

AFRICA RISK CONSULTING

Tanzania Monthly Briefing May 2022

Tanzania Summary 6 May 2022

President Samia Suluhu Hassan (2021-present) and her administration grapple with concerns over the increased cost of living in Tanzania caused by rising fuel prices globally. Suluhu commits her government to review the contentious Media Services Act, 2016 to ensure that Tanzania can operate with a free and fair press. President Suluhu undertakes a two-week visit to the United States (US) for the launch of the Royal Tour documentary promoting Tanzanian tourism, and the US and Tanzania sign memoranda of understanding (MOUs) worth over \$5 billion.

Cost of living front and centre...

President **Samia Suluhu Hassan** (2021-present) and her administration are under increased pressure to address the rapidly rising cost of living in **Tanzania**. Increases in fuel prices are being felt worldwide, largely because of the ongoing conflict in the **Ukraine**. Tanzania's **Energy and Water Utilities Regulatory Authority (EWURA)** announced on 3 May that consumers would pay more for fuel with immediate effect. In the commercial capital of **Dar es Salaam**, petrol now costs TSh 3,148 (\$1.38) per litre while diesel costs TSh 3,258 (\$1.41) per litre and kerosene TSh 3,112 (\$1.34) per litre.¹ Announcing the revised pricing, EWURA noted that this is the first time that the price of fuel has risen to TSh3,000 (\$1.30) per litre in regions such as Dar es Salaam:

*"About 93% of the latest price changes were attributable to rising world oil market prices and about 4% to premiums."*²

To accommodate the price increases, the **Land Transport Regulatory Authority (LATRA)** announced that as of 14 May, higher public transport fares for both commuter and long-distance buses would come into force. Despite this, many transport providers remain concerned about the impact of the rising cost of fuel on their businesses. **Dar es Salaam Commuter Bus Owners Association (Darcoboa)** chairman **Kisimati Jaffar** indicated his members would be asking LATRA to approve additional fare increases:

*"It is not realistic for Latra to increase commuter fares by only Sh100 (\$0.04). This adjustment is too small, considering the fact that fuel prices have risen steeply since fares were last increased."*³

Tanzania Bus Owners Association (Taboa) spokesperson **Mustafa Mwalongo** reiterated concerns among transporters, noting that operating expenses include more than fuel costs:

*"For example, a bus travelling from Dar es Salaam to **Bukuba** must pass through several bus stations where charges are levied. These charges are too high for us to bear. We also buy tyres and other spare parts, whose prices have also gone up steeply."*⁴

Politicians are also discussing the steep increase in transport costs. Opposition **ACT Wazalendo** party leader **Zitto Kabwe** suggests that the government should temporarily suspend the TSh500 (\$0.22) per litre government levy on petrol, diesel and kerosene in order to help consumers.⁵ The matter is likely to dominate domestic political debate, particularly as the government is in the process of

¹ The Citizen, 4 May 2022

² The Citizen, 4 May 2022

³ The Citizen, 5 May 2022

⁴ The Citizen, 5 May 2022

⁵ The Citizen, 5 May 2022

preparing its final annual budget, which finance and planning minister **Mwigulu Nchemba** will present to parliament in June.

For the Tanzanian government, the ongoing conflict in Ukraine may have one positive result. The war is likely to give rise to sustained increases in commodity prices, which would improve the financial picture for Tanzania's gold producers and the upcoming liquefied natural gas (LNG) project. However, in the short term, the ongoing conflict will continue to increase the cost of living, placing pressure on the government to soften the impact of these increases on Tanzanians.

Media freedom up for review

In marking **World Press Freedom Day** on 3 May, President Suluhu committed her government to undertake a review of the country's media laws, ordering the ministry of information, communication and information technology to review the **Media Services Act, 2016**.⁶ Suluhu urged the ministry to develop laws and regulations that will protect journalists and open more space for the freedom of expression and the media:

*"We should make our African media platforms cherish with our development goals and promote Africa's rich resources rather than stereotype reporting under the influence of foreign media outside Africa."*⁷

Many will welcome Suluhu's change in approach, with concerns expressed throughout the presidency of late former president **John Magufuli** (2016-2021) about declining media freedom and civic freedoms more broadly. Press freedom and the Media Services Act, 2016 specifically, were extremely contentious during Magufuli's time in office, which saw increasing censorship of the media, the suspension or banning of multiple news outlets, and the arrest of journalists including prominent journalist **Erick Kabendera**.⁸ **Tanzania Human Rights Defenders Coalition** coordinator **Onesmo Olengurumwa**, marking World Press Freedom Day in 2019, described the status of journalism in Tanzania then as *"engulfed in fear"*, noting that the harassment of journalists had increased from 26 cases in 2018 to 36 in 2019:

*"There has been excessive editorial censorship in order to keep the media alive, not to be banned ... We have seen private media users get arrested."*⁹

Magufuli's time in office also saw several regulatory changes aimed at curtailing media freedoms. These included an amendment to the **Electronic and Postal Communications (Online Content) Regulations**, requiring mandatory payment of annual licence fees of up to TSh 2.1m (\$906) by anyone hosting a blog or website, a figure prohibitive to many.¹⁰ Restrictions on the reproduction of foreign media content in Tanzania and the type of content that could be published, particularly in relation to the **Covid-19** pandemic, were implemented, as well as restrictions on the publication of content deemed to threaten national security, involving the planning or calling for demonstrations that may lead to public disorder, or content that may harm the local currency.

Suluhu promotes Royal Tour documentary in US...

President Suluhu continues to work to strengthen relations with Tanzania's regional neighbours and global partners such as the **United States (US)**. Her approach of global engagement and soft power diplomacy is markedly at odds with that of former president Magufuli. Suluhu undertook a two-week visit to the US in April, launching the **Royal Tour** documentary in **New York** on 18 April. The documentary highlights tourism opportunities in Tanzania and aims to revive the sector following the Covid-19 pandemic.¹¹ During her visit to the US, Suluhu also announced the signing of memoranda of

⁶ The East African, 3 May 2022

⁷ The East African, 3 May 2022

⁸ Quartz, 17 Sep 2019

⁹ The Citizen, 3 May 2020

¹⁰ Quartz, 10 Apr 2018

¹¹ The East African, 14 Apr 2022

understanding (MOUs) for deals worth over \$5 billion between the US and Tanzania and their investors.¹² The commitments are expected to contribute towards the creation of over 300,000 jobs in key sectors in Tanzania's economy including tourism, agriculture, and trade. US companies that have indicated their intention to invest in Tanzania include **Wind Energy, Astra Energy, Crane Currency** and **Parallel Wireless**.¹³

The visit was also an opportunity for President Suluhu to meet with the US administration. Suluhu and US vice president **Kamala Harris** undertook a joint press conference on 15 April at the **White House** in **Washington DC**. Suluhu thanked the US for its recent financial contributions to Tanzania, as well as socioeconomic development by the **United States Agency for International Development (USAID)** and improving the lives of Tanzanians through programmes such as the **President's Emergency Plan for AIDS Relief (PEPFAR)**, the **Presidential Malaria Initiative**, and **Feed for Future**.¹⁴ Suluhu also acknowledged US support in donating Covid-19 vaccines through the **Covid-19 Vaccines Access (COVAX)** facility:

"The US has so far contributed close to 5 million doses of COVID-19 vaccines to my country."¹⁵

¹² Daily News, 23 Apr 2022

¹³ Tanzania Invest, 25 Apr 2022

¹⁴ The White House, 15 Apr 2022

¹⁵ The White House, 15 Apr 2022

Planner

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

Chronology

- 4 May 2022 **Dar es Salaam (Tanzania)** *The East African*. Fuel prices hit a new high in **Tanzania** as the conflict in **Ukraine** continues to impact global fuel supply;
- 3 May 2022 **Dar es Salaam (Tanzania)** *The East African*. President **Samia Suluhu** orders a review of **Tanzania's** media laws to promote press freedoms;
- 29 Apr 2022 **Dar es Salaam (Tanzania)** *The East African*. President **Samia Suluhu** declares two days of national mourning following the death of **Kenya's** former president **Mwai Kibaki**;
- 25 Apr 2022 **Dar es Salaam (Tanzania)** *Daily News*. Concerns grow after contaminated water leaked from **North Mara** gold mine owned by **Canadian** company **Barrick Gold**;
- 23 Apr 2022 **Dar es Salaam (Tanzania)** *Daily News*. President **Samia Suluhu** announces that memoranda of understanding for deals worth over \$5 billion were signed during her trip to the **United States**;
- 22 Apr 2022 **Dar es Salaam (Tanzania)** *The Citizen*. Swahili is to become an official language of the **African Union (AU)**;
- 21 Apr 2022 **Dar es Salaam (Tanzania)** *The Citizen*. The **Tanzania Revenue Authority (TRA)** commences talks with social media companies as it prepares to enact a digital services tax;
- 20 Apr 2022 **Dar es Salaam (Tanzania)** *Daily News*. **Tanzanian Breweries Limited (TBL)**, a subsidiary of **Belgium**-headquartered **ABInBev**, reports a 68% increase in profit compared to 2020, assisted by increased sales and tax adjustments;
- 14 Apr 2022 **Dar es Salaam (Tanzania)** *The East African*. President **Samia Suluhu** travels to the **United States (US)** to launch the **Royal Tour** documentary;
- 14 Apr 2022 **Dar es Salaam (Tanzania)** *The East African*. **United States**-headquartered ride-hailing company **Uber** suspends operations in **Tanzania** indefinitely following the imposition of a "fare guide" by the **Land Transport Regulatory Authority (LATRA)**;
- 14 Apr 2022 **Dar es Salaam (Tanzania)** *The East African*. The standard gauge railway leg between **Dar es Salaam** and **Morogoro** is due to commence operations at the end of April;
- 8 Apr 2022 **Dar es Salaam (Tanzania)** *The Citizen*. **Tanzania** will conduct a national population and housing census on 23 August;
- 8 Apr 2022 **Dar es Salaam (Tanzania)** *The Citizen*. The **National Environmental Management Council (NEMC)** has fined **Tanzania and Zambia Oil Pipeline Authority (Tazama)** fined TSh300m (\$128,000) following a fire at the oil storage facility on 6 April;
- 8 Apr 2022 **Dar es Salaam (Tanzania)** *The Citizen*. **Tanzania** abstains from voting at the **United Nations General Assembly** on a vote to remove **Russia** from the human rights council.

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