500,000.00	• Land Use Plans prepared in 4,131 Villages • Land use Plans prepared along districts with strategic projects (SGR, EACOP and Mwalimu Nyerere Power Project)
				6,051,000,000.00	0	0	6,051,000,000.00	• Land use plans prepared in 874 villages located along semi-desert and pastoral zones • Reduced land conflicts
				2,006,969,072.00	0	0	2,006,969,072.00	Reduced rural land use disputes Village implementing Land Use Management (VILUM) trained on VLUP bin 5005 Villages

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
3.	Upgrade and scale up an Integrated Land Management Information System	ILMIS in 26 Regional Land Offices and 185 Councils Land Offices	Land Tenure Improvement Project	56,690,000,000.00	86,365,860,000.00	0	143,055,860,000.00	• 25 Regional Land Offices buildings and 180 Land Councils offices with ILMS • mproved land service delivery
		7 days under 5 procedures	Land Tenure Improvement Project	4,700,000,000.00	7,694,329,000.00	0	12,394,329,000.00	• Improved business working environment • Investment on land increased
	Mainstream land management and planning systems in other sectoral development plans	National Land Data Infrastructure (NLDI) in Place	Improvement of National Land Data Infrastructure Project	1,000,000,000.00	8,538,159,300.00	0	9,538,159,300.00	• Geo-portal for NLDI operationalized • Functional NLDI in place
		26 Regions Base maps 30Continuously Operated Reference Stations (CORS) 1,188 Control Points		5,100,000,000.00	117,348,990,700.00	0	122,448,990,700.00	• Large Scale Base maps for Urban Centers for 25 Regions and Small-scale Maps Nationwide prepared • Reduced cost ofland survey and mapping
		1,839 Kilometres inland and 2,036.5 Kilometres in water for international boundaries between Tanzania and eight (8) neighbouring countries reaffirmed	International Boundaries	13,621,526,962.00	0	0	13,621,526,962.00	• nternational boundaries protocols signed between Tanzania and neighbouring countries

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
5.	Promote the use of ICT in land surveying and titling	139 functional DLHTs Offices	Construction and Rehabilitation of Buildings	2,240,000,000.00	0	0	2,240,000,000.00	• Improved working environment • Increased pace of resolution for land disputes • Reduced land conflicts
		3,000 students in Ardhi Institutes.	Construction and Rehabilitation of Buildings	960,000,000.00	0	0	960,000,000.00	• 2 dormitories constructed at ARIMO
	SUBTOTAL			**164,388,896,034**	**252,299,449,000**	**0**	**416,688,345,034**	

INFORMATION, CULTURE, ARTS AND SPORTS SECTORS

1.	Promote strategic investments in creative industry;	7 Arts centre established	Construction of Culture Complex (Project No. 6356)	1,000,000,000			1,000,000,000	National Arts Centre established
		10 Arts infrastructures in place	Construction of Open Air Theatre (Project No. 6355)	3,000,000,000			3,000,000,000	Arts infrastructure put in place and improved
		1445 Artsts and stakeholders invested in film industries		1,000,000,000			1,000,000,000	Film investment promoted
		5000 standard films produced						

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
2.	Strengthen protection of artistic works, literary works and folklores;	4 research conducted		750,000,000			750,000,000	Tanzanians customs promoted and preserved
		4 Acts and Regulation reviewed and 1 policy drawn		100,000,000			100,000,000	Legal and Institutional framework strengthened and high returns to practitioners obtained
3.	Develop and implement capacity building programmes to information, culture, arts and sports personnel/ stakeholders for effective management, compliance, professionalism and improvement of products and services;	Culture and Art works promoted and practitioners enhanced	Tanzania Culture and Arts Trust Fund (Project No. 6502)	7,505,000,000			7,505,000,000	Quality of Culture, Arts and Films produced nationally to improve and be internationally recognized
		4340 music works registered	Copyright Society of Tanzania (COSOTA – Project No. 6260)	200,000,000			200,000,000	Arts works formalized
		180 operation conducted		1,100,000,000			1,100,000,000	Arts works protected
		75 awards		1,750,000,000			1,750,000,000	Film talents identified
		3000 talents identified						
		20 festival conducted						
4.	Promote R&D on culture, traditions and values aiming at restoring, promoting and preserving them for the current and future generations;	9 researches on customs and traditions of ethnic groups in Tanzania conducted	African Liberations Heritage Programme (Project No. 6293)	250,000,000			250,000,000	Traditional culture preserved

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
5.	Construct a new Tanzania Information Auditorium with a press center and recording studios in Dododma;	1 Tanzania Information Auditorium	Public Information (Project No. 6567)	10,000,000,000			10,000,000,000	Tanzania Information Auditorium present
6.	Implement the African Liberation Heritage Programme with focus on identifying and restoring the history of liberation struggles in Africa and construction of a regional centre for the programme;	300 heritage sites and 250 Witnesses	African Liberations Heritage Programme (Project No. 6293)	5,000,000,000			5,000,000,000	African Liberation Heritage preserved
		20 awareness campaign conducted		250,000,000			250,000,000	Awareness of history African Liberation created
		50% of youth understood the meaning of campaign						
		1 Act in place		100,000,000			100,000,000	African liberation heritage mainstreamed in national programmes
		95% of program issues accomodated in policy and Acts						
		Regional centre for African Liberation Heritage Programme	African Liberations Heritage Programme (Project No. 6293)	53,158,000,000			53,158,000,000	African Liberation Heritage Programme centre present.

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
7.	Construct a film complex with modern film facilities such as cinema halls, film studios, movie theaters and movie shops;	1 Multi-Purpose Film Complex constructed		15,000,000,000			15,000,000,000	Multi-Purpose Film Complex in place
8.	Strengthen National Kiswahili Council and promote Kiswahili regionally and internally;	200 Mil. People speak Kiswahili globally.	Kiswahili strengthened globally	125,000,000			125,000,000	Tanzanians participated in East African Kiswahili Council activities
		5 Tanzanians employed and participated						
		2 motor vehicles bought		2,000,000,000			2,000,000,000	BAKITA strengthened
		1 set of interpreta-tions equipment						
		45 staff employed						
		2000 new vocabularie added		1,000,000,000			1,000,000,000	Kiswahili vocabularies and proper use of Kiswahili enhanced
		2,500,000 new kiswahili words added						

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
		10 program for marketing Kiswahili organized						
		25 Kiswahili scientific publications published		800,000,000			800,000,000	The use of Kiswahili language expanded
		86 Experts trained		250,000,000			250,000,000	Availability of Interpreters and translators in Kiswahili language
9.	Construct modern football ground in Dodoma and improve Dar es Salaam Sports Complex (Benjamin Mkapa and Uhuru Stadiums);	All sports infrastructure constructed and rehabilitated	National Sports Complex (Project No. 6523)	11,000,000,000			11,000,000,000	Modern Sports Stadium in place
		1 Sports Infrastructure constructed	Construction of Dodoma Sports Complex (Project No. 6503)	400,005,000,000			400,005,000,000	Availability of public Internationally accredited sports and games facilities
		15 stadia rehebilitated		50,000,000,000			50,000,000,000	Sports infrastructures improved all over the country
		15 stadia constructed						
		40 stadia private owened						

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
10.	Promote sports at all levels including traditional sports;	4 UMITASHUMTA competitions organized	Improve training in sports and sporting activities at all education levels in collaboration with stakeholders;	800,000,000			800,000,000	Various talents identified and sports improved
		4 UMISSETA competitions organized						
		95% of youth participated		100,000,000	100,000,000	100,000,000	300,000,000	Peace, tranquility, patriotism and national values promoted
		1000 Athletes joined Social Security Funds		200,000,000		300,000,000	500,000,000	Athletes health improved
		20 Teams prepared		20,000,000,000			20,000,000,000	National Teams prepared and participated in International competitions
		350 iternational Competitions participated		1,000,000,000	1,000,000,000	1,000,000,000	3,000,000,000	Players/Athletes participation in international competitions increased
		120 athletes identified and performing well						
		1,500 clubs registered		100,000,000	100,000,000	300,000,000	500,000,000	Public increased in sports participations
		250 joggong clubs registered						
		500 sports festival organized						

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
		100 sport academies established		20,000,000,000			20,000,000,000	Sports professionals increased
		200 long courses graduated		100,000,000			100,000,000	Sports experts increased
11.	Construct two Arts and Sports Arena with above 10,000 sitting capacity in Dodoma and Dar es Salaam to facilitate indoor sports, artistic performances and international sports and arts festivals that will be held in Tanzania;	Arts and Sports Arena and Recreation Sport centers facilities and infrastructure constructed	Construction of Recreation and Sports Centers (Project No. 6504)	52,500,000,000			52,500,000,000	Availability of public Internationally accredited recreation and sports center facilities
12.	Develop and protect areas earmarked for culture, arts, sports and leisure activities;	6055 pictures taken for country advertisments		360,000,000			360,000,000	Tanzania to be centre of filming
		7 awareness campaign		500,000,000			500,000,000	National patriotism, promotion and protection of national values enhanced
		6 education program conducted		400,000,000			400,000,000	Implementation strategies designed
		30 Events conducted						
		95% of public to the area events taking place participated						

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
13.	Establish Journalists Accreditation Board, Independent Media Council and Media Training Fund in accordance to the requirement of Media Services Act No. 12 of 2016;	950 Media provide information to the public	Public Information (Project No. 6567)	500,000,000			500,000,000	Public are provided with information timely
		Zero medias will be penalized		500,000,000			500,000,000	Media freedom protected
		850 press cards provided						
		85% Media owners are given Act education						
		95% of journalists are given with working contracts		50,000,000			50,000,000	Employment contracts given to journalists
		50 Information Department staff employed		50,000,000			50,000,000	Receiving and provision of information adhere to governing laws
		200 working tools (including studio equipments)		5,000,000,000			5,000,000,000	Information Services Department strengthened
		10 Motor Vehicles						
		530 Online and Social Media		40,000,000			40,000,000	Access to information promoted
		950 media registered		500,000,000			500,000,000	Tanzania promoted in and outside the country

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
14.	Construct Sanaa House in Dodoma that will host National Arts Council, Copyright Society of Tanzania (COSOTA), Tanzania Film Board, National Kiswahili Council and other related institutions;	Extension of creative industry service to stakeholders	Sanaa House	30,000,000,000			30,000,000,000	One stop centre of public institutions in charge of creative industry present
15.	Construct national culture complex at Kiromo, Bagamoyo;	1 National Culture Complex constructed	Construction of Culture Complex (Project No. 6356)	15,000,000,000			15,000,000,000	National Culture Complex constructed
16.	Extend coverage of Tanzania Broadcasting Corporation (TBC) radio and television	161 Districts Covered	Expansion of TBC Coverage (Project No. 4279)	200,000,000,000			200,000,000,000	161 Districts covered by TBC
		340 staff employed						
		161 Districts covered with TBC						
17	Construct TBC headquarters in Dodoma;	9 (1 in Dodoma and 8 at zonal)		50,000,000,000			50,000,000,000	Modern offices and studios built
		TBC is accessible all the world through TBC App (TBC online)		100,000,000			100,000,000	National Public Broadcaster Channels strengthened

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
18	Strengthen Tanzania Standard Newspapers (TSN) with focus on installation of a new printing facility of TSN in Dodoma and improvement of products and services;	1 state of the art printing press to be operational	Installation of a New Modern Printing Plant in Dodoma (Project No. 6505)	20,411,000,000			20,411,000,000	Access to information promoted and developed through improving printing services provided by Tanzania Standard Newspapers (TSN)
19.	Improve training infrastructure and facilities at Bagamoyo Arts and Culture Institute and Malya Sports Development College including construction of classrooms, dormitories, library and establishment of Sports Academy	5 classroom, 1 studio, 1 library rehabilitated and studio equipments bought	Rehabilitation of Bagamoyo College of Arts (Project No.4353)	12,000,000,000			12,000,000,000	Classrooms, studio and library in place
		20 buildings and stadia rehabilitated and constructed	Malya Sports Development College (Project No. 6385)	2,000,000,000			2,000,000,000	Infrastructure improved
	SUBTOTAL			**997,554,000,000**	**1,200,000,000**	**1,700,000,000**	**1,000,454,000,000**	

No.	Areas of Interventions	Targets by 2025			DPs	Private Sector	Total	Expected Outputs
FOREIGN AFFAIRS AND EAST AFRICA COOPERATION								
1.	Develop and implement a strategic framework for political and economic diplomacy	Tanzania interests voiced and country image branded		5,245,683,589	0	0	5,245,683,589	Tanzania norms well-articulated and interests well defended and safeguarded
		Tanzania good relations with neighbour countries promoted and enhanced		183,707,520			183,707,520	Improved diplomatic and socio-political between Tanzania and its neighbor countries
2.	Strengthen and expand cooperation and participation in regional and international development	Tanzania economic interests to other countries, regional bodies and international organization attained and sustained		58,361,593,155			58,361,593,155	Tanzania products specifically horticulture and fish products fetches reliable and competitive markets abroad
				142,086,790			142,086,790	Increased level of foreign grants, aids and concessional loans from Development Partners and International Financial Institutions
				106,200,000			106,200,000	Increased level of investment in agro-pro-cessing and manufacturing industries resulting from increased level of FDIs
				118,057,863			118,057,863	Number of Tanzanians employed in regional and international bodies increased

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
				245,840,363			245,840,363	Number of Tanzania projects incorporated in various regional and Internationals programs
3	Construct and rehabilitate Tanzania's embassies' buildings abroad	Mission buildings constructed and rehabilitated		187,175,033,388.3			187,175,033,388	Tanzania image abroad branded; Increased revenue; Cost of hiring buildings reduced; and Conducive working environment
4.	Construct lecture theatres at the Centre for Foreign Relations in Dar es Salaam.	Construct nine (9) lecture theatres 12 class rooms, hostels library and canteen.	Rehabilitation of Office Building	11,915,564,613			11,915,564,613	
	SUBTOTAL			**263,493,767,281**	**0**	**0**	**263,493,767,281**	
	TOTAL			**13,839,525,329,313**	**13,119,074,394,324**	**163,562,000,000**	**27,122,161,723,637**	

E. IMPLEMEMTATION MATRIX FOR SKILLS DEVELOPMENT

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
			TRANSPORT IMPROVE TECHNICAL AND VOCATIONAL EDUCATION TRAINING					
1.	Facilitate implementation of the National Skills Development Programme (2021/22-2025/26)	30	Construct new 30 DVTSCs through Skills Development Levy (SDL)	120,000,000,000	0	0		No. of RVTSCs constructed
		3	Construct RVTSCs through SDL	30,000,000,000	0	0		No. of RVTSCs constructed
		3	Rehabilitate RVTSCs through SDL	3,000,000,000	0	0		No. of RVTSCs rehabilitated
		2	Construct Polytechnics Colleges through TELMS	26,000,000,000	0	0		No of Polytechnics Colleges constructed
		500	Recruit New 500 TVET teachers	1,000,000,000	0	0		
		35	Equip and Modernize TVET infrastructure through EASTRIP	70,000,000,000	20,000,000,000	0		No. of DVTSCs infrastructure equipped and modernized
			Infrastructure equipped and modernized SET - SWISSCONTACT	20,000,000,000	20,000,000,000.00	0		No. of RVTSC infrastructure equipped and modernized
			Polytechnics Colleges infrastructure equipped and modernized through SET - SWISSCONTACT	110,000,000,000	68,750,000,000	0	178,750,000,000	No. of Polytechnics Colleges infrastructure equipped and modernized

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
2	Promote employability skills for population groups with special needs	20,000	Train youths in employable skills through SET - SWISSCONTACT programme	1,000,000,000	0	0	1,000,000,000	No. of youths trained on employable skills
		15,000	Train women in employable skills SET - SWISSCONTACT programme	800,000,000	0	0	800,000,000	No. of women trained on employable skills
		5,000	Train people living with disabilities in employable skills through SET - SWISSCONTACT	700,000,000	0	0	700,000,000	No. of people living with disabilities trained on employable skills
		4	Establish 4 centres of excellence in ICT, Leather Technology, Renewable Energy and Air Transport through EASTRIP	0	53,500,000,000	0	53,500,000,000	Centre of Excellence in ICT, leather technology, renewable energy and air transport established
3.	Mainstream ICT applicability at all levels of skills training and learning	700,000	Develop and operationalize TVET Data Management Information System (TVET Data MIS) TELMS	5,000,000,000	0	0	5,000,000,000	TVET Data MIS developed and operationalized
		50%	Mainstream the use of ICT in regulatory bodies and TVET institutions through EASTRIP	5,000,000,000	0	0	5,000,000,000	Percentage of operations automated

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
		12,000	Strengthen TVET teaching staff capacity on CBET delivery and assessment through SDL	500,000,000	5,000,000,000	0	5,500,000,000	No. of new TVET teachers trained
		150	Improve Academic Quality audit in NACTE and VETA through SDL	4,000,000,000	0	0	4,000,000,000	No. of TVET institutions audited on academic quality
		6000	Register Technical Teachers through SET - SWISSCONTACT	400,000,000	0		400,000,000	No. of technical teachers registered
		200	200 TVET institutions registered by June, 2026 though SET - SWISSCONTACT	4,000,000,000	0	0	4,000,000,000	No. of New TVET institutions registered
		400	Guide TVET institutions on examinations and certification management through SDL	4,000,000,000	0	0	4,000,000,000	No. of TVET institutions guided on examinations and certification management
4.	Mainstream and integrate theory and practice in the development of training curricular	100	Review and develop Curricular on emerging technologies through TELMS	3,000,000,000	2,000,000,000	0	5,000,000,000	No. of new curricular developed
		15	Conduct labour market survey through TELMS	2,000,000,000	1,000,000,000	0	3,000,000,000	No. of labour market reports produced
		50	ESPJ	500,000,000	750,000,000	0	1,250,000,000	No. of curricula reviewed

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
5.	Increase access to post-basic learning opportunities such as workplace-learning programmes, including formal apprenticeships, internships and upgrading informal apprenticeship;	5	Coordinate Research on labour market information through TELMS	0	200,000,000,000	0	200,000,000,000	No. of Labour Market Information assessment reports produced
		100,000	Improving the implementation of the recognition and formalization of skills acquired outside the formal education delivery system through ILO	0	200,000,000,000	0	200,000,000,000	No. of apprentices certified
		30	Increase and enhance incubation centers in order to promote innovations so as to foster skills development for TVET graduates to innovate and create self-employment through EASTRIP	0	50,000,000,000	0	50,000,000,000	No. of new incubation centers established
		10	EASTRIP	7,000,000,000	8,000,000,000	0	15,000,000,000	No.of existing incubation centers re-equipped
		150,000	Increase enrolment of technician level students to enhance engineering-technician-artisan ratio as to improve efficiency in construction and production sectors SDL	1,000,000,000	1,000,000,000	0	2,000,000,000	No. of technicians enrolled and trained

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
		20%	Establish a deliberate strategy to enable younger innovators and various youths and women groups to establish productive and entrepreneurial ventures through SDL	200,000,000	50,000,000,000.00	0	50,200,000,000	Percentage of TVET graduates, youths and women groups linked with credit facilities institutions in to access soft loans
		20%	SDL	1,000,000,000	0	0	1,000,000,000	Percentage of TVET graduates accessed toolkit soft loans
			SET – SWISSCONTACT	1,000,000,000	0	0	1,000,000,000	Tracer study report in place
	SUBTOTAL			**422,100,000,000**	**520,000,000,000**	**0**	**942,100,000,000**	
			SCIENCE , TECHNOLOGY AND INNOVATION					
1.	Strengthen Collaboration with Private Sector and DPs	Private Sector, Development Partners and individual contributing to STI activities increased by 2025	NFAST	25,000,000,000	13,500,000,000	9,500,000,000	48,000,000,000	No. of STI Fora conducted No. of Upscaled invention No.of proposal prepared and funded
		Forty-two (42) HL and R&D Institutions strengthened to conduct research activities by 2025.	NFAST/HEET/EASTRIP	283,800,000,000	18,500,000,000	12,600,000,000	314,900,000,000	No. of infrastructure developed and equiped National Research lab inplace % increase of accreditated research lab

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
2.	Creation of favourable environment for Investment in local research, innovation and industrial development focusing on value addition	500 research and innovation projects funded and 400 technologies developed by 2025	NFAST	55,000,000,000	25,500,000,000	71,000,000,000	151,500,000,000	No of research and innovation project supported No of knowledge product developed/produced
		Sixty (60) innovation system support infra-structures developed and strengthened by 2025	NFAST	18,000,000,000	11,000,000,000	24,000,000,000	53,000,000,000	No of hubs and incubators established
3.	Promotion of innovation initiatives at LGAs through supporting SMEs, Clusters and start-ups	10 SMEs, 10 Clusters and 10 Start-up companies established in each council by 2025	NFAST	11,000,000,000	7,000,000,000	16,000,000,000	34,000,000,000	National Innovation system established No. of SMEs, Clusters, start-up companies established
4.	Build Skilled and competent Human Capital in STI	Increase human capital on STI by 20% in 2025	NFAST/HEET/EASTRIP	84,000,000,000	8,000,000,000	3,000,000,000	95,000,000,000	No. of expert trained locally
		250 - Human Resources in the strategic and rare areas of science, technology and innovation increased by 2025		89,000,000,000	6,000,000,000	3,000,000,000	98,000,000,000	No of experts trained abroad
		STI policy frameworks in place by 2022	NFAST	8,000,000,000	3,000,000,000	3,000,000,000	14,000,000,000	Reviewed STI Policy

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
5.	Establishment Centre of Excellencies and research chairs in building strong and sustainable economy	12 discipline specific centres of excellence and 2 research chairs established and supported by 2025	NFAST/HEET/EASTRIP/ ACE II	762,700,000,000	9,800,000,000	5,500,000,000	778,000,000,000	5 Center of excellence established 2 Center of excellence enhanced 2 reseach chairs established
		Skills on emerging digital technology increased by 80%	Capacity Building in emerging digital technology	8,000,000,000	600,000,000	4,000,000,000	12,600,000,000	No. of individuals with emerging digital technology skills
6.	Support local R&D, investment and manufacturing of ICT equipment and its end life management	Skills on emerging digital technology increased by 80%	NFAST/HEET/EASTRIP/ ACE II	**8,000,000,000**	**600,000,000**	**4,000,000,000**	**12,600,000,000**	Skills development in emerging digital technology enhanced
	SUBTOTAL			**1,344,500,000,000**	**102,900,000,000**	**151,600,000,000**	**1,599,000,000,000**	

LABOUR, EMPLOYMENT AND PERSON'S WITH DISABILITY

1.	Extend social protection coverage to the formal and informal sector.	30	Social Security Reform Programme (2019/20-2022/23)	575,000,000.00	130,000,000.00	0	705,000,000.00	Social and economic risks, deprivation and vulnerability; and protection of human rights improving labour market results.
			Decent Work Country Programme (2020/21-2024/25)		282,253,200.00	0	282,253,200.00	

No.	Areas of Interventions	Targets by 2025	Programmes/ Projects	Budget				Expected Outputs
				Government	DPs	Private Sector	Total	
2.	Promoting employable skills of Tanzanians labour force particularly for youth, women, and Persons with Disabilities.	12.1 percent and 54.0 percent High and middle levels respectively	National Skills Development Programme (2021/22-2025/26)	549,313,314,000	910,974,650	0	550,224,288,650	National Skills Development Programme (2021/22-2025/26) developed, implemented and Monitored in close collaboration with Private Sector.
3.	Promote Youth Economic Empowerment through provision of soft loans and promotion of economic and technological innovation.	38.3% (Youth in vulnerable employment)	Decent Work Country Programme (2020/21-2024/25)		1,100,000,000	0	1,100,000,000	5,000 youth groups have been capacitated on livelihood diversification options along the seleced value chains
4.	Increase proportional of youth with Upbringing, Guidance and Counselling Services, systems and economic empowerment.		Youth Economic Empowerment Fund		470,422,000.00	0	470,422,000.00	A revised National Life Skills Standard Guide and Training Manual for Out of School Youth in place
5	Promote Inclusiveness and Economic Empowerment for Persons with Disabilities.		Decent Work Country Programme (2020/21-2024/25)	20,000,000.00	588,027,500.00	0	608,027,500.00	Persons wiith Disabilities empowered to participate in and benefit from in socio-economic activities targeted for poverty reduction.
	SUBTOTAL			**549,908,314,000.00**	**3,481,677,350.00**	**0**	**553,389,991,350.00**	
	TOTAL			**2,316,508,314,000.00**	**626,381,677,350.00**	**151,600,000,000.00**	**3,094,489,991,350.00**	

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