

AFRICA RISK CONSULTING

Tanzania Monthly Briefing November 2020

Tanzania Summary 6 November 2020

President John Magufuli (2015-present) is sworn in as Tanzania's president after he and the ruling Chama Cha Mapinduzi (CCM) win the general election in a landslide victory, the most comprehensive victory since multi-party elections began in 1995. Opposition leaders and the international community, including the United States (US) embassy, condemn the election process and results, which have been marred by allegations of voting irregularities, intimidation tactics against opposition candidates and their supporters, reports of police brutality, and election-related deaths on the mainland and the islands. After a significant lull in the extractives sector, momentum appears to be building, with positive developments in both the oil and gas and mining sectors.

President Magufuli secures a second term

President **John Magufuli** (2015-present) was sworn in for a second term as **Tanzania's** president on 5 November. Magufuli and the ruling **Chama Cha Mapinduzi (CCM)** won the 28 October election in a landslide victory.¹ CCM's victory, in what is traditionally a dominant party state, comes as no surprise; however, the sheer scale of the victory has effectively seen the country regress to a one-party state, a system the country left after the 1995 multi-party elections. Magufuli won the presidential race in commanding fashion, securing 86% of the popular vote. His nearest rival, main opposition **Chadema's** presidential candidate, **Tundu Lissu**, won just 13% of the vote. Magufuli's win represents a significant improvement on the 2015 election in which he won 58% of the presidential vote, and represents the largest ever win by a presidential candidate in Tanzania.²

CCM's dominance was also felt in the semi-autonomous region of **Zanzibar**. Elections in Zanzibar are traditionally tightly contested, as there is significant anti-CCM sentiment on the Isles. Nevertheless, CCM's presidential candidate, **Dr Hussein Mwinyi**, won with an overwhelming 76% of the popular vote. His closest rival was veteran politician **Maalim Seif Sharif Hamad**, who ran as opposition party **ACT-Wazalendo's** presidential candidate, garnering just 18% of the vote.³

In the **National Assembly** CCM's dominance was even more pronounced with the party winning all but two seats in parliament. In Zanzibar CCM won 46 of the 50 seats available.⁴ CCM's majority in the national assembly now exceeds the two-thirds majority required to enact any constitutional change.

However, the conduct of the elections as well as the results have caused concern. The day before the election, the government cut off access to social media in Tanzania, making it difficult for observers to report allegations of election tampering, police brutality and deaths. Despite the lack of access to social media, on 27 October reports of police brutality in Zanzibar trickled into the mainstream media.⁵ There were also reports that ACT-Wazalendo's presidential candidate, Maalim Seif, was arrested while trying to vote.⁶ There were unconfirmed reports of deaths in **Pemba** the day before the vote and of police turning away opposition leaders and their supporters on both the mainland and the

¹ The Citizen, 30 Oct 2020

² The Citizen, 30 Oct 2020

³ The Citizen, 29 Oct 2020

⁴ The Citizen, 29 Oct 2020

⁵ The Citizen, 27 Oct 2020

⁶ BBC, 27 Oct 2020

Isles.⁷ Videos of ACT-Wazalendo's spokesperson in Zanzibar, **Ismail Jussa**, in hospital after an alleged police attack circulated widely among the few communication channels available to Tanzanians.⁸ There were numerous other reports of vote tampering, ballot stuffing and corrupt practices in the lead up to, and on the day of, the vote itself.⁹ Ongoing internet blackouts, however, have made it difficult to appreciate the scale of such behaviour.

Overall voter turnout was very low with just over half of the 29 million registered voters casting a ballot.¹⁰ The dominance of President Magufuli and the CCM over the past five years left many voters convinced that a landslide victory was assured, with many therefore opting not to vote at all. Fear of intimidation and potential acts of violence no doubt discouraged many more from voting.

Now that President Magufuli and CCM have a comprehensive grip on power in Tanzania, many predict that the president's next term in office will continue in much the same way as his first. Magufuli is likely to continue to focus on strategic mega-projects, viewing economic development through a socialist stance, and progressively chip away at media and civic freedoms. Businesses will no doubt continue to struggle with erratic policy making. However, many hope that most of the significant policy changes took place in Magufuli's first term and that his second term will be more about tweaking existing initiatives rather than large-scale and often unpredictable changes to policies and sectors.

Reactions to the results and what next

Reactions to the election results, both within Tanzania and abroad, have been mixed. The main opposition parties, ACT-Wazalendo and Chadema, have rejected the results outright. The parties' leaders called for mass protests to commence on 2 November and to continue until a re-run is called.¹¹ Despite these calls, protests failed to take place in a significant manner. Ongoing Internet restrictions, which include the banning of **WhatsApp**, **Twitter** and **Facebook** messenger over the 3G/4G networks, compounded by attempts to cut Wi-Fi in the country, have made it difficult to mobilise large-scale support for protests.¹² The ongoing cuts have also made it hard for the opposition to prove cases of vote tampering with sharing of information increasingly restricted. Instead the protest leaders, including Chadema chairman **Freeman Mbowe** and presidential candidate Tundu Lissu, as well as ACT-Wazalendo leader **Zitto Kabwe** were promptly arrested.¹³ Speaking on the election process and response, Tundu Lissu noted that:

*"In line with the electoral laws, whatever happened yesterday was not an election. It was a gang of people who decided to misuse the state machinery and cling back to power."*¹⁴

International response to the vote process and outcome has been mixed. The **United Kingdom (UK)**, **European Union (EU)** and the **Commonwealth Secretariat** have all made statements of varying severity condemning the election process.¹⁵ The **United States (US)** embassy has made multiple statements to date, condemning the process for "*credible allegations of significant election-related fraud and intimidation*".¹⁶ In a separate Tweet, US Ambassador **Donald J. Wright** noted that

*"...detaining opposition leaders is not the act of a government confident in its electoral victory".*¹⁷

⁷ BBC, 27 Oct 2020

⁸ The Citizen, 31 Oct 2020

⁹ Associated Press, 30 Oct 2020

¹⁰ Associated Press, 30 Oct 2020

¹¹ Financial Times, 29 Oct 2020

¹² DW, 29 Oct 2020

¹³ The Citizen 2 Nov 2020

¹⁴ Standard, 5 Nov 2020

¹⁵ The Citizen, 3 Nov 2020

¹⁶ CNN, 30 Oct 2020

¹⁷ CNN, 30 Oct 2020

The unanswered question, however, is what next. There are reports that Chadema's presidential candidate, Tundu Lissu, having nearly died in 2017 when he was shot 16 times in an unsolved attack, is seeking to leave the country and return to **Belgium** where he spent the previous two years in exile.¹⁸ There is no firm indication what other opposition leaders including Zitto Kabwe and Freeman Mbowe, both of whom lost their seats in the national assembly, plan to do next.¹⁹ Opposition voices are effectively muted for the next five years and ousted politicians may choose to explore other avenues, including the media and civil society, to attempt to advance their agenda outside parliament.

The international community will have to assess what action, if any, it takes against the government or key individuals in the government. Potential steps that are most likely being discussed include a decision to defer or deny aid to Tanzania. Partners may consider imposing economic and/or travel sanctions against key individuals in the regime. They may also choose to distance themselves from public displays of diplomatic engagement with the government, reducing media engagements and public displays of partnership. Following the disputed elections in Zanzibar in 2015, the US **Millennium Challenge Corporation** suspended its partnership with Tanzania, pulling out \$470m in aid.²⁰ Other bilateral and multilateral partners will no doubt be assessing their options.

Within government, the president's first key task will be nominating his cabinet and commencing preparations for the first sitting of parliament in **Dodoma** in January, when the government will outline its strategy for its next five years in office.

Movement in the extractives space

The weeks leading up to the general election saw multiple positive announcements regarding the country's extractives space, in both the oil and gas and mining sectors. After briefly stalling and significant delays, the **Uganda-Tanzania** crude oil pipeline appears to be back on track. **France**-headquartered **Total Oil Company**, the operator of the project represented by head of **Africa**, **Nicolas Terraz**, and Tanzania's attorney general, **Adelardus Kilangi**, signed the host government agreement on 27 October.²¹ The signing of the agreement paves the way for construction to commence on the \$3.5 billion project in February 2021. The project will see oil extracted in **Hoima**, Uganda and transported through Tanzania to the port of **Tanga** for export. The construction project is expected to take three years, creating an estimated 10,000 jobs.²²

Meanwhile, there is positive movement in Tanzania's mining space with **Canada**-headquartered **Barrick Gold** announcing on 23 October that the company has picked up eight new exploration licences in Tanzania. The company has committed to spending \$10m in exploration in Tanzania over the next year, looking to expand its footprint in-country.²³ Chief executive officer **Mark Bristow** noted that:

*"We are gearing up to potentially make **North Mara** and **Bulyanhulu** into a combined Tier One complex, capable of producing at least 500,000 ounces of gold annually for more than 10 years in the lower half of the industry's cost profile."*²⁴

Guernsey-headquartered **Shanta Gold**, which already operates one mine in Tanzania, announced on 8 October that it had started construction of the **Singida Gold Mine**. The project will take the company's production up to 110,000 ounces annually.²⁵ A buoyant global gold price will no doubt spur on increased investment and exploration in Tanzania's mining sector, however it remains to be

¹⁸ Daily Maverick, 3 Nov 2020

¹⁹ The Citizen, 29 Oct 2020

²⁰ BBC, 29 Mar 2016

²¹ The Citizen, 27 Oct 2020

²² The Citizen, 27 Oct 2020

²³ Mining Weekly, 23 Oct 2020

²⁴ Mining Weekly, 23 Oct 2020

²⁵ Mining Technology, 8 Oct 2020

seen if the government can provide a conducive operating environment, not just to attract investment, but to see investment progress from exploration into production.

Planner

Nov/Dec 2020 (**Tanzania**) Swearing in of the new cabinet
 9 Dec 2020 (**Tanzania**) Tanzania Independence Day (national holiday)
 Jan 2021 **Dodoma (Tanzania)** Parliament reconvenes
 Feb 2021 (**Tanzania**) Commencement of construction of **Uganda-Tanzania** oil pipeline

Chronology

5 Nov 2020 **Dodoma (Tanzania)** *The Citizen*. President **John Magufuli** is sworn in as president of Tanzania for a second term;

4 Nov 2020 **Dodoma (Tanzania)** *Daily News*. Opposition leaders including **ACT-Wazalendo** leader **Zitto Kabwe** and **Chadema** presidential candidate **Tundu Lissu** are released from police custody after calling for peaceful protest to dispute the election results;

2 Nov 2020 **Dar es Salaam (Tanzania)** *Daily News*. **Vodacom Tanzania Plc** announces a TSh 427.5 billion (\$184m) dividend for this year;

3 Nov 2020 **Dar es Salaam (Tanzania)** *The Citizen*. **Commonwealth** secretary-general **Patricia Scotland** announces that the organisation is happy to support the government investigate allegations of vote tampering following the general election;

2 Nov 2020 **Dar es Salaam (Tanzania)** *The Citizen*. Police arrest opposition party **Chadema** presidential candidate **Tundu Lissu** following his call for peaceful protests;

2 Nov 2020 **Dar es Salaam (Tanzania)** *The Citizen*. The **United States (US)** embassy voices concern over the detention of opposition leaders following the disputed election;

2 Nov 2020 **Dar es Salaam (Tanzania)** *The Citizen*. State-owned **Air Tanzania Company Limited (ACTL)** announces it will recommence flights to **Mumbai (India)** in the next two weeks as part of an air bubble with India;

2 Nov 2020 **Zanzibar (Tanzania)** *The Citizen*. **Dr Hussein Mwinyi** is sworn in as the president of **Zanzibar**;

2 Nov 2020 **Dar es Salaam (Tanzania)** *CNN*. Police arrest main opposition party **Chadema's** leader, **Freeman Mbowe**, ahead of planned protests over disputed presidential election results;

30 Oct 2020 **Dar es Salaam (Tanzania)** *The Citizen*. President **John Magufuli** and the ruling **Chama Cha Mapinduzi (CCM)** are declared winners of the 2020 general election;

30 Oct 2020 **Lindi (Tanzania)** *The Citizen*. Police arrest 37 people over chaos and election related violence in **Liwale** and **Nachingwea** on the day of the election;

30 Oct 2020 **Harare (Zimbabwe)** *News Day*. State-owned **Air Tanzania Company Limited (ACTL)** announces that it will recommence flights to **Harare (Zimbabwe)** via **Lusaka (Zambia)**;

29 Oct 2020 **Dar es Salaam (Tanzania)** *Financial Times*. Opposition parties call for protests following 'illegitimate' presidential and parliamentary polls, with tensions rising as President **John Magufuli** looks set to win a second term;

29 Oct 2020 **Zanzibar (Tanzania)** *The Citizen*. Opposition party **ACT-Wazalendo's** presidential candidate in **Zanzibar**, **Maalim Seif** is arrested after questioning the election results in the Isles;

29 Oct 2020 **Zanzibar (Tanzania)** *The Citizen*. Ruling **Chama Cha Mapinduzi (CCM)** party

candidate for the presidency in Zanzibar **Hussein Mwinyi** is announced as victorious with 76% of the vote;

27 Oct 2020 **Dar es Salaam (Tanzania)** *BBC*. Nationwide reports of restricted internet access and the arrest of an opposition leader in the semi-autonomous islands of **Zanzibar** as polls are set to open for **Tanzania's** 28 October general election;

27 Oct 2020 **Arusha (Tanzania)** *The Citizen*. **France**-headquartered **Total Oil Company** and the government of **Tanzania** sign the host government agreement to allow construction of the **Uganda-Tanzania** crude oil pipeline to commence;

24 Oct 2020 **Dar es Salaam (Tanzania)** *The Citizen*. **Canada**-headquartered **Barrick Gold** announces it has picked up eight new exploration licences with plans to spend \$10m on exploration this year;

23 Oct 2020 **Dar es Salaam (Tanzania)** *The Citizen*. Inspector general of police **Simon Sirro** confirms an attack by militants from **Mozambique** in **Kitaya** village on the bank of the **Ruvuma River** in the south of **Tanzania**;

22 Oct 2020 **Dar es Salaam (Tanzania)** *The Citizen*. The **Tanzania Revenue Authority (TRA)** rolls out electronic tax stamps on all soft drinks and bottled water;

21 Oct 2020 **Dar es Salaam (Tanzania)** *The Citizen*. The **Tanzania National Park Authority (TANAPA)** confirms that the fire on **Mount Kilimanjaro** is nearly extinguished;

19 Oct 2020 **Dar es Salaam (Tanzania)** *The Citizen*. The **African Development Bank** approves a \$50.7m loan to **Tanzania** to support its **coronavirus** response;

17 Oct 2020 **Dar es Salaam (Tanzania)** *The Citizen*. Opposition party **ACT-Wazalendo** leader **Zitto Kabwe** endorses main opposition party **Chadema's** presidential candidate, **Tundu Lissu**, in the race for the union presidency;

14 Oct 2020 **Dar es Salaam (Tanzania)** *The Citizen*. **Tanzania**-headquartered **Twiga Minerals**, owned by **Canada**-headquartered **Barrick Gold** and the Tanzanian government, pays the government a maiden dividend of Tsh100 billion (\$40m);

12 Oct 2020 **Dar es Salaam (Tanzania)** *The Citizen*. The **Bank of Tanzania** (central bank) extends the deadline for microfinance service providers to register their organisations until 30 April 2021;

9 Oct 2020 **Dar es Salaam (Tanzania)** *Daily News*. **Research and Education for Democracy in Tanzania (REDET)** deploys 3,200 election observers throughout **Tanzania** in the lead up to the elections;

8 Oct 2020 **Dar es Salaam (Tanzania)** *The Daily News*. **Guernsey**-headquartered **Shanta Gold** commences construction on the **Singida Gold Mining Project**, its second mine in **Tanzania**;

7 Oct 2020 **Dar es Salaam (Tanzania)** *The Citizen*. **Bank of Tanzania** (central bank) **Monetary Policy Committee** reiterates its predictions that **Tanzania's** economy will grow by 5.5% in 2020;

7 Oct 2020 **Dar es Salaam (Tanzania)** *The East African*. **Malawi's** president **Lazarus Chakwera** arrives in **Dar es Salaam** to commence a three-day state visit;

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