

AFRICA RISK CONSULTING

Tanzania Monthly Briefing April 2020

Tanzania Summary 6 April 2020

Confirmed cases of Covid-19 continue to increase in Tanzania. The country reports its first Covid-19-related death as authorities struggle to put sufficient control mechanisms in place to curb the spread of the virus. Despite the global pandemic, President John Magufuli (2015-present) confirms that the October 2020 general election will take place as scheduled, meaning that lobbying for pre-selection remains in full swing and the 2020 political calendar is unaltered. Tanzania Private Sector Foundation chair Salum Shamte dies in a Tanga hospital while on remand for economic sabotage charges, leaving a leadership vacuum in Tanzania's crucial private sector representative body.

Tanzania lags in Covid-19 response ...

To date, **Tanzania's** response to the **coronavirus Covid-19** lags behind that of its neighbours as the country works to put in place measures to contain the spread of the disease. At time of writing, Tanzania had 20 confirmed cases. The health ministry recorded the first death due to Covid-19 on 31 March in the commercial capital of **Dar es Salaam**.¹ As is the case with many countries, the number of confirmed cases is likely to significantly underestimate the actual number of cases.

Despite a slow start, the government has made some progress in establishing containment measures. Prime minister **Kassim Majaliwa** is chairing the newly established **National COVID-19 Committee**, which has nominated **Kibaha District Hospital** in the **Coast Region** as the health facility for those who test positive.² The government announced on 18 March that schools are closed and public gatherings banned for the foreseeable future.³ Additional travel restrictions were announced on 23 March, with mandatory 14-day quarantine periods put in place for arrivals from high-risk countries. Additional clarifications around the immigration status of those in Tanzania, and potentially stuck in Tanzania, were announced on 2 April. **Zanzibar**, with five confirmed cases, banned tourist charter flights and closed tourist hotels. The implications for the downturn in tourism will be significant for the archipelago as it currently accounts for 27% of Zanzibar's gross domestic product (GDP) and is the largest private sector employer.⁴

Surprisingly, on 23 March President **John Magufuli** (2015-present) appeared to encourage Tanzanians to continue attending churches and places of worship during the coronavirus outbreak and to date, contrary to many of its neighbours, places of worship remain open.⁵ Regional commissioner for Dar es Salaam **Paul Makonda** also encouraged citizens to get back to work and ensure that shops remain open. Additionally, the government has placed no restrictions on public transport in terms of the frequency of service or the numbers of passengers. To date, it has also not announced some of the curfew and lockdown measures that are being implemented in neighbouring countries such as **Kenya**, **Uganda** and **Rwanda**, as well as **South Africa**. Effective social distancing among Tanzania's urban poor, who live in densely populated areas, is all but impossible.

¹ Daily News, 31 Mar 2020

² The Citizen, 30 Mar 2020

³ Daily News, 18 Mar 2020

⁴ ETN, 21 Mar 2020

⁵ Bloomberg, 23 Mar 2020

The government's lackluster response has received criticism in parliament – which has been sitting in **Dodoma** in a reduced capacity. Opposition **Alliance for Change and Transparency (ACT-Wazalendo)** leader **Zitto Kabwe** has been vocal about the government's apparent lack of strategy, asking for tougher measures to be implemented to curb the spread of the virus. On 29 March, Kabwe wrote an opinion piece entitled "*A Letter to My President, John Magufuli of Tanzania*" published in South Africa's **Daily Maverick**. In the op-ed Kabwe notes that:

*"Tanzania has taken some important steps such as a call to reduce unnecessary gatherings, encouraging frequent handwashing, and the establishment of three Cabinet committees to respond to the situation. Unfortunately, and given the gravity of the situation we face, these measures are grossly insufficient."*⁶

Kabwe goes on to recognise that even with the best laid plans, the country's healthcare system is ill equipped to counter the virus:

*Human resources in the health sector are insufficient, with a deficit of over 150,000 health workers. Those working on the health frontline will need additional support to prepare them for the pandemic. Lastly and of extreme concern, Tanzania has a population of 1.6 million immune-compromised individuals (those living with HIV/AIDS and other "underlying conditions"). Additional steps must be taken to protect these most vulnerable citizens."*⁷

Although the ruling **Chama Cha Mapinduzi (CCM)** party is set for almost certain electoral victory in the upcoming October general election (see below), increased political pressure may see the government put further restrictions in place to curb the spread of the virus. Any restrictions will, however, need to consider how the country balances the health of its young population with the strength of its economy. To date, it appears that keeping the economy moving has been the government's priority and although some additional measures may be put in place, it is unlikely that the government will impose meaningful lock-down measures or any distancing measures that significantly hamper the ability of citizens to earn a living.

... and 2020 electoral calendar continues as planned ...

Despite the current coronavirus pandemic, President Magufuli confirmed on 26 March that the October 2020 general election will go ahead as scheduled, stating in a televised address that:

*"The elections will be held as planned. There are people who think that the elections will be postponed. Nobody wants to stay in office forever."*⁸

If that commitment is adhered to, 2020 is set to be a busy year that will see the government attempt to manage an unprecedented health crisis while also putting in place the necessary logistics for election campaigning and the election itself.

Parliament sat in Dodoma in March with shortened sessions and restrictions on the number of MPs allowed to attend. As to be expected, the overwhelming focus of the parliamentary session was the government's efforts, or lack thereof according to the opposition, of putting tangible mechanisms in place to curb the spread of the virus. Although tackling the coronavirus is of the utmost importance at this critical stage, there is a risk that the normal scrutiny of government decision making in the lead up to the national budget, scheduled to be formalised in June, and ultimately the general election, is sorely lacking.

Working on the presumption that the political calendar is in no way influenced by the coronavirus, current and prospective MPs will re-commence jockeying for pre-selection to be their party's nominated candidates across the country at the conclusion of this parliamentary session. This will involve MPs travelling from Dodoma to their constituencies. The pre-selection process typically

⁶ Daily Maverick, 29 Mar 2020

⁷ Daily Maverick, 29 Mar 2020

⁸ Business Insider, 27 Mar 2020

involves a large number of localised rallies and ultimately face-to-face contact. How this will be managed in the current health crisis is unknown. The inability to conduct a traditional campaign and any restrictions on how prospective candidates can campaign, is likely to provide a significant advantage to the incumbent.

Current MPs will need to re-convene in Dodoma for the reading of the 2020/21 budget in June, before dispersing once more to their constituencies for pre-selection formalities, with those successful then campaigning for the general election.

This protracted period of politicking is likely to see significant movement of MPs and their staff into and then out of Dodoma (a region that currently has no recorded cases of coronavirus), as well as significant face-to-face contact among voters throughout the country. Tanzania does not have in place the technology to conduct online polling nor a reliable mail service to undertake postal voting as alternatives to polling day.

Despite these obvious restrictions, any delay to the electoral timetable will only increase suspicions that President Magufuli may be working towards extending his tenure past the constitutionally mandated two terms, a claim that the president has always rejected, but that lingers as a possibility in the minds of many.⁹

Due to issues well beyond its control, along with the various restrictions that the current administration has placed on the opposition (restrictions on freedom of press, civil liberties and amendments to the **Political Parties Act**),¹⁰ the 2020 general election is more than ever looking like an overwhelming win for the CCM. Whilst CCM's electoral victory has been presumed for some time, it is the lack of scrutiny of government business likely to take place between now and the election that is of significant concern to both the public and private sectors.

... as private sector foundation loses key leaders

Tanzania's private sector has lost one of its key champions. **Salum Shamte**, chairman of the **Tanzania Private Sector Foundation (TPSF)** and *ex officio* chairman of the **Southern Africa Development Community (SADC) Business Council**, died on 30 March.¹¹ Shamte, former managing director of sisal business **Katani Limited**, died at **Muhimbili Orthopaedic Institute** where he was being treated whilst on remand at **Maweni Prison** in **Tanga**. Shamte had been on remand since October 2019 after being charged with economic sabotage offences including money laundering and conspiracy to commit a crime causing a loss of TSh54 billion (\$23m) to the **Agricultural Marketing Cooperative Societies**.¹² Shamte was arrested along with current of Katani Limited managing director **Juma Shamte**, finance director **Fadhili Malima**, public relations officer **Theodora Mtejeta** and the company board member **Fatma Diwani**. Claims revolve around an alleged dispute between the company and farmers.

Shamte's incarceration and death have led to a vacuum in the leadership of the TPSF, a membership-based organisation whose mission is to function as an apex and focal private sector organisation in Tanzania for promoting private sector development and effective engagement with the Tanzanian government and other stakeholders in matters of development policy and in the provision of services to members.¹³ Shamte's death coincides with the TPSF's search for a new executive secretary. Former executive secretary **Godfrey Simbeye**, who had been in the role since 2012, announced his resignation from the organisation in February effective 31 March.¹⁴ Simbeye reportedly indicated in December his intention to resign. Simbeye's role has not yet been filled, and with both key roles now vacant, acting chair **Angelina Ngalula** is currently the key spokesperson for the organisation.

⁹ Reuters, 8 Aug 2017

¹⁰ The Guardian, 29 Oct 2019

¹¹ The Citizen, 30 Mar 2020

¹² The Citizen, 31 Oct 2020

¹³ TPSF website, accessed 4 Apr 2020

¹⁴ Daily News, 8 Feb 2020

The TPSF engages in advocacy on behalf of its members, working with the public sector and donor community. As part of this mandate, the TPSF is a critical arm of the **Tanzania National Business Council**, a key public-private stakeholder forum that is chaired by the president of Tanzania. The TPSF also engages on behalf of its members with **Parliamentary Standing Committees**, the **National Monitoring Committee**, **National Committee on Implementation of the Common Market Protocol**, the **National Trade Facilitation Committee**, the **Task Force for Fiscal Reform** and the **Trade Facilitation Platform**. The TPSF also engages with regional institutions such as the **East African Community**, as well as engaging directly with Tanzania's bilateral partners.¹⁵

The shakeup of the TPSF's senior management comes at a critical time. The TPSF is currently actively engaging with the **Ministry of Health, Community Development, Gender, Senior and Children** on strategies for protecting businesses from the coronavirus pandemic.¹⁶ Additionally, the TPSF acts as the unified voice of the private sector during the formulation of the budget and in the lead up to the general election, scheduled for October 2020 (see above). At a time when advocacy for the private sector is most necessary, the TPSF is facing a crisis of management that may significantly diminish the voice of the private sector in an increasingly crucial year for Tanzania's development.

Planner

7 Apr 2020 (**Tanzania**) Karume Day (national holiday);
 26 Apr 2020 (**Tanzania**) Union Day (national holiday);
 7 Jul 2020 (**Tanzania**) Saba Saba Day (national holiday);
 8 Aug 2020 (**Tanzania**) Nane Nane Day (national holiday); and
 October 2020 (**Tanzania**) General elections.

Chronology

4 Apr 2020 **Dar es Salaam (Tanzania)** *The Citizen*. The **United States (US)** announces \$1m to assist Tanzania in the fight against the coronavirus;

1 Apr 2020 **Dar es Salaam (Tanzania)** *The Citizen*. The **World Bank** confirms that it is releasing the previously delayed \$500m education loan to Tanzania;

31 Mar 2020 **Dar es Salaam (Tanzania)** *Daily News*. The **Dar es Salaam Stock Exchange (DSE)** is trading at a seven-year low as the country feels the impact of the coronavirus;

31 Mar 2020 **Dar es Salaam (Tanzania)** *Daily News*. Tanzania records its first death from coronavirus;

30 Mar 2020 **Dar es Salaam (Tanzania)** *The Citizen*. Chair of the **Tanzania Private Sector Foundation (TPSF)** **Salum Shamte** dies at **Muhimbili Orthopedic Institute** where he was receiving treatment whilst on remand from prison;

30 Mar 2020 **Dar es Salaam (Tanzania)** *The Citizen*. The government nominates one facility, the **Kibaha district hospital**, to treat patients with coronavirus;

29 Mar 2020 **Dar es Salaam (Tanzania)** *The Citizen*. The private sector has donated Tsh1.2 billion (\$515,000) to help fight the coronavirus;

26 Mar 2020 **Dar es Salaam (Tanzania)** *The Citizen*. The report submitted by the **Controller and Auditor General (CAG)** looking into government spending between 2018/19 indicates misappropriation of funds by government departments;

¹⁵ TPSF website, accessed 4 Apr 2020

¹⁶ The Citizen, 2 Apr 2020

26 Mar 2020 **Dar es Salaam (Tanzania)** *The Citizen*. President **John Magufuli** confirms that the general election will still take place in October 2020, with the coronavirus outbreak causing no delay to the political schedule;

24 Mar 2020 **Arusha (Tanzania)** *The Citizen*. Health ministers from the **East African Community (EAC)** countries met via video-conference to discuss the implications of the coronavirus on the region;

23 Mar 2020 **Dar es Salaam (Tanzania)** *The Citizen*. Finance minister **Phillip Mpango** announces that two Tanzanian nationals have been appointed to the board of **Twiga Minerals Corporation Limited**, responsible for managing **Barrick Gold's** assets in Tanzania;

18 Mar 2020 **Dar es Salaam (Tanzania)** *Daily News*. Prime minister **Kassim Majaliwa** closes all schools and bans public gatherings following the country's first confirmed case of coronavirus;

16 Mar 2020 **Dar es Salaam (Tanzania)** *The Citizen*. **Zitto Kabwe** retains his position as party leader of **ACT-Wazalendo**, while **Seif Shariff Hamad**, formerly of **Civic United Front (CUF)**, is confirmed as the party's chairman;

13 Mar 2020 **Dar es Salaam (Tanzania)** *The Citizen*. The government announces its priority areas for the country's FY2020/21 budget with the total budget increasing 5% from last year;

11 Mar 2020 **Dar es Salaam (Tanzania)** *Daily News*. Ruling party **Chama Cha Mapinduzi (CCM)** announces that it paid the fine for former opposition party **Chadema** secretary general **Dr Vincent Mashinji** for sedition and unlawful assembly during his time with the opposition after he recently defected to CCM;

11 Mar 2020 **Dar es Salaam (Tanzania)** *The Citizen*. Cashew farmers continue to struggle, as the government announces that it still owes farmers Tsh31.6 billion (\$13.7m) from the 2018/19 season;

11 Mar 2020 **Dar es Salaam (Tanzania)** *Daily News*. **Kisutu Magistrate Court** finds opposition party **Chadema** leader **Freeman Mbowe**, along with eight other party members, guilty of offences including unlawful assembly and sedition;

10 Mar 2020 **Dar es Salaam (Tanzania)** *Daily News*. Police confirm that ruling **Chama Cha Mapinduzi (CCM)** party deputy chairman **Phillip Mangula** was poisoned on 28 February at the party headquarters in **Dar es Salaam**;

8 Mar 2020 **Dar es Salaam (Tanzania)** *Daily News*. The **Bank of Tanzania** (central bank) welcomes the **International Monetary Fund's** recent assessment of the country's economy that estimated growth to be at 6% and inflation below 5%.

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