



**THE UNITED REPUBLIC OF TANZANIA**  
**PRESIDENT'S OFFICE**  
**REGIONAL ADMINISTRATION AND LOCAL GOVERNMENT**

**TUNDURU DISTRICT COUNCIL**



**INVESTMENT OPPORTUNITIES IN TUNDURU DISTRICT**  
**IN RUVUMA REGION**



**PRIME MINISTER OF TANZANIA Hon. MAJALIWA K. MAJALIWA AT TUNDURU  
CASHEW NUT FACTORY IN TUNDURU 2017**

**Prepared; March, 2018**

## ACKNOWLEDGEMENT



Dear Sir/Madam,

I take this rare opportunity to present this Investment Profile of Tunduru District to all Interested development partners. Various people have contributed their efforts in compiling this profile.

I would like to extend my special thanks to the Ruvuma Regional Commissioner Honorable Christina Mndeme and the Regional secretariat for their tireless efforts and advice for each district to have mechanism to promote investment opportunities available in our districts.

Also, special thanks go to the District leaders of Tunduru, both councilors and staff members for their efforts which made the production of this investment profile possible.

It's my hope that this profile will be very usefully for those who are interested to invest in our District.

On behalf of the people of TUNDURU DISTRICT I warmly welcome you to TUNDURU DISTRICT.

.....  
Juma Zuberi Homera  
DISTRICT COMMISSIONER  
**TUNDURU**

## **EXECUTIVE SUMMARY**

This document identifies investment opportunities available to local and foreign investors in the priority sectors in various areas of Tunduru District. It has been prepared in the context of the vision and mission of Tunduru District Council. The Council aims at alleviating poverty and improving the quality of life of the people of Tunduru District and its mission is to promote and facilitate investments for economic and social development.

The priority areas identified for investment are mainly in agriculture, mining and tourism.

The specific investment potentials are in:-

- Cashew nut production
- Dairying
- Honey production
- Small scale mining
- Cultural Tourism
- Tourist hunting
- Tourist Hotel Development
- Seed Oil extraction

Tunduru District has an abundant of natural resources that remain undeveloped; hence appropriate investments will greatly contribute to social and economic development.

The Coastal towns of Lindi and Mtwara regions present nearby markets that are being increasingly connection to Tunduru District by the improvement of the road network, telecommunications and electric power supply. This fact also applies to the city of Dar Es Salaam. The District will offer conducive environment for investors in order to promote and facilitate investment. Tunduru District is also committed to sustaining and conserving the rich ecological heritage.

This document is for the general public, especially those interested in the investment opportunities of Tunduru District. Investors are thus welcome to visit and hold discussions with the District management team and other stakeholders of development in the District.

## CHAPTER ONE

### 1.0 INTRODUCTION AND BACKGROUND

Tunduru District Council has a total surface area of 18,778 square kilometers out of which 142.4 square kilometers (2.2 percent) are covered by water bodies and land area is 18,635.6 square kilometers (97.8 percent). Out of this land area, 15,700 square kilometers (83.6 percent) is arable land and 2,665 square kilometers (14.2 percent) is covered by forest reserves and the remaining 270 sq. km is reserved for settlements.

The District aims at alleviating poverty and improving the quality of life of the people in the District. Its Mission is to *improve livelihood of its people by providing quality socio-economic services.*

This investment profile has been prepared in order to identify the specific types and locations of investment opportunities in Tunduru District and as a source of information to guide investors.

The vision of promoting investment in the District is defined as:-  
“Optimum utilization of the available resources in Tunduru District for wealth creation and raising the standard of living of the people in Tunduru District, Ruvuma region and Tanzania as a whole by the year 2025.

#### 1.1. LOCATION

Tunduru District is in the extreme South Eastern part of Ruvuma Region between latitudes 100 15' and 110 45' South of the Equator and between longitudes 360 30' and 380 east of Greenwich. It borders Namtumbo District to the West, Liwale District (Lindi region) to the north, Nachingwea District (Lindi region) and Masasi District (Mtwara region) to the East. In the south, it borders the Ruvuma River which forms a physical international boundary with the People's Republic of Mozambique.

Tunduru Township which is the administrative center of the council is situated 264 km East of Songea Municipality and approximately 1,264 km from Dar es Salaam via Morogoro – Iringa - Songea and km 800 via Lindi - Mtwara.

MAP 1: Tunduru and Neighbouring Districts



## 1.2. TOPOGRAPHY

Tunduru District occupies an area which is 200 and 500 meters above sea level. It is flat with rolling hills in the southwest. There are three specific ecological zones, namely; Matemanga, Southern Tunduru and Nakapanya zone.

### a) Matemanga Zone

This zone covers the north- western part of Tunduru District and it includes almost all of Matemanga division. It is a zone characterized by rugged hills dissected by narrow valleys. The soils are dark grayish brown to reddish brown loam. The main vegetation in the zone is miombo woodland. Animal husbandry is limited in this zone due to the prevalence of the diseases caused by tsetse flies.

### b) Southern Tunduru zone

This zone covers the whole of the southern part of Tunduru District including the divisions of Lukumbule, Nalasi, Namasakata, Nampungu and western Mlingoti ward. It is a zone characterized by rolling hills. The soils are deep dark reddish loamy sands and sandy loam. It is dominated by miombo woodland.

### (c) Nakapanya Zone

This small zone is located in the eastern part of Tunduru District bordering Masasi District. It covers Nakapanya division and East Mlingoti ward. An undulating plain broken by numerous inter-bergs and rock outcrops characterize this zone. Soils are deep brown to reddish brown loamy sands and sandy loams. Miombo woodland is the dominant vegetation.

## 1.3 CLIMATE

Tunduru District forms a part of the dry eastern zone of Ruvuma region. It is characterized by annual rainfalls less than 1000mm on average per annum.

The dry season in the District is from June to November annually and the rainy season is from December to May. Farming season is from October to August. Planting and weeding is from November to April. Harvesting is from May to July for food crops and November to December for Cashew nuts which is the main cash crop.



Picture No.1 A Cashew nut tree

#### **1.4. ADMINISTRATIVE UNITS**

Administratively the council is divided into seven divisions, 39 wards, 157 villages, and 1,160 hamlets. The council has 56 Councilors (including three Members of Parliament of which one is from special seats) of whom 41 are elected Councilors and 15 are from special seats. The council has two constituencies, one for Northern Tunduru and the other for Southern Tunduru.

Looking at the land area, Nakapanya division covers the largest part of land area of the council, about 28.3 percent followed by Matemanga with about 19.8 percent of the total land area. Mlingoti has the smallest land area in the council constituting only 5.2 percent followed by Namasakata (8.4 percent).

#### **1.5. POPULATION**

According to the 2012 National population census, the District had a population of 298,279 whereby males are 143,660 and female are 154,619 and 70,142 households while 56,114 households engaged in agriculture (119,311 Farmers) Projected population for 2018 is 349,982 whereby 168,562 (48.16%) are Males and 181,420 (51.84%) are Females; among the population 66,000 are Children under one year of age which is equal to 18.9% with a population growth rate of 2.7 percent per annum. But in realistic, for the time being the population is high as compared to Census results due to reluctance of people to be counted during the 2012 National population census exercise. In realistic the population can intimately reach 505,000.

The population is mainly concentrated along the main roads, in towns of Matemanga, Nakapanya, Mbesa, Nalasi, Mchoteka and Tunduru which is the headquarter of the District.

Mining activities have attracted a good number of youths from various parts of the country. Also completion of the construction of Songea – Namtumbo – Tunduru and Tunduru – Mangaka roads linked the district with other districts and regions where by people are attracted to come in Tunduru for various commercial and socio activities due to its potentiality in natural resources endowed which are not fully utilized and developed. This implies that there is an in – migration of people into the District.

## CHAPTER TWO

### 2.1 MAIN ECONOMIC SECTORS

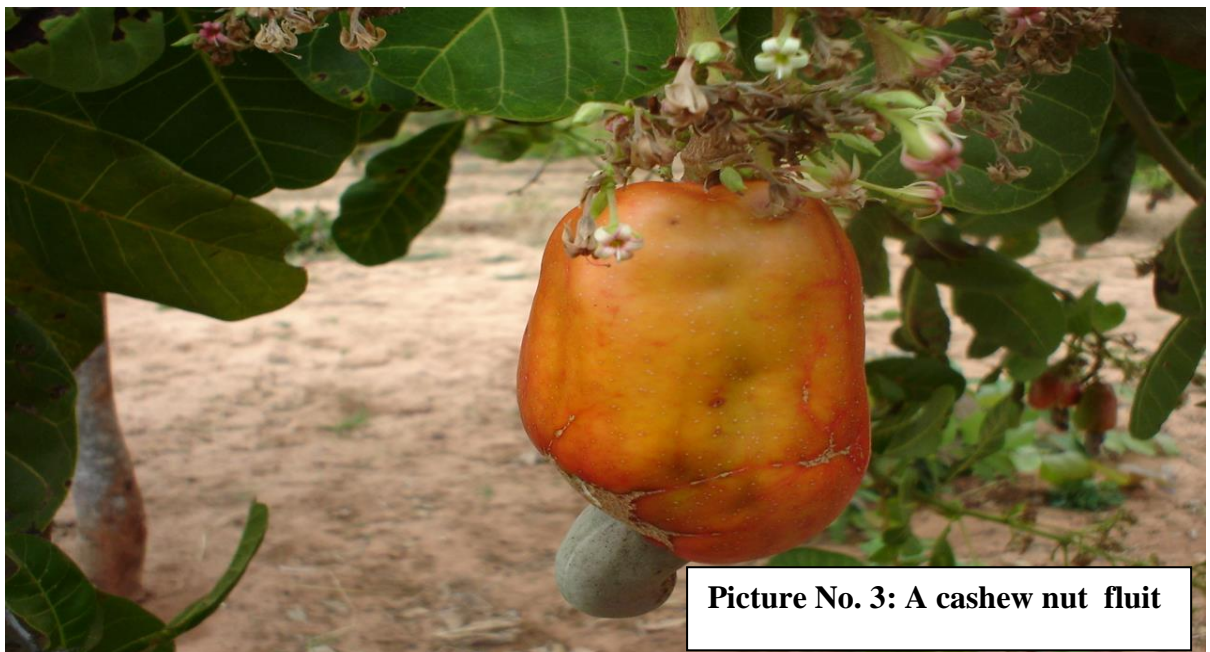
The District economy and livelihood of its people depend mainly on natural resources. Agriculture employs about 95% of the total population. This chapter highlights the main sectors of the District economy. These include crop production, animal husbandry, forestry, mining, beekeeping, small scale, mining, agro industries and trade.

#### 2.1.1 AGRICULTURE

The main agriculture activities are crop farming. Out of the arable land of about 15,700 hectares less than 1,570 hectares are under cultivation. Small holders cultivation predominates. The main cash crops grown include cashew nuts, paddy and oil seeds. Production of cashew nuts in year 2016/2017 is 20,897,545 kilograms.



**Picture No. 2: Cashew nut farm**



**Picture No. 3: A cashew nut fluit**



The main food crops are rice, maize beans and vegetables. Most of agriculture is rain fed. However to date there is an effort to utilize the abundant river water for irrigation. The district has 10,000 hectares reliable for irrigation agriculture, it has 15 irrigation schemes of which 5 are improved and 10 are not yet improved by farmers use them to irrigate locally. The district has one rice process plant which is located at Nakayaya Ward which adds value to process rice for profit utilization instead off farmers selling their paddy in local markets and realizing low profit.

Crop cultivation in the District is characterized by low yield due to low level of technology and inadequate use of farm inputs. However the soil of Tunduru District has a very big potential for agricultural production.

### **2.3. LIVESTOCK**

Animal husbandry is greatly affected by tsetse fly which causes illness to them (East Coast fever). However the demand for meat and milk is very high. Most households undertake poultry production under the free range system. Although a few practice zero grazing. Improvement in poultry production will improve nutritional status and income benefits.



**Picture No.4: Zero grazing poultry unit**

### **2.4. FORESTRY**

The District is very rich in natural forests which cover about 2665 (14.2%) square kilometers. Controlled forest harvesting is allowed for sustainability of forest products. Areas which are rich in natural forest products are Ngapa, Muhwesi, Matemanga, Nampungu and Misyaje. Also there is suitable areas for planting trees for business.



**Picture No.5: forest**

## 2.5. BEEKEEPING

Beekeeping is an important source of income in the District. Traditional beehives are mainly used for beekeeping in Tunduru District. The large area covered by forests means that it is possible to carry out beekeeping expansion in the District.

There is no honey processing plant in the District, however there is a great need for one since the processed honey and other bee products has a good market domestically and overseas.



**Picture No.6: Modern Beehive at KIUMA Matemanga**

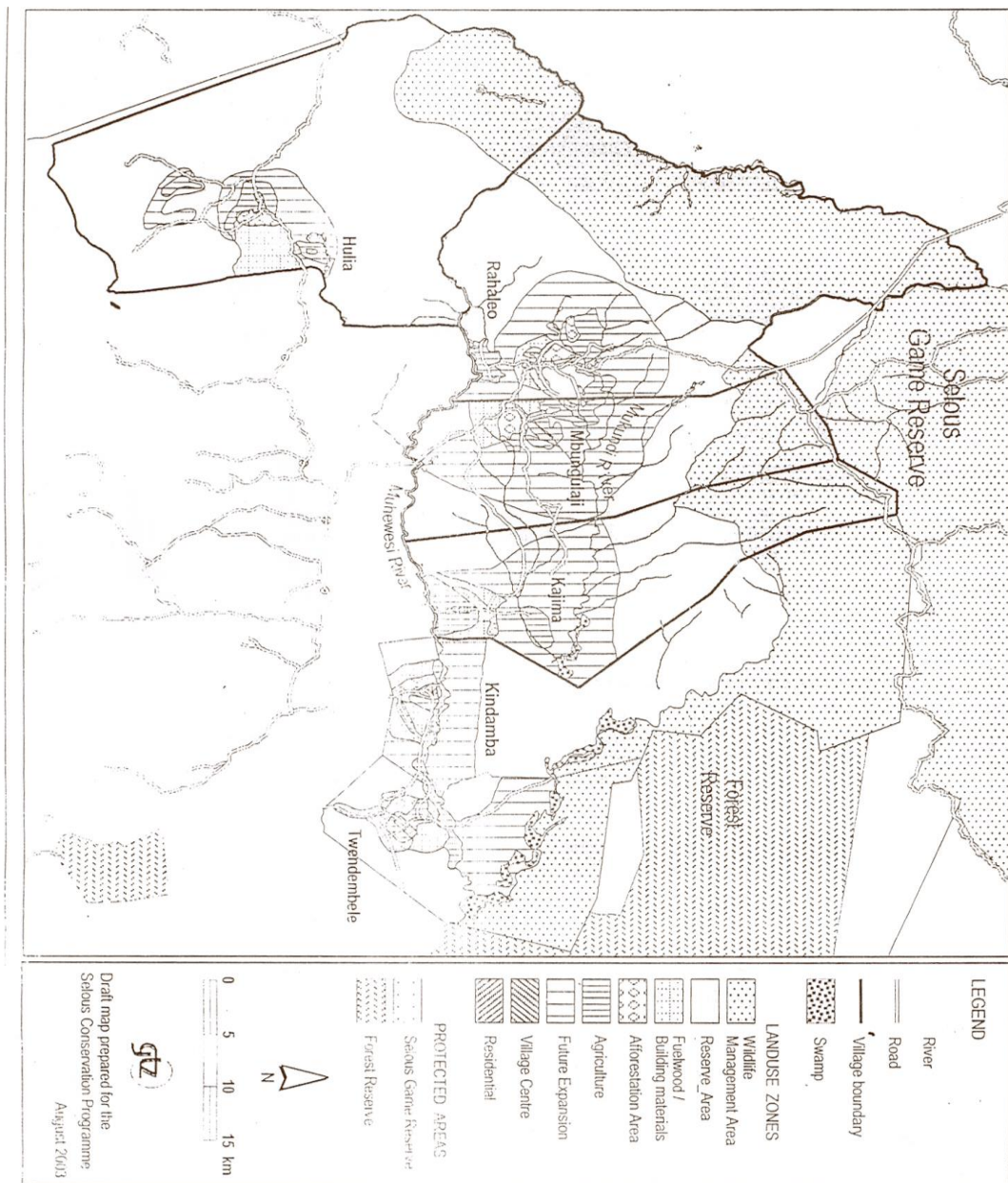
## 2.6 WILDLIFE

Tunduru District is very rich in wildlife. The famous game reserves which form an important component of wildlife tourism in Tanzania are SELOUS GAME RESERVE, MWAMBESI GAME CONTROLLED AREA and MUHUWESI GAME CONTROLLED AREA. Also there are open areas for tourist hunting; these are Sasawala open area/forest reserve, Misechela open area and Tunduru open area. Animals like buffalos, Leopards, eland, empala, bush pigs and alikes are available for hunting at reasonable price. Twendembele is also suitable for hunting tourism but to date no investor invested.

In Tunduru District there are many cases of harsh wild animals which attack the residents who live adjacent to the forests. Thus there is a need to attract investor to invest on FRIENDLY CONSERVATION OF HARSH WILD ANIMALS like LIONS.



**Map 2: Game controlled areas**



**2.7. MINING**

The District is very rich in mineral resources which are not well exploited. The famous mineral resources found in the District include gemstones like sapphires, chrysobery, alexandrite, spiriel and garnets.

Areas where there is small scale mining of the gemstones to date are Muhwesi, Majimaji, Ngapa, Mbuyuni and Msinji. Also blue copper is available at Mbesa. Investors are attracted to invest in mining sector and establish value addition industries by producing precious metals. To date the business of buying and selling of gemstones in Tunduru District is not controlled. Coal is available in Nampungu especially at Mbatamila but no feasibility study conducted to date to know the amount of reserve available, hence it needs detailed research to be conducted.



**Picture No. 8: Gemstones**



**Picture No. 9: Gemstones business dealers**

### **2.8.0 Other Infrastructures**

Most of the economic infrastructure in Tunduru District is being developed to improve the quality of the rural life as well as support the envisaged investment. This chapter briefly describes the situation of road services, electricity supply, postal services, banking and telecommunications.

#### **2.8.1. ROAD SERVICES**

Roads are the most important transportation infrastructure in Tunduru District. In the District there is a road network of about 1,121 kilometers in which National roads (Trunk roads) – 220 kms, Regional roads – 139 kms, District roads – 242 kms and Feeder roads – 520 km. Tarmac road is constructed from Songea – Namtumbo – Tunduru and Tunduru – Mangaka.

#### **2.8.2. SUPPLY OF ELECTRICITY**

The power supply for Tunduru town is from the diesel powered engine available in the town. Tariffs for electric bills can easily be obtained from TANESCO office at TUNDURU. The electricity power supply in Tunduru town is satisfactory, but in rural areas only 37 villages out of 157 which is about 23.6% get supply of electricity through Rural Energy Agency (REA) phase I.

### 2.8.3. POSTAL SERVICES

Postal and fax services are available at the post office in Tunduru town



Picture No. 10. Post & Tanzania Postal Bank offices at Tunduru

### 2.8.4. TELEPHONE COMMUNICATION

Telephone services are available in Tunduru owned by TTCL and is using an automatic operated exchange. Moreover, there are mobile phone services operated by VODACOM, TIGO, HALOTEL and CELTEL. Email communication services are available at the District Council headquarters.

### 2.8.5. BANKING

The Banking services in Tunduru are provided by the National Microfinance Bank (NMB), CRDB and the Tanzania Postal Bank (TPB) all of them located in Tunduru Town.



Picture No. 11: CRDB office, Tunduru

### 2.8.6. AVAILABILITY OF AIR TRANSPORT SERVICES

In the district there is 4 air strips at KIUMA, NALIKA, Mwambesi and Mbesa. Songea air port which is in Ruvuma Region Air Tanzania is providing airport services, also there is airport in Mtwara the nearby Region. In additional these make easy accessibility in the district to attract investors due to its connectivity wity air transport and ground transport with other regions.

## CHAPTER THREE

### SPECIFIC AREAS FOR INVESTMENT

#### 3.0. INTRODUCTION

Tunduru District Council has earmarked a number of specific types and areas for investment. These are in fruit growing, vegetable farming, dairying, , honey production and processing, small – scale mining and value addition in mineral products, cultural tourism, tourist hotel development, tourist hunting, cashew nuts production and oilseed extracting industries.

This chapter first discusses the categories of investment opportunities identified and then presents details on specific types and locations for investment.

#### 3.1 The main Categories of Investments

The identification of the investment opportunities is divided into two categories, namely direct investment and market linkages.

Direct investment involves attracting investors, both local and foreign, to bring in capital to invest in the District by setting up facilities either to process raw materials into finished products or carry out large scale farming, livestock keeping by using the available land which is presently underutilized in the District

Market linkages involve connecting farmers and other producers to companies that have access to markets and so are willing to buy the products from them. In the market linkage approach, it is expected that the market dealer/facilitator will be in a position to support the farmers with skills on crop husbandry, post harvest processing and quality control. Farmers and producers are easier to work with when organized in groups than when acting individually.



Access to markets is one of the problems facing rural communities, particularly to farmers, as they lack good information on where the markets can be found and the prices that can be obtained. This has been the case, for example, previously cashew nuts farmers in the whole District where the residents have good cashew nuts production but cannot realize good economic benefit due to marketing problems but at least for the time being the situation has been improved due to efforts made by Government with collaboration with various stakeholders to establish the use of ware house systems in which the government is the one that set indicative price and farmers sell their raw cashew in auctions.

Beekeeping for honey production is not a major activity; however there is room for an increase in production due to the availability of untapped resources in Matemanga, Nampungu, Ngapa and Misechela wards.

The abundance of resources in Tunduru District provides opportunities to invest in the District. The following sections identify the types and areas of investment. The District has incentives to support such activity.

### 3.2 The main types and areas of investment opportunities

#### 3.2.1 Cashew nuts production


<b>Product:</b>	Improved varieties of cashew nuts
<b>The market situation:</b>	The domestic market is not reliable due to existence of only one cashew nut processing factory. Also neighboring districts from Lindi and Mtwara regions grow cashew nuts which can also purchased in case of deficit of raw cashew in the district to sustain the demand of raw cashew in the district for industrial use.
<b>Potential Target areas:</b>	Potential target areas are Nakapanya, Namasakata, Lukumbule, Nalasi, Mlingoti and part of Matemanga divisions. The areas have fertile land to support the crop and it is under exploited.
<b>The target market:</b>	Raw cashewnuts of Tunduru are exported. It is believed that the soils at Tunduru support the production of first class cashewnuts.
<b>Future expectations:</b>	Improving the product by processing at home, grading and packing will increase the price margin and hence realize producer surplus.
	  <p style="text-align: center;"><b>Picture No.12: Korosho Africa Ltd (KAL), The existing Cashew nut Factory and warehouse</b></p>
<b>Processing chain:</b>	There is a need to have a processing plant to create employment and improve the quality of the product.
<b>Market imperfection/ distortion:</b>	Price fall from the indicative price make farmers lose income and decrease in production.
<b>Quality Demands:</b>	Well graded raw cashew nuts.
<b>Type of investor recommended:</b>	Large scale farmer who can invest in producing, handling, transportation, processing, packaging, improving quality and marketing.



### 3.2.2 Honey production

<b>Product:</b>	Honey
<b>The market situation:</b>	Market for domestic and export is high
<b>Potential Target areas:</b>	Ngapa, Mischela, Matemanga, Nampungu
<b>The target market:</b>	Honey and wax be exported overseas.
<b>Future expectations:</b>	District to strengthen beekeeping.
<b>Processing chain:</b>	Honey is processed using traditional methods.
<b>Market imperfection/ distortion:</b>	Market opportunities limited due to absence of association of beekeepers.
<b>Quality Demands:</b>	Products need to be improved to meet the quality requirement.
<b>Type of investor recommended:</b>	Strategic investor with capital and market contacts.


### 3.2.3 Small Scale Mining

<b>Product:</b>	Gemstones such as sapphire, chrysobery, alexandrite, spriel, and garnets
<b>The market situation:</b>	High world demand of the gemstones, but there is no organized market in the District
<b>Potential Target areas:</b>	Muhuwesi, Ngapa, Majimaji, Msinji, Mtetesi
	 <p style="text-align: center;"><b>Picture No.13: Muhuwesi Mining Area</b></p>
<b>The target market:</b>	Private buyers who have shops dealing with business of buying gemstones.
<b>Future expectations:</b>	Have international link of gemstone business.
<b>Processing chain:</b>	Extraction, cleaning, grading and value addition (making precious metals).
<b>Market imperfection/ distortion:</b>	No established market price of gemstones in the District.
<b>Quality Demands:</b>	Quality depend on size weight shape and colour .
<b>Type of investor recommended:</b>	Medium scale investors with capital.

### 3.2.4 Cultural Tourism

<b>Product:</b>	ECO – tourism including visits to households, cultural sites, protected natural forests, & photography
<b>The market situation:</b>	Local and foreign tourists
<b>Potential Target areas:</b>	Selous game reserve, Mwambesi game reserve, Misyaje caves Sasawala game reserve
<b>The target market:</b>	Tourists. Both Local and foreign.
<b>Future expectations:</b>	Include Selous – Niassa corridor in eco-tourism.
<b>Processing chain:</b>	Administrative logistics.
<b>Market imperfection/ distortion:</b>	Poorly developed infrastructure and business not developed.
<b>Quality Demands:</b>	Clean comfortable camps, four wheel drive vehicles, passable roads.
<b>Type of investor recommended:</b>	Tourist - operators.

### 3.2.5 Tourist Hotel Development

<b>Product:</b>	Accommodation, food, and drinks for tourists.
<b>The market situation:</b>	Not exploited.
<b>Potential Target areas:</b>	Tunduru town, Lukumbule, Sasawala, Matemanga. 
<b>The target market:</b>	Tourists. Both Local and foreign.
<b>Future expectations:</b>	Attract more individuals to invest in high quality hotels.
<b>Processing chain:</b>	Local rules and regulations governing Tourist Hotel operations to be adhered.
<b>Market imperfection/ distortion:</b>	Poor infrastructure and limited selling of the potentials.
<b>Quality Demands:</b>	Need; hotels which conform to international standards.
<b>Type of investor recommended</b>	Medium and large scale investors.

### 3.2.6 Hotel Development

<b>Product:</b>	Reasonably priced, high quality hotel for visitors including foreign tourists.
<b>The market situation:</b>	Limited by poor infrastructure and lack of sale of attractions.
<b>Potential Target areas:</b>	Tunduru town, Matemanga, Kalulu, Lukumbule and Muhuweri.
<b>The target market:</b>	Various visitors and tourists.
<b>Future expectations:</b>	Have high quality Hotels.
<b>Processing chain:</b>	Rules and regulations governing hotel operations.
<b>Market imperfection/ distortion:</b>	Poorly developed infrastructure especially roads.
<b>Quality Demands:</b>	High quality hotel with high level of sanitation.
<b>Type of investor recommended:</b>	Medium and large scale investors.

### 3.2.7 Oil Extraction

<b>Product:</b>	Seed oil for cooking
<b>The market situation:</b>	There is high demand for seed cooking oil.
<b>Potential Target areas:</b>	Tunduru town .
<b>The target market:</b>	Local consumers and overseas.
<b>Future expectations:</b>	Improve quality of the products to compete internationally.
<b>Processing chain:</b>	Oil extraction, packing, labeling, transporting to consumers.
<b>Market imperfection/ distortion:</b>	Market has competition with imported ones.
<b>Quality Demands:</b>	High quality products will have ready market.
<b>Type of investor recommended:</b>	Large & medium scale investors.

### 3.2.8 Rice processing plants

<b>Product:</b>	Rice
<b>The market situation:</b>	There is high demand of rice domestically and abroad the country.
<b>Potential Target areas:</b>	Tunduru town, Nakapanya, Mbesa and Matemanga.
<b>The target market:</b>	Local consumers and overseas.
<b>Future expectations:</b>	Improve quality of the products to compete internationally.
<b>Processing chain:</b>	Rice processing, packing, labeling, transporting to consumers.
<b>Market imperfection/ distortion:</b>	Market has competition with imported ones.
<b>Quality Demands:</b>	High quality products will have ready market.
<b>Type of investor recommended:</b>	Large & medium scale investors.

### 3.2.9 Improvement of Irrigations schemes

<b>Product:</b>	Producing mixed crops e.g paddy, vegetables, fruits, sugarcane and alike
<b>The market situation:</b>	There is high demand of agricultural products for industrial use and human consumptions
<b>Potential Target areas:</b>	Lelolelo, Kitanda, Misyaje, Madaba, Legezamwendo, Naikula and Wenje, Chinunje, Lukumbule, Azimio, Mkotamo, Mbatu, Nasya, Wenje, Mchengamoto, Masonya and Tuwemacho
<b>The target market:</b>	Local consumers and overseas.
<b>Future expectations:</b>	Improve agriculture productivity for industrial and human consumption
<b>Processing chain:</b>	Rules and regulations governing hotel operations.
<b>Market imperfection/ distortion:</b>	Poorly developed irrigation infrastructure with its link roads from farms to market centre's
<b>Quality Demands:</b>	High yield and quality of crops to meet market demand
<b>Type of investor recommended:</b>	Large & medium scale investors.

### 3.2.10 Agribusiness in tree planting and establishment of timber processing plant

<b>Product:</b>	Timber and timber products
<b>The market situation:</b>	There is high demand of timber and its products
<b>Potential Target areas:</b>	Nakapanya, Mlingoti, Mbesa, Matemanga, Nampungu, Namasakata and Nalasi Divisions
<b>The target market:</b>	Local consumers and overseas.
<b>Future expectations:</b>	Improve timber production and processing
<b>Processing chain:</b>	Rules and regulations governing forestry
<b>Market imperfection/ distortion:</b>	Low production of timber and timber products
<b>Quality Demands:</b>	High yield and quality of timber products
<b>Type of investor recommended:</b>	Large & medium scale investors.


### 3.2.11 Investment in education sector

<b>Product:</b>	Education services
<b>The market situation:</b>	There is high demand of private schools (there is 150 primary schools, 23 secondary schools – 21 are government schools and 2 are private owned)
<b>Potential Target areas:</b>	Nakapanya, Mlingoti, Mbesa, Matemanga, Nampungu, Namasakata and Nalasi Divisions
<b>The target market:</b>	Students/pupils from all regions
<b>Future expectations:</b>	Improve the quality of education
<b>Processing chain:</b>	Rules, policy and regulations governing education
<b>Market imperfection/ distortion:</b>	Low quality of education provided
<b>Quality Demands:</b>	High quality of education provided with collaboration with private sector
<b>Type of investor recommended:</b>	Large & medium scale investors.

### 3.2.12 Investment in Health Sector

<b>Product:</b>	Health services
<b>The market situation:</b>	There is high demand of Health Facilities (65 health facilities of which 3 are hospitals; one being the District Council Hospital and two hospitals owned by Faith Based Organizations. There are 5 government rural health centers located in five divisions of Matemanga, Lukumbule, Namasakata, Nakapanya and Nalasi. There are 57 dispensaries, among those 52 are owned by the Government, 3 are owned by Faith Based Organizations and 2 have private ownership
<b>Potential Target areas:</b>	Nakapanya, Mlingoti, Mbesa, Matemanga, Nampungu, Namasakata and Nalasi Divisions
<b>The target market:</b>	Population in the district
<b>Future expectations:</b>	Improve the quality of health service provided
<b>Processing chain:</b>	Rules, policy and regulations governing health sectors
<b>Market imperfection/ distortion:</b>	Inadequate health services provided
<b>Quality Demands:</b>	Adequate and high quality of health services provided with collaboration with private sector
<b>Type of investor recommended:</b>	Large & medium scale investors.

### 3.2.13 hydro Electricity Production

<b>Product:</b>	Electricity
<b>The market situation:</b>	Very high demand for electricity for domestic and industrial use
<b>Potential Target areas:</b>	<p>Sunda falls.</p>  <p><b>Picture No. 15: Sunda Falls</b></p>

<b>The target market:</b>	All towns in the District and District headquarter.
<b>Future expectations:</b>	Industrialization of Tunduru Town.
<b>Processing chain:</b>	Technical know how of hydroelectricity production and distribution for domestic and industrial use.
<b>Market imperfection/ distortion:</b>	No competition.
<b>Quality Demands:</b>	Regular supplies of electricity.
<b>Type of investor recommended:</b>	Large and medium scale investors.

**Picture.No.16.Mambo Mazuri Guest House in Tunduru Town**



**Picture No.17. MP Guest House in Tunduru Town**



Picture No.18.Mwambesi Game reserve (restaurant and accommodations)





## CHAPTER FOUR

### MANAGEMENT AND FACILITATION OF INVESTMENT

#### 4.0 INTRODUCTION

The efficient management and facilitation of investment is an important factor affecting economic activities and business opportunities in the District. Good governance and additional support from regional authorities are also significant in evolving a conducive business and investment environment. The District Council has the role of facilitating activities related to investment and all the necessary coordination at the district level.

This chapter outlines the specific efforts and incentives to attract and facilitate investments in Tunduru District. The most important are some changes in the district by-laws in keeping with the central government policies and initiatives on stimulating investment and economic activities.

#### 4.1 Land Matters

The District will continue to enable the village councils to prepare village land use plans. These plans will enable individuals, including investors, to acquire more easily their land titles.

The Land Act no. 5 of 1999 provides for procedures for the resolution of land disputes and rights of appeal at the village level. More specifically, section 60 is about the formulation of the village lands tribunal, section 61 stipulates the responsibilities of the village lands tribunal as a conflict resolution body, and section 62 gives a right for appeal to the following agencies and courts:

- Ward Council and
- District Lands and Housing Tribunal
- The High court of Tanzania – Section responsible for land matters
- The Appeal Court of Tanzania

#### 4.2. Investment Policy and Legislation

The following policies and legislations aim to contribute to a better investment environment in Tanzania, including Tunduru District:

- National Investment Policy – which is a Government statement setting out favorable conditions to investors, the investment policy objectives and strategies and issues needed in promoting and retaining investment in the country;
- Tanzania Investment Act – Which gives powers to a government agency (T.I.C – Tanzania Investment Center) to coordinate, promote and facilitate investment in Tanzania together with advising the Government on investment policy and related matters;
- Business Environment strengthening for Tanzania (BEST) – a multi donor funded programme aimed at working with the Government and other stakeholders in business to eliminate hurdles to undertaking business and investment in Tanzania so as to contribute towards poverty alleviation efforts;
- National policies – Relevant sector policies are in place to guide interventions in the relevant areas. The following policies and acts are relevant to developing the District Investment profile: the National Forest Policy (1998),

Bee keeping policy (1998), small and medium Enterprises Development policy (2003), National Land Policy (1995), Land Act (1999), village Land Act (1999) and mining Act (1998).

- Small and medium Enterprise (SME) Development policy – encourages investments in small and medium enterprises, which could be rural (District based) to contribute to poverty alleviation efforts. Tunduru District has a greater potential to promote the development of such SMEs;
- Agricultural and livestock policy – is geared towards poverty alleviation and aims at attaining, among other things, increased standards of living in rural areas, increased foreign exchange earnings and increased production capability among people in the sector.
- Mining policy, mining Act (1998) and guidelines – outline how mining could improve the economy and the conditions of the rural population and it encourages participation in mining activities to all entrepreneurs with capital. Small scale mining activities are also considered.

The Central Government reduced a number of taxes that were an obstacle to investment. Consequently, the Tunduru District Council has also revised some of its by-laws to create incentives to investors. These by-laws are available at the District council.

The District Council has adopted the following strategies and incentives to attract and facilitate investment in Tunduru

- To review appropriate District Council by-laws so as to build a conducive environment to investors
- Establish a one stop center for investment coordinated by the District Planning Office;
- Improve the attitude of the staff and the District leadership towards a more positive outlook in dealing with investors;
- It will be a priority for the District Council to improve the infrastructure and accessibility of investment areas at all times;
- Observe good governance practices in handling investor's issues and to be in line with the poverty reduction strategy;
- Maintain peace and tranquility within the district by establishing dispute resolving mechanisms e.g land, labor and managerial.

#### **4.3 The Regional Secretariat**

The Regional secretariat Office of the Regional Commissioner (Ruvuma Region), will also assist the District council and provide advice on policies and legal issues pertaining to investment.

#### **4.4. Good Governance**

It is mandatory for the council to involve stakeholders during its planning and execution sessions. Also the council have website and SUGGESTION BOXES at all levels where the public can express their views and discontent with services provided.



## **CHAPTER FIVE: CONCLUSION**

Tunduru is a large, sparsely populated district which is rich in natural resources, which remain relatively underdeveloped, and offers considerable opportunities for investment, especially in agriculture, mining and tourism, Diversifying and integrating the economy continually with the support of appropriate investments will have great social and economic benefits. These opportunities will become more rewarding as infrastructures are developed in the district and become better connected to the well populated areas of Northern Tanzania, the rest of Ruvuma Region, and Dar es Salaam city.

Both the Tanzania Government and Tunduru District Council are committed to improving the lives of their citizens and to promoting and facilitating investment towards this goal. Thus, a number of incentives, policies, procedures and initiatives have been adopted to attract and assist both local and foreign investors. Village land use plans are being drawn up to facilitate the acquisition of title deeds. There are also fiscal and non-fiscal incentives.

Tunduru District is also mindful of the importance of resource conservation, especially the biologically rich areas and the wildlife reserves found within the district. It recognizes that promoting tourism to these areas will bring about social, economic and cultural benefits as well as well as complement and strengthen conservation efforts.

Hence, Tunduru District Council most warmly welcomes every interested investor and hopes that this profile will be a useful source of information. For any further information every interested investor is invited to contact at:

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