

AFRICA RISK CONSULTING

Tanzania Monthly Briefing April 2022

Tanzania Summary 7 April 2022

President Samia Suluhu Hassan (2021-present) continues to stamp her authority on her government with another minor cabinet reshuffle. Changes within the ruling Chama Cha Mapinduzi (CCM) party see former minister for foreign affairs Bernard Membe rejoin the party and stalwart Abdulrahman Kinana become new vice chairman of the CCM. Live broadcast of parliamentary proceedings will recommence. A review of the contentious Political Parties' Act and Tanzania's constitution are planned; however, no changes to the constitution will be enacted until after the 2025 election. Tanzania continues its programme of international outreach with an investment event held in London (United Kingdom) (UK) on 31 March and a visit to Tanzania by the UK's minister for Africa, Vicky Ford, during the week of 4 April.

Cabinet reshuffles and changes within ruling party...

President **Samia Suluhu Hassan** (2021-present) continues to stamp her authority on the ruling **Chama Cha Mapinduzi (CCM)** and Tanzania's political landscape. On 31 March, Suluhu announced a minor cabinet reshuffle, appointing senior cabinet minister **George Simbachawene** as minister in the office of the prime minister.¹ Simbachawene leaves his position of constitutional and legal affairs minister, which he had only held since January. Simbachawene previously served as minister for home affairs, and before that held multiple ministerial roles under President **John Magufuli** (2015-2021).

Earlier in March, Suluhu announced that controversial member of parliament **Humphrey Polepole** had been appointed as Tanzania's ambassador to **Malawi**.² Polepole was appointed as the ruling party's ideology and publicity secretary general under Magufuli and was subsequently appointed as a member of parliament. Polepole had spoken out against vaccines for **Covid-19** and his views on how the government should be tackling the pandemic were far more aligned with those of the former president than those of President Suluhu. Political analysts interpret Polepole's appointment to a position outside of the country as his removal from the domestic political sphere and withdrawal from the political limelight as a potential presidential opponent.

The ruling CCM has also experienced changes over the past month, welcoming senior party members who were side-lined under Magufuli. The party announced during its conference on 1 April that former CCM secretary general **Abdulrahman Kinana** would return to the party's hierarchy as its new vice chairman following the resignation of 81-year-old **Philip Mangula**.³ Kinana, a former member of parliament and cabinet member, was side-lined under Magufuli; however, his appointment as party vice chairman is a strong indication that he is very much back in the political fold. Former foreign affairs **Bernard Membe** also announced that he is re-joining the ruling party. Membe left the ruling party in February 2020 and subsequently stood as opposition party **ACT Wazalendo's** presidential candidate in the October 2020 elections.⁴

¹ The Daily News, 31 Mar 2022

² The Citizen, 14 Mar 2022

³ The Citizen, 1 Apr 2022

⁴ The Citizen, 1 Apr 2022

... as Suluhu cements her stamp on government

President Suluhu has made several other changes in Tanzania's political landscape. On 4 April, national assembly clerk **Nenelwa Mwiambi** announced that the live broadcast on television of parliamentary proceedings will re-commence after being banned six years ago during President Magufuli's time in office.⁵ Civil society organisations criticised the decision to ban the popular practice as a mechanism to control freedom of information and stifle free speech. Resuming live streaming of parliament is a popular move in a politically engaged country such as Tanzania.

President Suluhu also announced a review of the contentious **Political Parties' Act**, which governs the activities of political parties and outlines the regulations around key matters such as election campaigning.⁶ During Magufuli's time in office, Tanzania was widely criticised both within the country and abroad for its increasingly repressive approach to democratic freedoms, with many arguing that Tanzania's democratic principles diminished significantly during Magufuli's six years in office.

In addition to the review of the Political Parties' Act, **State House** announced on 26 March that a constitutional review taskforce would review the country's constitution again but would make no decisions until after the 2025 elections.⁷ The announcement met with mixed reviews. On the one hand, constitutional review has been a key demand of leading opposition parties ACT Wazalendo and **Chadema**. However, by pushing the review process into the next election cycle, the president and ruling party have demonstrated that it is not a priority for them and that any contentious takeaways from the review, particularly those that impact the level of autonomy granted to **Zanzibar**, will not come into effect until the president's likely second term in office.

While political changes dominated Tanzania's news in the past month, the economy has also been in the spotlight. On 30 March, controller auditor general **Charles Kichere** announced that Tanzania's national debt increased by 13.7% in 2021 to reach TZS 64.5 trillion (\$27.92 billion) by 30 June.⁸ Despite this, the country continues to borrow quite heavily; on 31 March President Suluhu announced that Tanzania is seeking at least \$700m from the **International Monetary Fund (IMF)** as it adjusts its borrowing strategy to take on more concessional loans and reduce the risk of debt distress.⁹ The country also continues to secure donor funding; on 23 March permanent secretary in the ministry of finance and planning **Emmanuel Tutuba** announced that Tanzania had secured €180m (\$197m) from the **European Union** to fund digitisation, green smart cities and gender transformation initiatives.¹⁰

Continued borrowing is likely as Tanzania navigates the Covid-19 pandemic. While the government has not imposed any measures to combat the spread of the disease, and to date shows no intention of doing so, the pandemic-induced downturn in the global economy continues to impact Tanzania and the wider **East African** region.

The ongoing conflict in **Ukraine** is also likely to impact Tanzania. In the short term, rises in fuel prices will continue to impact consumers. In the mid to long term however, it is expected that the value of Tanzania's planned liquefied natural gas project could rise significantly, with the president noting that it could increase by as much as \$10 billion as countries look to diversify their energy reliance.¹¹

UK-Tanzania relations continue to thrive

Relations between the **United Kingdom (UK)** and Tanzania continue to improve. During the week of 4 April, the UK's minister for Africa, **Vicky Ford**, visited **Dar es Salaam** to promote the bilateral

⁵ The Citizen, 4 Apr 2022

⁶ The Citizen, 12 Mar 2022

⁷ The Citizen, 26 Mar 2022

⁸ The Citizen, 30 Mar 2022

⁹ Business Day, 31 Mar 2022

¹⁰ The Daily News, 23 Mar 2022

¹¹ Bloomberg, 29 Mar 2022

relationship.¹² The visit is part of a multi-country visit and the minister met with the president and key government officials including trade minister **Ashatu Kijaji**. Ford also met with UK investors and toured key UK-funded aid projects.

Additionally, on 31 March, a UK–Tanzania investment forum, supported by both countries' governments, was held in **London (UK)**.¹³ Global law firm **Clyde & Co** sponsored the event, which was attended by the Tanzanian high commissioner to the UK, **Asha Rose Migiro**, and a number of senior executives from the **Tanzania Investment Centre (TIC)** and the **Zanzibar Investment Promotion Authority (ZIPA)**. Representatives from the UK's department for international trade were also in attendance. The event highlighted the status of the bilateral relationship as well as opportunities for further collaboration – economic, as well as technology transfer and research and development. Key matters on the table are the possibilities of a double taxation treaty and a free trade agreement between the two countries.

President Suluhu appears to be encouraging these kinds of investment events. Under President Magufuli, international outreach was minimal and government officials required high-level approvals for any travel outside the country, putting a stop to efforts to improve bilateral relations. It appears as though the latest events will continue to take place with the government's support as part of Suluhu's efforts to normalise trade relations.

Planner

2022 **(Tanzania)** Commencement of construction of **Uganda-Tanzania** oil pipeline
 2024 **(Tanzania)** Local elections
 2025 **(Tanzania)** General elections

Chronology

6 Apr 2022 **Dar es Salaam (Tanzania)** *The Citizen*. **Madagascar**-based company **Axian** has led a consortium to acquire telecommunications company **Tigo Tanzania**;

4 Apr 2022 **Dar es Salaam (Tanzania)** *The Citizen*. Live broadcast of parliamentary proceedings will re-commence, six years after the practice was banned;

1 Apr 2022 **Dar es Salaam (Tanzania)** *The Citizen*. Ruling **Chama Cha Mapinduzi** announces the appointment of former secretary general **Abdulrahman Kinana** as the party's new vice chairman following the resignation of **Philip Mangula**;

31 Mar 2022 **Dar es Salaam (Tanzania)** *Business Day*. President **Samia Suluhu Hassan** says **Tanzania** is seeking at least \$700m from the **International Monetary Fund (IMF)** as the country adjusts its borrowing strategy to take on more concessional loans and reduce the risk of debt distress;

31 Mar 2022 **Dar es Salaam (Tanzania)** *The Daily News*. President **Samia Suluhu Hassan** announces a minor cabinet reshuffle;

31 Mar 2022 **Dar es Salaam (Tanzania)** *The Citizen*. Former foreign affairs minister and opposition party **ACT Wazalendo**'s presidential candidate in the 2020 elections, **Bernard Membe**, re-joins the ruling **Chama cha Mapinduzi**;

30 Mar 2022 **Dar es Salaam (Tanzania)** *The Citizen*. Controller and auditor general **Charles Kichere** says **Tanzania**'s national debt increased by 13.7% last year, to TZS 64.5 trillion (\$27.92 billion) on 30 June 2021;

¹² The Citizen, 4 Apr 2022

¹³ Clyde & C, Mar 2022

29 Mar 2022 **Dar es Salaam (Tanzania)** *Bloomberg*. President **Samia Suluhu Hassan** says she expects investments in **Tanzania's** liquefied natural gas project to rise by \$10 billion as the world rushes for new sources of the fuel to reduce reliance on **Russian** energy;

26 Mar 2022 **Dar es Salaam (Tanzania)** *The Citizen*. Calls for a constitutional review are at the forefront again with the constitutional review taskforce announcing that the review process will be postponed until after the 2025 election;

23 Mar 2022 **Dar es Salaam (Tanzania)** *The Daily News*. **Tanzania** secures €180m (\$197m) from the **European Union** to fund digitisation, green smart cities and gender transformation initiatives;

22 Mar 2022 **Dar es Salaam (Tanzania)** *The Citizen*. **United Kingdom** headquartered **African Barrick Gold Plc** is ordered to pay the **Tanzania Revenue Authority (TRA)** \$21.3m relating to a tax liability stemming from the company's sale of its interest in the **Nyanzaga** gold project;

17 Mar 2022 **Dar es Salaam (Tanzania)** *The Citizen*. **Nigeria**-headquartered **Dangote Cement** signs a deal with the **Mtwara** port to export 40,000 tons of cement per month;

17 Mar 2022 **Dar es Salaam (Tanzania)** *The Africa Report*. **United Kingdom High Court** starts case filed against **Barrick Gold** subsidiary **Barrick Tanzania Limited** over allegations of unlawful killings and assaults at a mine in **Tanzania** between 2014 and 2019;

16 Mar 2022 **Dar es Salaam (Tanzania)** *The Daily News*. **French** telecommunications company **Eutelsat** launches its **Konnect** satellite broadband packages in **Tanzania**;

15 Mar 2022 **Dar es Salaam (Tanzania)** *The Citizen*. **Tanzania** and **Kenya** continue to make progress on removing non-trade barriers during the most recent meeting of the two government negotiating teams held from 9-12 March;

15 Mar 2022 **Dar es Salaam (Tanzania)** *Bloomberg*. **United Kingdom**-based corporate watchdog **RAID** alleges that local police are killing and assaulting villagers around a mine owned by **Canada**-based miner **Barrick Gold Corp**;

14 Mar 2022 **Dar es Salaam (Tanzania)** *The Citizen*. President **Samia Suluhu Hassan** appoints member of parliament **Humphrey Polepole** as **Tanzania's** new ambassador to **Malawi**;

12 Mar 2022 **Dar es Salaam (Tanzania)** *The Citizen*. President **Samia Suluhu Hassan** announces that a review of the contentious **Political Parties Act** will take place, with opposition figures arguing that the act restricts their activities;

11 Mar 2022 **Dar es Salaam (Tanzania)** *The Daily News*. **Egyptian** company **Elsewedy** signs a memorandum of understanding with the **Tanzanian** government to purchase land to develop a manufacturing hub in **Kigamboni, Dar es Salaam**;

9 Mar 2022 **Dar es Salaam (Tanzania)** *The Daily News*. The ministry of constitutional and legal affairs is re-visiting the government's decision to restrict the rights of individuals and non-government organisations from directly accessing the **African Court on Human and Peoples' Rights**;

8 Mar 2022 **Dar es Salaam (Tanzania)** *The Citizen*. **Zanzibar** president **Hussein Ali Mwinyi** reshuffles his cabinet by splitting the ministry of health, social welfare, the elderly, gender and children into two separate ministries;

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