




TANZANIA PROJECT PROFILES

AFRICA INVESTMENT FORUM 2019

A large piece of heavy machinery, likely a bulldozer, is silhouetted against a sunset sky over a body of water. The machine is dark, with some details visible like the 'CAT' logo and the number 'N8C85'. The sky is a mix of orange, yellow, and dark blue, with clouds catching the low light of the sun. The water in the foreground is dark and calm.

November 2019

Karibu Tanzania





TANZANIA AT GLANCE

The United Republic of Tanzania was established in 1964 when the sovereign states of Zanzibar and Tanganyika united. Tanzania is 947,300 km², which including 54,337 km² of inland water. Zanzibar is comprised of the island of Pemba is roughly 984 km² and the island of Zanzibar is 1,657 km². Being one of the five countries in East Africa, Tanzania is located south of the equator.

Mainland Tanzania is situated between the areas of the Great Lakes of Victoria, Nyasa and Tanganyika. The country also borders with the Indian Ocean with roughly 1,400 kilometers of coastline and eight countries namely, Uganda, Burundi, Kenya, Rwanda, Zambia, Malawi, the Democratic Republic of Congo and Mozambique.

The country's geography is greatly beneficial. Tanzania is connected directly to the Indian Ocean giving it trade links to Asia and sits in between the ocean and six land-locked countries (Uganda, DRC, Rwanda, Burundi, Zambia and Malawi) that rely on Tanzania for passage of their goods. The country has three deep water ports (Dar es Salaam, Tanga and Mtwara) that are servicing the neighbouring countries. With its developed and developing rail, road, air, and water transport networks, Tanzania remains a natural transportation and logistics hub for East and Central Africa.



Apart from being a point for passage of goods, Tanzania's breadth of internal production capabilities driven by rich natural resources, e.g. large size of arable land (44 million ha) and mineral deposits make it an attractive economic hub in the region.

Over the decade between 2009-2018, Tanzania's GDP grew at an average rate of 6.4%. This growth record is above the Sub-Saharan average of 5.2% and over the same period has ranked Tanzania among the top 20 fastest-growing economies in the world.

Export value have grown by about 90% while imports recorded a growth of 70%. The headline inflation rate remained at a single digit level since 2014. The stability in prices provide for a predictable investment climate.

Tanzania's membership to the Southern Africa Development Community (SADC) and the East African Community (EAC) provides an assured market for produced goods and services. Tanzania is also a signatory to the Africa Continental Free Trade Area (ACFTA), which envisages to facilitate and promote trade within the continent.

TANZANIA PROJECT PROFILES*

Introduction

Tanzania is determined to achieve its industrialisation goal as set out in her National Development Vision 2025, which is currently being implemented through the National Five-Year Development Plan 2016/17 – 2020/21 (FYDP II). This will entail, among other things, successfully implementing a number of key development projects. The challenge lies not in the identification of the vital development projects but rather on soliciting adequate financing for the planned projects. In addressing the challenge, the Government has set out to strengthen ties with local and international counterparts, private and/or public, for the purpose of mobilising additional resources to fund the outlined development projects.

The project profiles outlined, are a subset of key national strategic development projects earmarked in the FYDP II. The projects are drawn from key economic and social sectors namely: works, energy, transport, industry, minerals and health. The proposed 12 projects are expected to be financed through a variety of financing arrangements deemed optimal/suitable for the respective projects. These include joint venture, foreign direct investment (FDI) and loans. A brief narration of the earmarked projects is contained in the paragraphs that follow.

The **Construction of Hydropower plants** is intended to improve power generation and supply to the national grid. This will improve reliability and affordability of power for users both in rural and urban areas. In doing so, it will stimulate economic and social activities in sectors like industry, tourism, education and health. These projects include: **Ruhudji** (Njombe) which is estimated to cost 1,059,380,000,000 Shillings, **Rumakali** (Njombe), 892,860,000,000 Shillings and **Mpanga** (Morogoro), 465,060,000,000 Shillings according to a feasibility study

* Costs indicated in the profiles are estimates and can change subject to fluctuation in exchange rate of shilling versus relevant to foreign currencies.

undertaken in 1997. Pre- feasibility studies have been done for Ruhudji, Rumakali and Mpanga projects. Full feasibility studies are required.

In terms of **Hospital projects** the Government has planned to construct a ***New Ultramodern Hospital in Dodoma*** to cater for the highly needed specialized and super specialized services in the city and nearby regions. The project is expected to increase accessibility to super specialized medical services, as well as modern and advanced technology diagnostic facilities; reduce unnecessary costs (due to treatment abroad), morbidity and mortality to Tanzanians caused by limited diagnostic and super specialized health services; and decongest Muhimbili National Hospital which is overwhelmed by unmanageable number of patients from all over the country currently referred to it. The hospital will be constructed at Nala area in Dodoma City and will involve construction of hospital infrastructure, procurement of diagnostic equipments, capacity building to health sector workers and technology exchange. The project will be implemented for a period of three years and is estimated to cost 300,150,000,000 Shillings. Preparations for project implementation are ongoing whereby 100 acres of land have been allocated, and the architectural drawings and bills of quantities are at completion stage.

The **Development of Pharmaceutical Industries** is intended to increase the country's supply capacity of medicines and medical equipments in order to address shortages in supply of medicines and medical equipments and reduce heavy reliance on importation to meet domestic demand. The projects under consideration include: Establishment of a General ***Pharmaceutical Manufacturing Plant*** (Kibaha) which is estimated to cost 938,400,000,000 Shillings; Establishment of a ***Large Volume Parenteral (IV fluids) Plant*** (Mbeya) costing 144,900,000,000 Shillings; Establishment of ***Medical Cotton Products Plant*** (Mwanza) costing an estimated 105,800,000,000 Shillings; and ***Drugs and Medical Equipment Manufacturing Plant*** (Chamazi -Dar-es-Salaam) costing an estimated 23,000,000,000 Shillings.

In lines with efforts to create an **Industrial base** plans are under way to develop ***Cotton to Clothing Industrial Park*** – located in Geita, its implementation includes construction

of supportive infrastructure for the industrial park and textile industries at the proposed park. The estimated project cost is 174,110,000,000 Shillings of which Phase I is 84,341,000,000 Shillings and Phase II is 89,700,000,000 Shillings. Estimated cost for supporting infrastructure is 28,043,900,000 Shillings. Construction of **Kibaha Textile Special Economic Zones (SEZ)** involves constructing basic supporting infrastructure and industrial sheds for textiles and apparels at Kibaha TAMCO Industrial area and subsequently leasing them to private parties. The project is estimated to cost 181,355,000,000 Shillings and its implementation will help revive the textile and apparel industry and enhance value addition in in cotton and leather products. The construction of a **Nile Perch Fish Processing Factory Mwanza** with estimated minimum investment costs 15,599,359,989 Shillings and expected to tackle the challenges of low supply of processed and semi processed fish and fish products in the local and regional markets; and unavailability of reliable market of fish from small scale fishermen. The objective of this project is to maximise the utilisation of Nile perch resources.

In order to facilitate optimal exploitation of its mineral wealth there are a number of **Mining projects** under consideration. These Includes: **Engaruka Basin Soda Ash Project** is located in Monduli, Arusha with the objective of extracting and processing soda ash from Engaruka basin. The estimated project cost is around 1,725,000,000,000 Shillings to be implemented in 5 years under the supervision of National Development Corporation (NDC). Currently, the drilling exploration and geological studies reports are in place and valuation of properties of the Project Affected People (PAPs) has been completed. This project is intended to enhance industrial development and improve terms of trade, balance of trade and balance of payments of the country. **Mchuchuma Coal and Vanadium, Titanium and Ireore Liganga Project** is located in Ludewa District, Njombe. Its implementation includes construction of the Mines, construction of a power plant and transmission lines, construction of projects supportive infrastructure and construction of the Liganga Metallurgical Complex. The estimated project cost is around 6,900,000,000,000 Shillings to be implemented in 5 years under

the supervision of National Development Corporation (NDC). Currently, review of project contract in line with the Natural Wealth and Resources Permanent Sovereignty Act, 2017 is ongoing, geotechnical studies on the quantity and types of minerals as well as Soil Investigation Report are at final stage; and assessment of project overall value is ongoing. This project intends to generate foreign exchange savings through reducing importation of steel.

The project profiles outlined in this document contain: basic project information such as project name, estimated project cost, project implementation period, responsible sector ministry and implementation agency; project overview comprising challenges to be addressed by the project, project objectives, project components, project expected results and implementation status. The details of the project profiles are provided in the following sections.



HYDRO POWER PROJECTS



1.1 Ruhudji Hydropower Project (385 MW) And Transmission Line (170 KM)

Project Name

Ruhudji Hydropower Project (358MW)
and Transmission Line (170 km).

Estimated Project Cost:

Power Plant: 937,020,000,000 Shillings
Transmission Line (170 km): 122,360,000,000 Shillings.

Counterpart funding (if any):

To be determined

Program/Project Period:

To be determined

Proposed financing instrument:

To be determined

Responsible Sector ministry:

Ministry of Energy

Implementing Agency:

Tanzania Electric Supply Company
Limited (TANESCO)

Program Overview:

Main Development Challenge/s the Project will Address:

- Ruhudji HPP is a high head scheme, 765m head, 358 MW underground power station, (4 x 89.5 MW Pelton). This project will add capacity of hydropower in the National grid. The transmission line is 170 km 400kV single circuit from Ruhudji HPP to backbone substation at Kisada (National Grid System).

The project will improve availability, reliability and affordability of electricity needed to support the industrialization drive.

Project Objectives:

- Lowering cost of generation resulting from using expensive fuel and emergency power plants;
- Increasing percentage of hydropower in the energy mix
- Improving power reliability and supply to the Southern Highland Regions of Tanzania.

Project Components:

- Hydropower Plant high head scheme, 765m head;
- 358 MW underground power station, (4 x 89.5 MW Pelton)
- 170 km 400kV single circuit Transmission line.

Project Location:

Njombe Region.

Expected Results:

- Increasing power evacuation capacity to the country
- Improving voltage level, reliability and security of power supply
- Stimulating socio-economic activities in the country including tourism
- Accelerate rural electrification in the region
- Extend the national grid to the isolated regions
- Replacing expensive imported liquid fuel power plants
- Facilitate regional power trade with neighbouring Countries.

Implementation Status:

Feasibility study in place but needs to be updated.





1.2 Rumakali Hydropower Project (222MW) and Transmission Line (150 KM)

Project Name

**Rumakali Hydropower project (222MW)
and Transmission Line (150 km).**

Estimated Project Cost:

Hydropower project (HPP): **791,200,000 Shillings**
Transmission line (150 km): **101,706,000,000 Shillings**

Counterpart funding (if any):

To be determined

Program/Project Period:

To be determined

Proposed financing instrument:

To be determined

Responsible Sector ministry:

Ministry of Energy

Implementing Agency:

**Tanzania Electric Supply Company
Limited (TANESCO)**

Program Overview:

Main Development Challenge/s the Project will Address:

- Rumakali HPP is a high head scheme, 1294.5m head, 222 MW underground power station (3 x 74 MW Pelton). Transmission line is 150 km long from Rumakali to Mbeya, 400kV single circuit.

The project will improve availability, reliability and affordability of electricity needed to support the industrialization drive.

Project Objectives:

- The project will provide the country with energy generated at low cost.
- It will raise the utilization of the available hydropower potential as one of the power generation resources and retirement of using diesel power plants.
- Increasing percentage of hydropower in the energy mix.
- Improving power reliability and supply to the Southern Highland Regions of Tanzania.

Project Components:

- Hydropower Plant high head scheme, 1294.5m head
- 222 MW underground power station (3 x 74 MW Pelton)
- 400kV single circuit Transmission line of 150 km long from Rumakali to Mbeya.

Project Location:

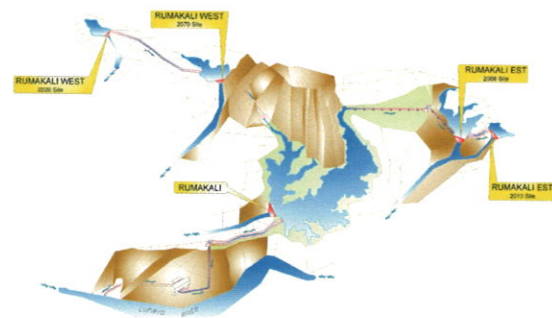
Makete in Njombe region

Expected Results:

- Increasing power generation, transmission and distribution capacity in the country.
- Improving voltage level, reliability and security of power supply.
- Accelerate industrialization in the country.
- Stimulating socio-economic activities in the country including tourism
- Accelerate rural electrification in the region.
- Extend the national grid to the isolated regions and replacing expensive imported liquid fuel power plants.
- Facilitate regional power trade with neighbouring countries.

Implementation Status:

Feasibility Study in place but needs to be updated.





1.3 Mpanga Hydropower Project (160 MW))

Project Name

Mpanga Hydropower Project (160 MW)

Estimated Project Cost:

465,060,000,000 Shillings
(1997 Feasibility study report)

Counterpart funding (if any):

To be determined

Program/Project Period:

To be determined

Proposed financing instrument:

To be determined

Responsible Sector ministry:

Ministry of Energy

Implementing Agency:

**Tanzania Electric Supply Company
Limited (TANESCO)**

Program Overview:

Main Development Challenge/s the Project will Address:

- Mpanga Project site located 25 km from Mlimba to the power station access tunnel and service area. A submerged intake to the headrace tunnel will be located to the north-west of the dam. The intake sill will be at elevation 705 m, or 5 m below the stipulated lower reservoir level. A trash-rack and roller-gate assembly will be positioned near the intake. The project will improve availability, reliability and affordability of electricity needed to support the industrialization drive.

Project Objectives:

- The project will provide the country with energy generated at low cost.
- It will raise the utilization of the available hydropower potential as one of the power generation resources and retirement of using diesel power plants.
- Increasing percentage of hydropower in the energy mix.

Project Components:

To be determined

Project Location:

Kilombero - Morogoro

Expected Results:

- Increasing power generation, transmission and distribution capacity in the country.
- Improving voltage level, reliability and security of power supply.
- Accelerate industrialization in the country.
- Stimulating socio-economic activities in the country including tourism.
- Accelerate rural electrification in the region.

Implementation Status:

Feasibility Study report of 1997 is in place but needs to be updated.



The background of the cover is a photograph of a hospital room, overlaid with a semi-transparent blue filter. The room contains a hospital bed with white linens, a medical monitor on a stand, a bedside table with a lamp, and a window with blinds. A bright green horizontal bar is positioned in the upper right quadrant of the image. The title 'HOSPITAL PROJECTS' is centered in the lower half of the image in a large, white, bold, sans-serif font.

HOSPITAL PROJECTS



2. Construction of New UltraModern Hospital in Dodoma

Project Name

Construction of New Ultramodern Hospital in Dodoma

Counterpart funding (if any):

None

Proposed financing instrument:

To be determined

Implementing Agency:

To be determined

Estimated Project Cost:

300,150,000,000 Shillings

Program/Project Period:

To be determined

Responsible Sector ministry:

Ministry of Health, Community Development, Gender, Elderly and Children.

Program Overview:

Main development Challenge/s the Project will Address:

- Mismatch between population growth and specialized and super specialized services.
- High cost to patients caused by frequently referrals to Muhimbili National Hospital.
- Inadequate capacity to provide specialized services
- Congestion in Muhimbili National Hospitals resulted from frequent refferalls from other hospitals.

Project Objectives:

Broad Objective

Improved specialized and super specialized health services in Dodoma the capital city of Tanzania.

Specific Objective

- To increase accessibility to super specialized medical services to more Tanzanians.
- To increase accessibility to modern and advanced technology diagnostic facilities in Tanzania.
- To reduce unnecessary costs due to treatment abroad.
- To reduce morbidity and mortality to Tanzanians due to limited diagnostic and super specialized health services.

Project Components:

- Physical Infrastructure
- Diagnostic Equipments
- Capacity Building
- Technology Exchange

Project Location:

Nala in Dodoma City Council. A total of 100 acres have been allocated for the project.

Expected Results:

- Increased accessibility to modern diagnostic and super specialized health services to the people of Tanzania.
- Improved referral system and reduced patient waiting times for modern diagnostic and super specialized health services.
- Reduced morbidity and mortality due to limited access to quality health services.

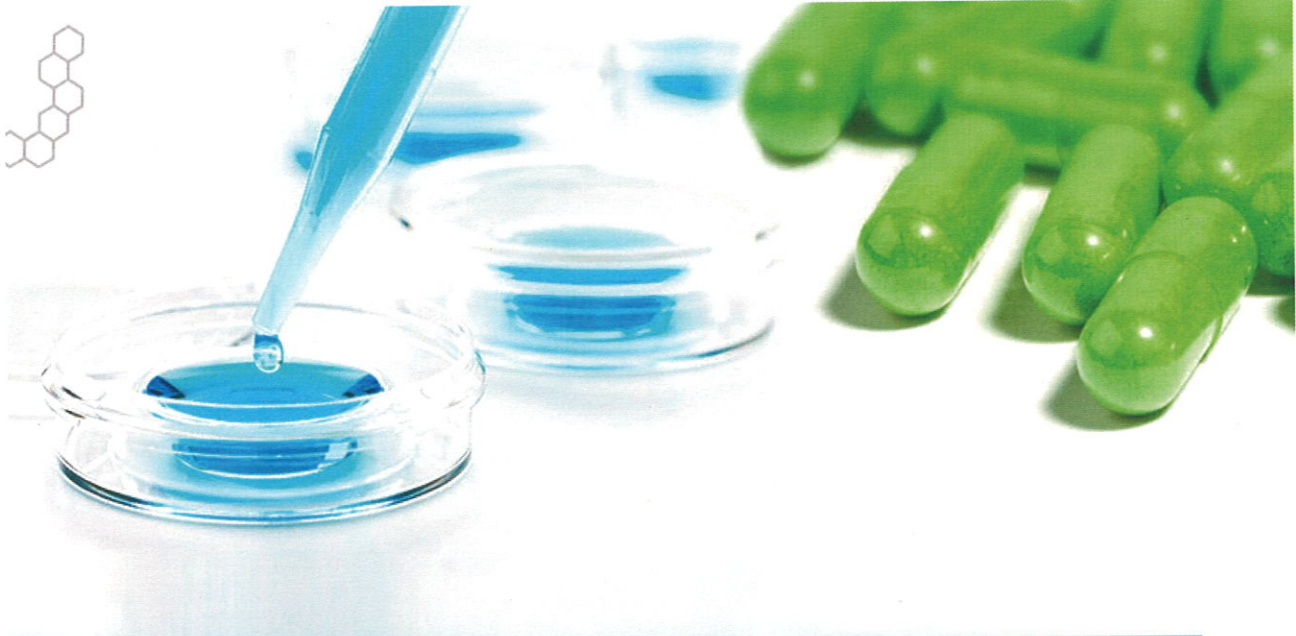
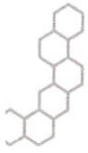
Implementation Status:

The area for project implementation has been allocated; and Architectural drawings and BOQs are at the final stages of preparation





PHARMACEUTICAL PROJECTS



3.1 Establishment of General Pharmaceutical Plant

Project Name

Establishment of General
Pharmaceutical Plant

Counterpart funding (if any):

To be determined

Proposed financing instrument:

Public Private Partnership

Implementing Agency:

Medical Stores Department

Estimated Project Cost:

938,400,000 Shillings

Program/Project Period:

To be determined

Responsible Sector ministry:

Ministry of Health, Community Development,
Gender, Elderly and Children (Health)

Program Overview:

Main development Challenge/s the Project will Address:

Shortages of medicines and medical supplies and reduce heavy reliance in importation of medicines and medical supplies

Project objectives

- Reduce dependency on importation of medicines as over 85% of the medicines required in the country are imported
- Reduce procurement process lead time
- Reduce storage costs

Project Components

- Undertaking ESIA; Procurement of private investor(PPP partner)
- Construction works and commissioning

Project Location

Kibaha - Coastal Region

Expected Results

- Easy management of medicines and medical supplies' quality, as they will be locally produced and regulated by country's regulatory Authorities;
- Jobs creation
- Improvement in social services in proximity of the new manufacturing facility, e.g. access road, power, education, environment cleaning, health services etc;

Implementation Status

- Feasibility study in place
- Transaction Advisor for solicitation and procurement of the strategic private investor engage





3.2 Large Volume Parenteral (I.V fluid) Manufacturing Plant

Project Name

Establishment of General
Pharmaceutical Plant

Estimated Project Cost:

938,400,000 Shillings

Counterpart funding (if any):

To be determined

Program/Project Period:

To be determined

Proposed financing instrument:

Public Private Partnership

Responsible Sector ministry:

Ministry of Health, Community Development,
Gender, Elderly and Children (Health)

Implementing Agency:

Medical Stores Department

Program Overview:

Main development Challenge/s the Project will Address:

Shortages of medicines and medical supplies and reduce heavy reliance in importation of medicines and medical supplies

Project objectives

- Reduce dependency on importation of medicines as over 85% of the medicines required in the country are imported
- Reduce procurement process lead time
- Reduce storage costs

Project Components

- Undertaking ESIA; Procurement of private investor(PPP partner)
- Construction works and commissioning

Project Location

Kibaha - Coastal Region

Expected Results

- Easy management of medicines and medical supplies' quality, as they will be locally produced and regulated by country's regulatory Authorities;
- Jobs creation
- Improvement in social services in proximity of the new manufacturing facility, e.g. access road, power, education, environment cleaning, health services etc;

Implementation Status

- Feasibility study in place
- Transaction Advisor for solicitation and procurement of the strategic private investor engage





3.3 Medical Cotton Products Plant

Project Name

Medical Cotton Products Plant

Estimated Project Cost:

105,800,000,000 Shillings

Counterpart funding (if any):

To be determined

Program/Project Period:

To be determined

Proposed financing instrument:

Public Private Partnership

Responsible Sector ministry:

Ministry of Health, Community Development,
Gender, Elderly and Children (Health)

Implementing Agency:

Medical Stores Department

Program Overview:

Main development Challenge/s the Project will Address:

- Shortages of medicines and medical supplies and reduce heavy reliance in importation of medicines and medical supplies

Project objectives

- Reduce dependency on importation of medicines as over 85% of the medicines required in the country are imported;
- Reduce procurement process lead time and reduce storage costs;

Project Components

- Undertaking ESIA; Procurement of private investor(PPP partner) Construction works and
- commissioning

Project Location

Ilemela - Mwanza Region

Expected Results

- Easy management of medicines and medical supplies' quality, as they will be locally produced and regulated by country's regulatory Authorities; Jobs creation
- Improvement in social services in proximity of the new manufacturing facility, e.g. access road, power, education, environment cleaning, health services etc
- Value addition to local produced cotton

Implementation Status

- Feasibility study in place Transaction Advisor for solicitation and procurement of the strategic private investor engaged





3.4 Drugs and Medical Equipment Manufacturing Plant

Project Name

Drugs and Medical Equipment
Manufacturing Plant

Estimated Project Cost:

23,000,000,000 Shillings

Counterpart funding (if any):

To be determined

Program/Project Period:

To be determined

Proposed financing instrument:

To be determined

Responsible Sector ministry:

Ministry of Health, Community Development,
Gender, Elderly and Children (Health)

Implementing Agency:

Muhimbili National Hospital and
National Health Insurance Fund

Program Overview:

Main development Challenge/s the Project will Address:

- Main development Challenge/s the Project will Address: Shortage of drugs and medical equipment in the country.

Project objectives

- The project aims at producing drugs and medical equipment at Chamazi

Project Components

- To be determined

Project Location

Ilemela - Mwanza Region

Expected Results

- Availability of adequate drugs and medical equipment at relatively lower costs

Implementation Status

- The project is in inception stage.



INDUSTRIAL PROJECTS





4.1 Cotton to Clothing Industrial Park

Project Name

Cotton to Clothing Industrial Park - Geita

Estimated Project Cost:

174,110,000,000 Shillings

Counterpart funding (if any):

To be determined

Program/Project Period:

36 months

Proposed financing instrument:

Public Private Partnership

Responsible Sector ministry:

Ministry of Industry and Trade

Implementing Agency:

National Development Corporation (NDC)

Program Overview:

Main development Challenge/s the Project will Address:
Low production, productivity and profitability to farmers and ginners
Insufficient business infrastructure to stimulate investment.
Insufficient textile and garment industries in Tanzania despite its potential in cotton production.

Project Objectives:

This project will increase cotton productivity and integrate value addition from cotton to clothing.

Project Components:

Construction of enabling environment.
Construction of buildings for textile and garment industries.
Investing on textile and garment industries.

Project Location:

Geita

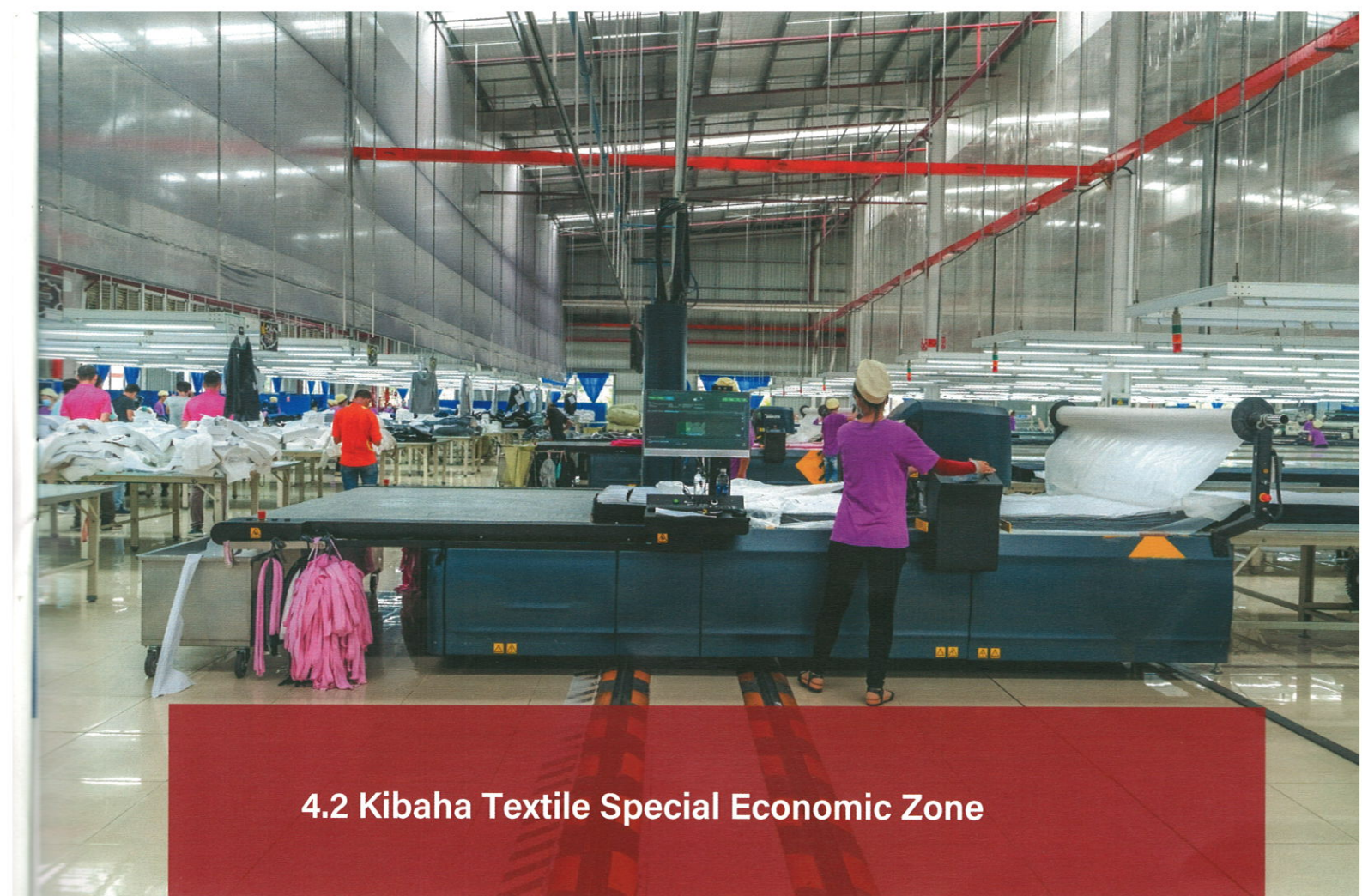
Expected Results:

- Raised production and profitability of cotton.
- New investment in textile and garments industries.
- About 20,000 of direct employment opportunities will be created.
- Increased Government revenue by 93,610,000,000 Shillings per year.
- Increased Government taxes by 15,640,000,000 Shillings per year.
- Raised efficiency and competitiveness of cotton to clothing value chain.

Implementation Status:

Master plan for developing 77.1 acres for cotton to clothing industrial park in Geita is in place.





4.2 Kibaha Textile Special Economic Zone

Project Name

Kibaha Textile Special Economic zone

Estimated Project Cost:

181,355,000,000 Shillings

Counterpart funding (if any):

To be determined

Program/Project Period:

To be determined

Proposed financing instrument:

Public Private Prtnership

Responsible Sector ministry:

Ministry of Industry and Trade

Implementing Agency:

National Development Corporation (NDC)

Program Overview:

Main development Challenge/s the Project will Address: Revival of country's textile and apparel industry and enhancement of inter and intra-industry linkage across cotton and leather value chains in the country

Project Objectives:

Establishment of Textile and Apparel industries in TAMCO industrial estate to boost industrialization activities in the country

Project Components:

Construction of basis supporting infrastructures, such as internal roads, power sub-station, oxidation pond for wastewater, and water tank reservoir

Project Location:

Kibaha - Coastal Region

Expected Results:

- Creation of 17, 600 direct and indirect jobs and generation of US\$
- 40.7 million worth of economic activities (GDP) per annum by 2020
- Improvement of infrastructure in the project surrounding areas
- Value addition to local produced cotton and leather products

Implementation Status:

Feasibility study in place





4.2 Construction of Nile Perch Fish Processing Factory Mwanza (120 Tones / Day)

Project Name

Construction of Nile Perch Fish Processing Factory – Mwanza

Estimated Project Cost:

15,599,359,989 Shillings

Counterpart funding (if any):

None

Program/Project Period:

3 years

Proposed financing instrument:

Government of Tanzania (GoT)

Responsible Sector ministry:

Ministry of Livestock and Fisheries (Fisheries sector)

Implementing Agency:

Tanzania Fisheries Corporation (TAFICO)

Program Overview:

Low supply of processed and semi processed fish and fish products in local and regional market. Unavailability of reliable market of fish from small scale fishermen.

Project Objectives:

Utilization of Nile perch resources through Construction of processing factory.

Project Components:

Construction and Installation of Fish processing Factory (12,144,000,000 Shillings).

Development of Physical Infrastructures including Cold storage, Ice Processing facilities and purchase of refrigerated truck. (3,455,359,989 Shillings).

Project Location:

Mwanza

Expected Results:

- Increased export of fish and fish products.
- Increased fish consumption locally and regionally.
- Reliable market of raw fish and income to fishers.
- Employment opportunity in the sector.
- Reduce post-harvest losses of fish and fishery products.

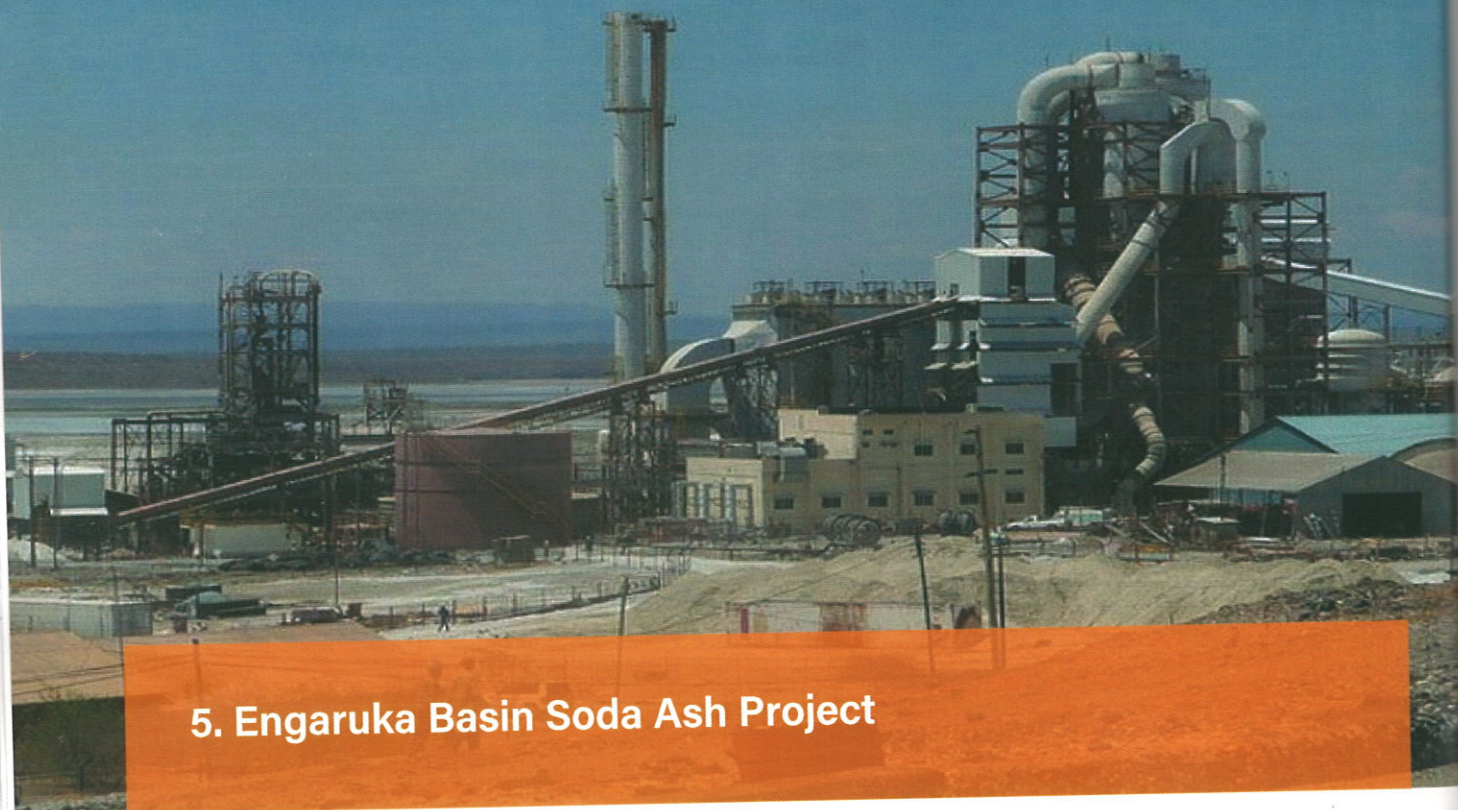
Implementation Status:

Project concept note in place





MINING PROJECTS



5. Engaruka Basin Soda Ash Project

Project Name

Engaruka Basin Soda Ash Project

Estimated Project Cost:

1,725,000,000,000 Shillings

Counterpart funding (if any):

To be determined

Program/Project Period:

5 years

Proposed financing instrument:

To be determined

Responsible Sector ministry:

Ministry of Industry and Trade

Implementing Agency:

National Development Corporation
(NDC)

Program Overview:

Main development Challenge/s the Project will Address:
Ineffective utilization of soda ash deposit.
Inadequate supply of soda ash in the country.

Project Objectives:

Extraction and processing of soda ash from Engaruka basin.

Project Components:

Conduct the pre-investment studies.
Invite investors for undertaking proposed PPP arrangement.

Project Location:

Monduli - Arusha

Expected Results:

- Industrial development
- Improved terms of trade, balance of trade and balance of payments of the country

Implementation Status:

- The drilling exploration and geological studies reports are in place;
- The valuation of properties of the Project Affected People (PAPs) completed.
- Marketing the project to investors ongoing.





5.2 Mchuchuma Coal and Vanadium, Titanium and Iron Ore Liganga Project

Project Name

**Mchuchuma Coal and Vanadium,
Titanium and Iron Ore Liganga Project**

Estimated Project Cost:

**Total project costs 6,900,000,000,000 Shillings
2,990,000,000,000 Shillings for Mchuchuma Coal Project
3,910,000,000,000 Shillings for Liganga Metallurgical Complex**

Counterpart funding (if any):

None

Program/Project Period:

60 Months

Proposed financing instrument:

Joint Venture Agreement (Equity/Debt)

Responsible Sector ministry:

Ministry of Industry and Trade

Implementing Agency:

**National Development Corporation
(NDC)**

Program Overview:

Leakage of foreign exchange for importation of steel.

Project Objectives:

The integrated objective for Mchuchuma and Liganga project is production of coal for industrial use, generation of power and iron ore for production of steel.

Project Components:

- **Mchuchuma Coal Project:**
Construction of the Mines;
Construction of the power plant and transmission lines; and
Construction of projects supportive infrastructure (access roads and standard gauge railway lines).
- **Liganga Metallurgical Complex:**
Construction of the Steel plant, Vanadium and Titanium

Project Location:

Ludewa - Njombe

Expected Results:

- Production of coal at Mchuchuma mines.
- Production of Vanadium, Titanium and Iron Ore.
- Power generation of about 600 MW.
- Creation of 33,000 direct and indirect employments.

Implementation Status:

Review of project contract in line with the Natural Wealth and Resources Permanent Sovereignty Act, 2017 is ongoing.

Geotechnical Studies on the quantity and types of minerals as well as Soil Investigation Report are at final stage.

Assessment of project overall value is ongoing.





5.3 Construction of Smelter (Shinyanga)

Project Name

Smelter Plant

Estimated Project Cost:

1,610,000,000 Shillings

Counterpart funding (if any):

To be determined

Program/Project Period:

15-18 Months

Proposed financing instrument:

To be determined

Responsible Sector ministry:

Ministry of Minerals

Implementing Agency:

State Mining Corporation (STAMICO)

Program Overview:

Main development Challenge/s the Project will Address:

Exportation of raw minerals which have got low prices in the world market

Project Objectives:

Maximize gold Purity.
Maximize revenue from other metallic minerals
Increase markets for other metallic minerals.

Project Components:

Feasibility study.
Implementation of the project.
Marketing Analysis.

Project Location:

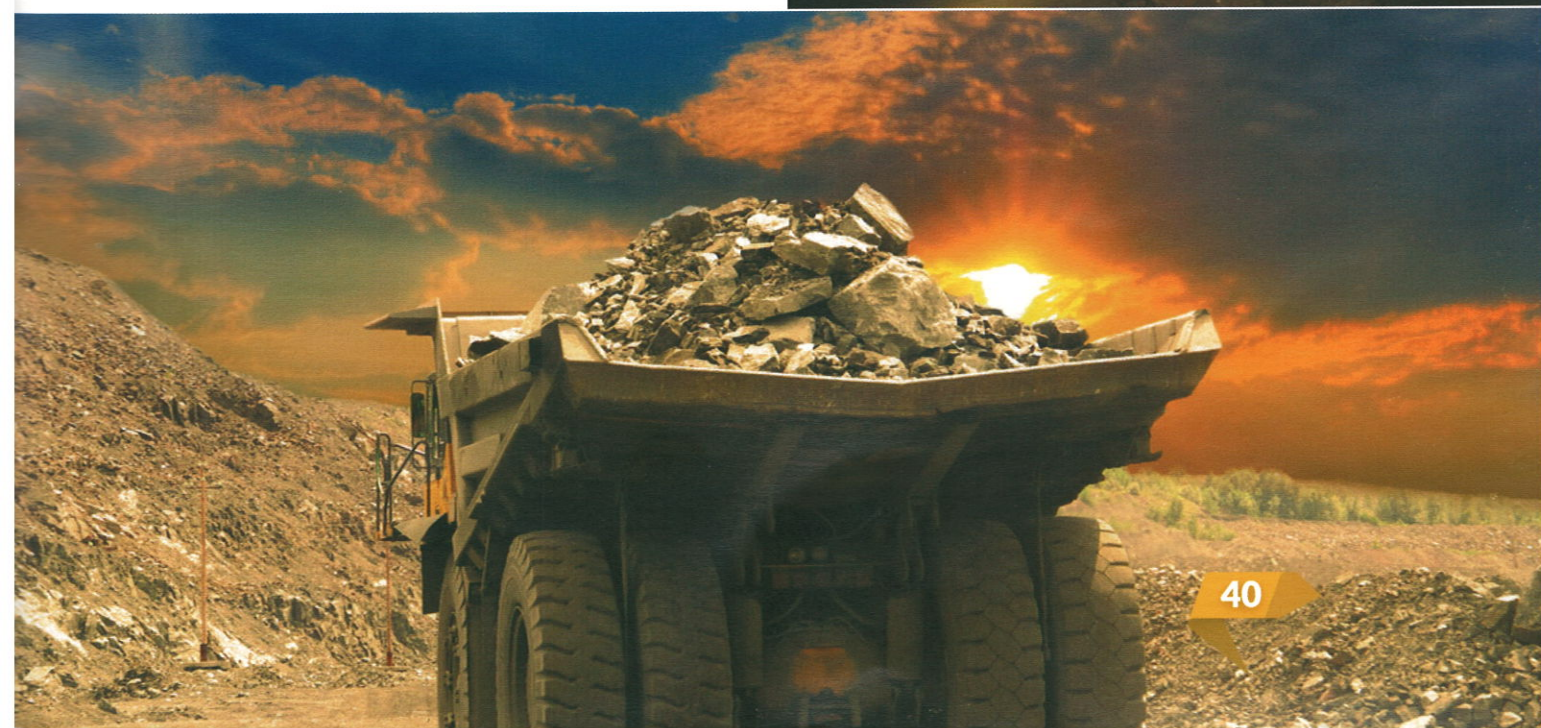
Kahama - Shinyanga

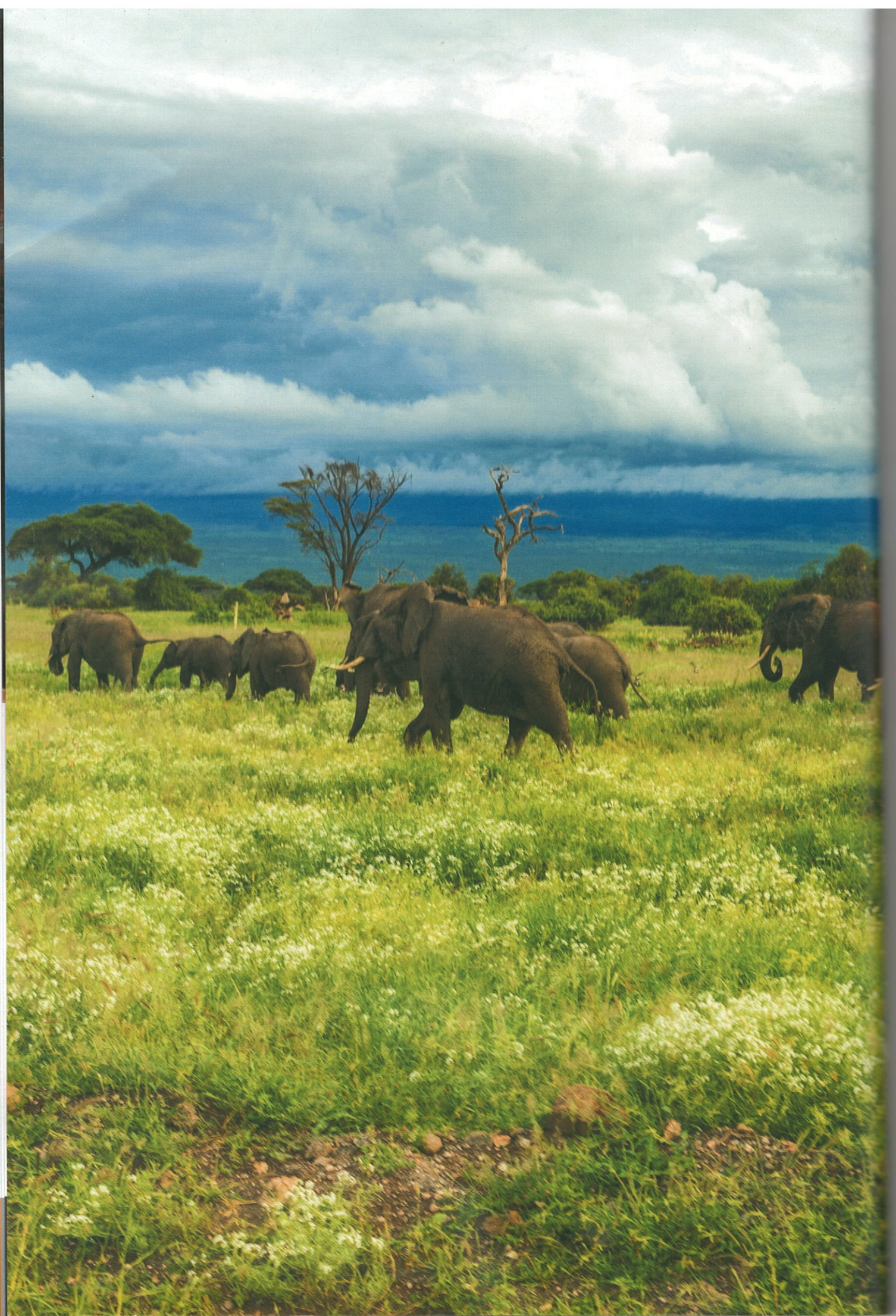
Expected Results:

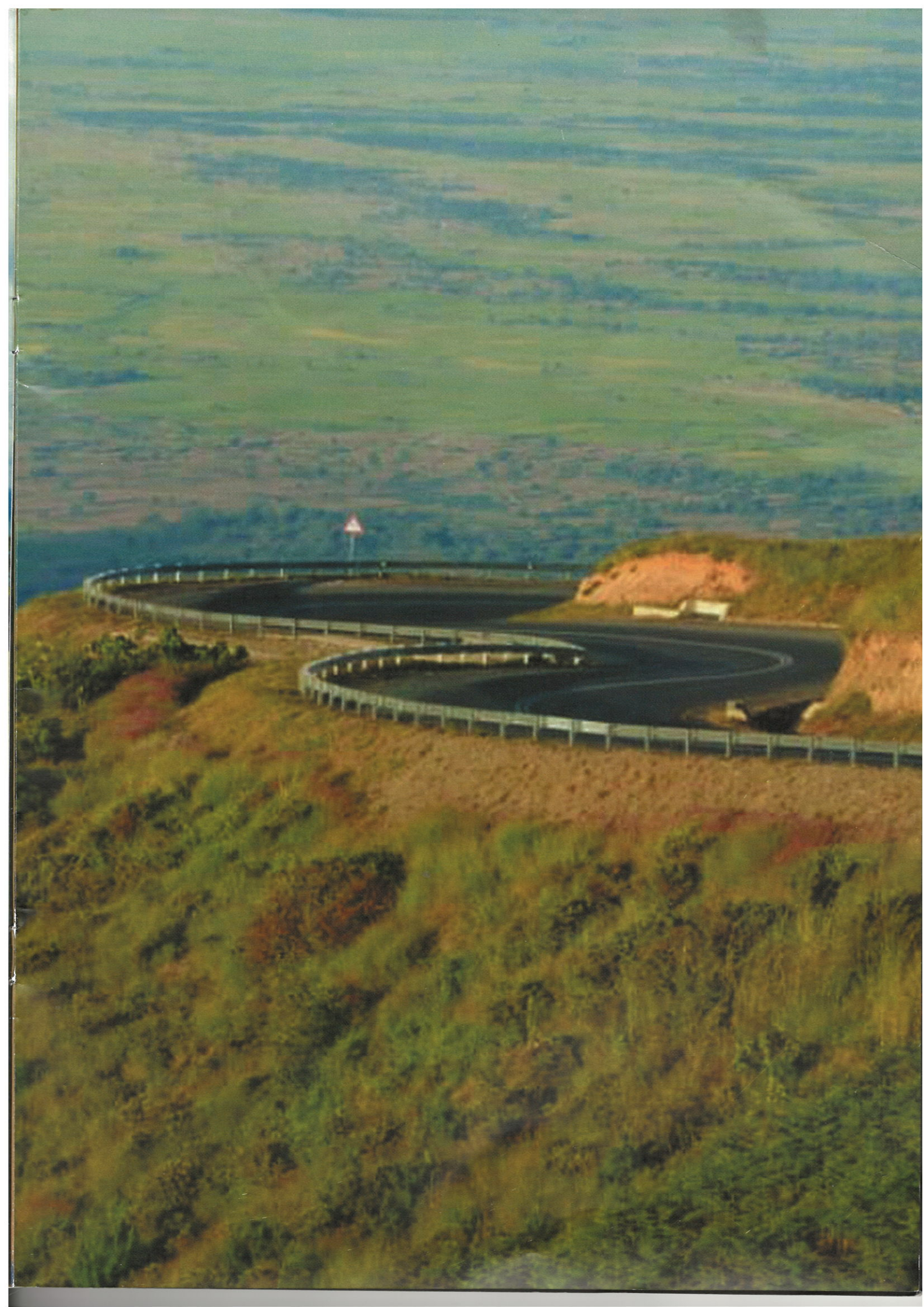
Increased revenue.
Increase number of employed personnel.
Tanzania's recognition among gold producers and refiners.

Implementation Status:

Project concept note developed.
Spent Amount: None







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