

High Commission of India
Dar-es-Salaam

COUNTRY NOTE ON TANZANIA

The United Republic of Tanzania, located just south of the Equator on east Africa's Indian Ocean coast, is 30% of India's size with a population of about 39.44 million. Formerly Tanganyika, under the leadership of the late President Julius Nyerere independent Tanzania played an effective role in world political affairs, especially in the fight for decolonisation and against racism.

History

2. Migration occurred into the area represented by present day Tanzania since the early Christian era from Western Africa and the Nile Basin. The Bantu people came to establish their presence over extensive areas along the coast, and a distinctive Swahili civilisation developed with the intermingling of Arab and Shirazi (Persian) immigrants by around the 12th century. About the first significant exploration into Tanganyika took place in 1846 by German missionaries, followed by the famous British explorer David Livingstone in 1866 and many others.

3. Germans came to east Africa in the 1870s, to promote trade and religion. In 1885, in the wake of the '*scramble for Africa*', Tanganyika along with Rwanda-Burundi became "*German East Africa*". German colonization faced much local opposition mainly led by Chief Mkwawa, followed by the bloody Maji Maji uprising in 1905-06. After the First World War, Britain got the League of Nations mandate to administer the territory. After World War II, Tanganyika became a 'Trust Territory' under the UN, and Britain conducted the country towards self-government and eventual independence. Under the leadership of Julius Nyerere, the 'Mwalimu' (teacher), President of the Tanganyika African National Union (TANU) with its rallying motto "*Uhuru na Umoja*" (Freedom and Unity), Tanganyika became the first East African country to gain independence, without any civil disturbance, on 9 December 1961.

4. The nearby archipelago of Zanzibar comprising mainly of the islands of Unguja or Zanzibar, and Pemba, came to be an important entrepot for the slave, spice and ivory trade dominated by the Omani Arabs. In 1832, Omani Sultan Sayyid Said bin Sultan made Zanzibar the capital of his expanded empire. In 1890 it became a British protectorate and achieved independence on 10 December 1963. The re-enthroned Sultan Sayyid Jamshid lasted just a month, before a bloody revolution, led by Abeid Amani Karume of the Afro-Shirazi Party (ASP) deposed him on 12 January 1964.

5. Nyerere and Karume agreed for Tanganyika and Zanzibar to form a union leading to the formation of Tanzania on 26 April 1964. Nyerere, initially Prime Minister, and then President voluntarily stepped down in 1985; he was succeeded by Ali Hassan Mwinyi as President. Subsequent Presidents have been Benjamin William Mkapa (1995-2005) and Jakaya Mrisho Kikwete (December 2005). The first multi-party election was in 1995.

Geography

6. With a total area of 945,087 sq km, Tanzania, the largest country in East Africa, is located between Long. 29° and 41° E, and Lat. 1° and 12° S. It borders, anti-clockwise, Kenya, Uganda, Rwanda, Burundi, Democratic Republic of Congo, Zambia, Malawi, and Mozambique, with the Indian Ocean to the east. With a coastline of 1,424 km, topography and climate are highly varied from tropical coast to vast savannahs, high plateaux, deep lakes (Victoria, Tanganyika and Nyasa), and the snow-capped Kilimanjaro (5,895 m).

7. The city of Dar es Salaam (Arabic for '*abode of peace*') was founded in 1862 by Sultan Sayyid Majid of Zanzibar. In 1891 the Germans transferred the capital from Bagamoyo to Dar es Salaam. Officially, the national capital was moved in 1973 to more centrally located Dodoma, which is still only the seat of the national legislature; Dar es Salaam (population 2.88 million-Economic Survey 2008) remains effectively the capital. Shinyanga region has the highest population (3.41 million) followed by Mwanza region (3.26 million).

People

8. The population – 42.6 million (BMI 2009 estimates) - comprises of Christians and Muslims about 40% each, the rest being tribals and animists etc. Zanzibar's 1.15 million population is almost entirely Muslim.

9. There are some 120 tribes in Tanzania. About 95% of the population derives from those early Bantu settlers, thought to be an amalgam of Hamitic (who came from southern Arabia) and Negroid people, and the wandering Nilotics, such as the Masais, from northern Africa. The later arrivals included Omani and Yemeni Arabs, Portuguese, Dutch, German and the British. A population from the Indian sub-continent settled here from the early 19th century, first in Zanzibar.

10. Though Tanzania has linguistic diversity, the lingua franca is a major Bantu language, Kiswahili. Written in Roman script, it has more than 100 dialects, and is in use in several countries in the region.

Political System

11. The 1977 Constitution (as amended) provides for Tanzania as a unitary republic based on multi-party parliamentary democracy, with the President, elected directly, being eligible for maximum two 5-years terms as the executive head of State. National Assembly (Bunge) has up to 325 members, 75 special women's seats apportioned among the political parties based on their election results and 10 Presidential nominees. The judiciary, evolved from the British model, is largely independent.

12. The ruling party, Chama Cha Mapinduzi (CCM), formed by the merger of TANU and ASP in 1977 has remained in power since independence. The introduction of multi-party politics (1995) has yet made little dent on its fortunes, CCM winning all with an overwhelming majority. There are 15 other

registered political parties, the leading among them being the Civic Union Front (CUF) which however has a limited base confined mainly to Zanzibar. The system of multi-party democracy in Tanzania is in place.

13. The President, as the executive head, wields vast and effective powers, but within the checks and balances of a popular democracy. He is assisted in his responsibilities by the Vice President and Prime Minister, and the Council of Ministers. He is limited to two terms of five years each.

14. The constitutional and political position of Zanzibar is unique. It has remained like a quasi-federation with the constitution allowing Zanzibar its own President, Chief Minister, government, and the House of Representatives. Zanzibar thus enjoys much autonomy, but the union government effectively has the control in almost all important areas of governance.

15. Post-independence Tanzania has, in general, enjoyed uninterrupted peace, stability and social cohesion, and the country's political, communal or tribal stability.

16. The 4th Multi-Party General Election was held on 31st October, 2010 in which President Kikwete was re-elected for the second term. The Tanzanian President, His Excellency Dr. Jakaya Mrisho Kikwete, announced his list of Cabinet on 24th November 2010 comprising of 29 Ministers and 21 Deputy Ministers. The Cabinet Ministers were selected to be of new generation widely acclaimed as competent and hard working of which he retained some of the old hands including the Minister of Finance, Minister of Agriculture, Minister of Foreign Affairs & International Co-operation, Minister of Defence & National Service and Minister of Energy & Minerals who will hold the same portfolio as in the previous Cabinet.

Sl.No.	Name[s]	Portfolio
1.	Mr. Mustapha Mkulo	Minister of Finance
2.	Mr. Shamsi Vuai Nahodha	Minister of Home Affairs
3.	Ms. Celina Kombani	Minister of Constitutional Affairs and Justice
4.	Dr. Hussein Ali Hassan Mwinyi	Minister of Defence and National Service
5.	Dr. Mathayo David Mathayo	Minister of Livestock Development and Fisheries
6.	Prof. Makame Mnyaa Mbarawa	Minister of Communications, Science and Technology
7.	Prof. Anna Tibaijuka	Minister of Lands, Housing and Human Settlements
8.	Mr. Ezekiel Maige	Minister of Natural Resources and Tourism
9.	Mr. Willian Ngeleja	Minister of Energy and Minerals
10.	Mr. John Magufuli	Minister of Works
11.	Mr. Omari Nundu	Minister of Transport
12.	Dr. Cyril Chami	Minister of Industry and Trade
13.	Dr. Shukuru Kawambwa	Minister of Education and

14.	Dr. Haji Hussein Mponda	Vocational Training Minister of Health and Social Welfare
15.	Ms. Gaudensia Kabaka	Minister of Labour and Employment
16.	Ms. Sophia Simba	Minister of Community Development, Gender and Children
17.	Dr. Emmanuel Nchimbi	Minister of Information, Youth and Sports
18.	Mr. Samuel Sitta	Minister of East African Cooperation
19.	Prof. Jumanne Meghembe	Minister of Agriculture, Food Security and Cooperatives
20.	Prof. Mark Mwandosya	Minister of Water

17. President Kikwete had earlier sworn-in Ms. Anne Makinda as Speaker of Bunge and Mr. Mizengo Pinda as Prime Minister. President Kikwete's running mate, Mohamed Gharib Bilal, was also sworn-in as the Vice-President.

Media

18. Tanzanian media is, in professional terms, representative of the country's development levels, and yet in recent years it has evolved rapidly to emerge as an effective voice in the affairs of the nation. There are four major English daily newspapers, one of which is owned by the government. These, and the Kiswahili vernacular dailies, 53 weeklies, and 42 other regular titles, nonetheless, enjoy much freedom, and also provide a popular forum for the public to air their views. The electronic media, comprising TV (TBC-State owned, and other channels by cable and satellite), radio, and the internet, has expanded well.

Membership

19. Tanzania is a member of almost all significant international organisations, including NAM, Commonwealth, AU, IBRD/IMF, and WTO, as well as IOR-ARC. In Africa it is an active member of the African Union, the Southern African Development Community (SADC), and the East African Community (EAC). It is also an active supporter of NEPAD, IOR-ARC, IBRD/IMF, WTO.

20. There are some 50 resident diplomatic missions in Dar es Salaam, and 5 countries, including India, have consulates in Zanzibar. Asia is represented by India, China, Japan, South Korea, Indonesia, Iran and Vietnam, the Middle-East by Saudi Arabia, UAE, Palestine, Iran, Syria and Yemen, Turkey and Latin America by Cuba and Brazil. Among South Asian country India and Pakistan have a diplomatic mission in Dar es Salaam. Pakistan closed down its Mission for austerity reasons in 1998 and reopens in July 2009. Bangladesh has an Honorary Consul.

Economy

21. Tanzania is among the poorer countries of the world, with over 33.3% population below the poverty line, life expectancy just 56.9 years (2009), HDI ranking (UNDP Human Development Report 2010) 148/169, and HIV/AIDS incidence at about 11%. However, the economy, still largely agrarian (25% of GDP), has done well in recent years, with promise potential in agriculture, mining and tourism.

22. Independent Tanzania under Nyerere followed socialist economic policies laid down by the Arusha Declaration in 1967 with a much more thoroughgoing nationalisation than in India creating public sector parastatals and agrarian communes in the Ujamaa experiment. After initial growth the economy went into decline. The parastatals turned into inefficient and overstaffed monopolies; businesses and private property were nationalised; and Ujamaa itself failed when farmers lost incentives for higher productivity.

23. Talks with IMF/World Bank were started in 1984, followed by the launch of economic reforms. Liberalisation of the economy and substantial infusion of resources from the Fund/Bank and other donors gradually produced higher growth rates. In November 2001, Tanzania had the satisfaction of reaching the completion point of the Enhanced HIPC (Highly Indebted Poor Country) Initiative, thus earning a total debt repayment waiver of about \$ 3 billion, which amount is to be utilised for poverty alleviation focusing on the sectors of education, health, water supply, transport, agriculture, good governance, and the judiciary. Privatisation of the parastatals has been pursued vigorously, with 647 such organisations already privatised by 2004, and the privatisation exercise of its remaining 36 strategic state-owned firms like the Tanzania and Zambia Railways Authority (TAZARA), Tanzania Ports Authority (TPA) and the National Insurance Corporation (NIC) by the end of December 2007.

24. Tanzania is now perceived as one of the better economic performers of sub-Saharan Africa. Tanzania's GDP growth rate for the year 2010 was estimated at 7.0%, compared to the 7.4% in 2008. The inflation rate has increased to 12.10% in 2010 from 10.30% in 2009. Tanzania's GDP [PPP] was US\$ 62.22 billion in 2010 and per capita income was US\$ 1500 (2010 estimate). The foreign exchange reserves were about \$ 3.6 billion in 2010. Tanzania's trade deficit for the period [Jan-July 2011] was US\$ 849.84 million. In a period 1990-2009, the United Kingdom has been leading among countries with more investment worth US\$ 1590.90 in 795 projects. India is the second with 299 projects worth US\$ 1,314.01. According to the Tanzania Investment Centre, it is expected to receive 750 investment projects worth US\$ 3 billion in 2011, up from 610 projects in 2010 worth US\$ 2.5 billion and 570 projects in 2009, worth US\$ 2.3 billion. Major areas of investment were : tourism, natural resources, energy, manufacturing, telecom, banking & insurance, transportation and infrastructure. Tanzania's external debt stock was US\$ 8,706.3 million at the end of January 2010. Out of the total external debt stock, US\$ 7,043.4 million (80.9%) was disbursed for outstanding debt (DOD) and the remaining balance of US\$ 1,662.9 million (19.1%) was interest arrears. Tanzania's external debt was US\$ 8,675.5 million at the end of December 2010. The external concessional loans and grants including debt relief account for 32% of Tanzania's total budget underscoring the economy's continued vulnerability and overdependence on the donor community.

25. The Tanzanian budget for the year 2010-11 was put at Tshs. 11,609,557 million as compared to Tsh. 9,238,801 million set for the year 2009-10. Out of the total budget of Tshs. 11,609,557 million, 30% is envisaged from donations from donor countries. The budget envisaged a total expenditure of Tshs.11,609,557 million out which Tshs. 7,790,506 earmarked for the recurrent expenditure and Tshs. 3,819,051 million for the development expenditure. In the budget for 2010-11, the Tanzanian government allotted an amount of Tsh. 2,045.4 billion for Education (increased from Tshs. 1,743.9 of 2009-10); Tshs. 1505.1 billion for Infrastructure (increased from Tshs. 1096.6 billion of 2009-10); Tshs. 1181.7 billion for Health (increased from Tshs. 800.4 billion of 2009-10); Tsh. 903.8 billion for Agriculture (increased from Tshs. 666.9 billion of 2009-10); Tsh. 397.6 billion for Water (increased from Tshs. 347.3 billion of 2009-10); and Tsh. 285.5 billion for Energy & Minerals (a decrease of 24.6% from 2008-09).

26. Tanzania's commodity exports estimated at US\$ 3,687.40 million [2010] are traditionally comprised of Gold, Manufactured goods, Fish & Fish Products, Cotton, Tobacco, Coffee, Vegetable & Oilseeds, Minerals and Cashew nut. With the recent mining upsurge, gold, diamonds, tanzanite (a unique blue-purple gemstone), and other gemstones have emerged as the single largest group of exports. Tanzania's imports amounted to US\$ 7,125.10 million (2010). Tanzania's main imports are: Consumer Goods, Machinery, Oil, Transport Equipment, Building & Construction Equipment, Industrial Raw Materials, Food & Foodstuffs and Fertilizers. Major Export Markets are: Switzerland, China, India, Kenya, South Africa, Netherlands, Japan, Hongkong, Belgium, DRC, UAE (2009 ranking-Source: TRA). Tanzania's most important sources of imports are: India, China, South Africa, UAE, Japan, Kenya, Germany, Singapore, UK Saudi Arabia, (2009 ranking).

27. Services sector including Tourism accounts for about half of the GDP, as well as foreign exchange earnings. Agriculture, including forestry and fishery accounts for more than a quarter of GDP, and over 90% of domestic food supply. The main foodgrain crop is maize; other crops including cloves, cashew nuts, cassava, coffee, cotton, tea, sisal, pyrethrum, paddy, fruits & vegetables. Tanzania has abundant arable land, some water resources, and good hydel potential, but both agriculture and hydel sectors are restricted by the absence of investment, rural extension and induction of technology. Land being a sensitive issue also inhibits needed bold initiatives.

28. The legacies of socialism and Ujamaa, poor infrastructure, high input costs, excessive lending rates besides a poor banking network, low productivity, limited market access, lack of ancillary units, the common bureaucratic ills, and an inadequate policy framework, are the major factors behind a limited industrial sector just about 8.4 of GDP. The main industries are sugar, beer, cigarettes, sisal twine, edible oil refining, shoes, cement, textiles, food products, fertilisers and salt, few of which are competitive in global terms.

29. Tanzania's large deposits of gold, diamonds, and precious stones were unexploited for long for the lack of investment and technologies. Liberalisation has drawn FDI particularly in this sector. Tanzania's production of gold in 2010 reached 2.2 million carats in 2010, up by 15.*% compared to 1.9 million carats

produced the preceding year. The increase mainly pushed by African Barrick Gold mines, rose from 1.11 million troy ounces in 2009 to 1.22 million troy ounces in 2010. The diamond output during the year – 2010, amounted to 43,264 carats, down by 67.6 per cent compared to 133,526 carats produced in 2009. TanzaniteOne production reached 2.2 million carats in 2010, up by 15.8% compared to 1.9 million carats produced the preceding year. Coal, nickel and cobalt are among other minerals found. Natural gas was found by ONGC in 1975 but is being exploited in limited quantities yet.

30. The Tanzanian Shilling (TShs) has been gradually declining in value. The current exchange rate is about TZS 1680 for 1 US\$, or TZS 34.023 for 1 Rupee (October, 2011).

31. Tanzania is a WTO party, sharing the developing world's major concerns against non-implementation, and new Non Tariff Barriers in the name of environment and social factors etc. In general the approach of Tanzania typifies that of the LDCs.

Tanzania's Diaspora Remittances

32. The annual remittances to Tanzania amount to slightly less than US\$ 200 million which was 1.8% of the inflows to sub-Saharan Africa in 2007(Source: World Bank Factbook 2008). This was a small percentage from the global remittances industry, which amounted to US\$ 318 billion in 2007, because it has a small number of its citizens working abroad, a majority of them holds low paying jobs.

Dar-es-Salaam, October, 2011