



BuzzInsight News

April - June 2020



Dedicated to promote Private Sector Competitiveness

Note from the Editor

TPSF is delighted to bring to you the BuzzInsight newsletter after COVID-19. Many businesses are not only facing the immediate challenge of keeping their business running but also ensure that essential workers are safe on the job.

However, despite the worries, businesses should stay calm and focused on activities and projects with possibilities of yielding immediate results. This is not a right time for investors and businesses to diverge investment rather focus on few with high yields and return on investment.

PWC has published Six key areas of focus for organisations

According to PWC The first area to focus on should be on Crisis management and response. Companies should leverage crisis management team to mobilise response efforts in the immediate wake of the crisis - it can help as companies transition into what's next. Companies should also assess organisation's response efforts to date and identify areas for real-time course corrections.

The second area to focus should be on protecting the workforce. Five workforce areas are emerging as priorities for business leaders:

- **Protect people:** Initiate measures to help support employees' physical and emotional well-being, whether at work or at home.
- **Communicate effectively in global uncertainty:** Lead with responsive, empathetic communications and policies that help people feel informed and supported.
- **Maintain the continuity of work:** Provide the resources and support employees need to be productive, especially as they adapt to working remotely.
- **Assess workforce costs:** Explore workforce levers to help balance the potential need to cut costs with the desire to keep people employed.
- **Prepare for recovery:** Align workforce planning with the business strategy and prepare for an evolving market in order, to ramp up in a recovery.

The third area according to PWC should be on Finance and liquidity. As business activities slow, some companies are seeing lower revenue resulting in less cash flow. During the economic uncertainty, managing cash and liquidity positions may be crucial in the weeks ahead. Companies should Model worst-case scenarios to assess the impact on cash position, and revise often, they should also Identify the financial and operational levers that can be pulled to conserve and generate cash, and potentially increase access to funding.

Another area to focus on is Strategy and brand. As companies move from reacting to mitigating the impact of the outbreak, strategies to emerge stronger may come in focus.

What you can do now:

- Consider accelerating digital transformations as the shift to remote working reveals gaps in IT infrastructure, workforce planning and digital upskilling
- Protect growth and profitability through actions such as scenario planning, more frequent financial modeling exercises to improve resiliency, and new models that incorporate economic impacts of past pandemics
- Take the pulse of your customers, thinking through longer-term considerations around shifts in core markets or business models as a result of the pandemic



Veneranda Sumila
(Editor)

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Tanzania should make Investment in Youth a high Priority

By Veneranda Sumila

Investing in human capital is essential if Tanzania is to develop economically, reduce poverty and achieve the aspirations articulated in Development Vision 2025, a World Bank report says.

Titled - Human Capital; the Real worth of Nations - the report urges Tanzania to invest more on Human Capital as one of the biggest investments that will lead the country to attain the envisaged development.

“Investing in human capital is essential for Tanzania,” says the report adding that “to generate future income and achieve sustainable development, people are the most important asset countries have.”

Even though in the budget speech for the year 2020/2021 the government mentioned skilled workforce as one of the key factors which will help the country to realize the envisaged industrial economy but details on how to go about the plan remain a mystery.

According to the report, for Tanzania, the Human Capital Index (HCI) is estimated at 0.40, which means that children and youth may reach only 40 percent of the earnings that they could aspire to with full health and education. In comparison to other countries, Tanzania does especially poorly in terms of the number of years of schooling that children complete and the risk that children under the age of five will be stunted.

The four countries that top the Human Capital Index (HCI) ranking -Singapore, South Korea, Japan, and Hongkong -are all in East Asia and part of the success of these countries in achieving high values on the HCI and high growth rates for GDP per capita is that they made investment in youth a high priority.



The successive development plans of South Korea, for example, emphasized education and training. Initially, governments focused on improving and universalizing basic education to ensure that labour-intensive industries would find the employees they required.

As the focus for growth shifted progressively to more technology-intensive industries, governments invested more in upper secondary and tertiary education and in technical and vocational education and training, giving more attention to the quality of the education provided.

“Education and training policies required substantial budget allocations, but expanding the role of the private sector in education was also crucial for the top four countries,”

The report urges Tanzania and other African countries can learn from the East Asia experience.

The analysis is part of the World Bank Human Capital Project (HCP). It relies on both the Human Capital Index (HCI) and data on human capital wealth (HCW). One HCP aim is to measure how much social sectors, among them health and nutrition, education,

protection, and labour, contribute to worker productivity. In Tanzania, it appears that both the HCI and HCW per capita are low.

To boost investments in human capital, the report suggests a variety of policy options for, e.g., enhancing access to and quality of health care, improving children’s nutrition, the quality of education, gender equality, and worker skills.

Currently Tanzania is improving access to education by constructing new schools and expanding the existing ones however the country must also relive the early-grade traffic jam.

“Large class sizes and overcrowded classrooms in the early grades result in poor learning, grade repetition, and ultimately dropouts. These problems can be eased by expanding access to pre-primary education so that children are prepared for primary school, and making the environment conducive to learning with smaller class sizes, better-trained teachers, and reliance as needed on the language children speak at home,” says the report.

What the Finance Act 2020/21 and the National Government Budget means to the Private Sector and the Tanzanian Economy

By Kennedy Rwehumbiza

On 11th June 2020 the government of Tanzania through Finance and Planning Minister, Dr Philip Mpango tabled the last budget of the first five years of President John Magufuli's regime.

The ambitious 34.88tr/- budget, was somewhat a mix of many issues ranging from helping the economy to recover from COVID-19 shocks, a progression of development initiatives and focusing on measures that will spur industrial growth.

The Finance Act proposes several amendments that intend to create a conducive business environment and investment climate. Additionally, government expenditure allocation to flagship strategic projects intends to stimulate economic growth in the country. For example, the government has invested heavily in the construction of the Standard Gauge Railways (SGR), construction of Julius Nyerere Hydropower Project (2,115MW), strengthening of ATCL, and facilitation of the construction of the Crude Oil Pipeline Project from Hoima, Uganda to Tanga port, Tanzania.



Agriculture and Environment

The Government plans to offer special focus to the agriculture sector through the National Budget for 2020/21. Special focus will be on the implementation of the Agricultural Sector Development Programme II (ASDP II), which will include improving irrigation and market infrastructures, improving access to agricultural inputs and extension services, strengthening farmers' cooperative unions, including cooperative payment systems.

Moreover, the following fiscal measures have been directed to the modernization and streamlining of the agricultural sector;

- VAT exemption on agricultural crop insurance premium
- Recovery of input VAT for exporters of raw produces
- Increase of minimum threshold for primary cooperative societies liable to income tax from TZS 50.0 million to TZS 100.0 million per annum
- Reduction of import duty rate on agricultural seeds packaging materials from 25% to 0%
- Granting of Duty remission at import duty rate of 0% instead Of 25% under EAC-CET on various packaging materials such as coffee, cashew nuts, cotton, and milk.

Construction and Infrastructure

The Government will continue to finance its flagship strategic projects including the construction of the Standard Gauge Railways (SGR), construction of Julius Nyerere Hydropower Project (2,115MW), strengthening of ATCL, and facilitation of the construction of the Crude Oil Pipeline Project from Hoima, Uganda to Tanga port, Tanzania.

Implementation of these Projects will be through the funds set aside for the same under Development Expenditure for 2020/21.

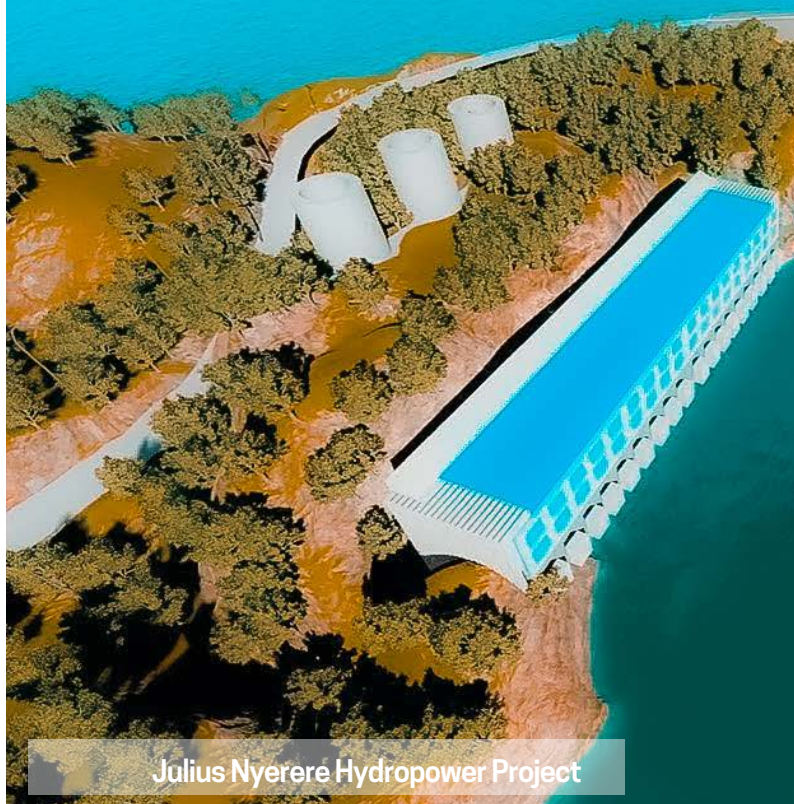
Communication and Telecommunication

The Government is planning to create enabling environment for the sector to return to its growth path, taking into account of the past disputes in this sector. From this background, the Government proposes the following key fiscal measures;

- The 0.3% of turnover service levy from telecommunication companies will be collected by the Minister responsible for Local Governments;
- To protect Government shares from dilution, the Government proposes to amend the Electronic and Postal Communication Act, to exempt companies owned by the Government with shareholding of 25% or more from being listed at the stock exchange.
- Furthermore, the Government proposes exclusion of telecommunication tower leasing companies from compulsory listing in the DSM stock exchange as they are not considered as telecommunication operators.

Manufacturing

The Government will continue to create enabling environments for industrial development, especially those manufacturing industries using agricultural products as their main raw materials for value addition. During 2020/21 FY, the Government proposes various fiscal measures to stimulate manufacturing sector;



- Grant Duty Remission at a duty rate of 0% instead of 25% for 1 year on packaging materials falling under HS Code 4819.50.00 used by domestic manufacturers of UHT milk. This measure is intended to reduce production costs to local manufacturers of UHT milk so as to make them affordable to consumers;
- Stay application of the EAC-CET rate of 25% and apply a duty rate of 35% for 1 year on importation of ceramic tiles falling under HS Codes 6907.21.00; 6907.22.00 and 6907.23.00 in order to protect local manufacturers of these products and create more employment
- Grant Duty Remission at a duty rate of 0% instead of 25% for 1 year on packaging materials falling under HS Code 7310.21.00; 6305.10.00; 3923.50.10; 3923.50.90; 3920.30.90 and 48.19 used by domestic processors of coffee. This measure is intended to promote value addition on coffee products, reduce processing costs and promote employment in coffee farming;
- Stay application of the EAC-CET rate of 25% and apply a duty rate of 35% for 1 year on importation of tea, whether or not flavoured falling under HS Codes 09.02. This measure is aimed at protecting local tea processors and promote growth of an employment in agricultural sector;
- Stay application of the EAC-CET rate of 25% and apply a duty rate of 35% for 1 year on sacks and bag, of jute or other textile fibres of tariff heading 53.03 falling under HS Codes 6305.10.00. The intension of this measure is to protect local manufacturers of sisal bags, promote employment in sisal farming and increase Government revenue



SME Sector

Part IX of the 2020/21 Finance Act amends the LG Finance Act, Cap 290.

Amendment of Sect.6&7 intend to boost SMEs development. Excluding SMEs with gross turnover of less than 4 Million shillings from payment of service levy will provide ample time for them to stabilize and grow their businesses. In other words, this will encourage entrepreneurship in the country. Additionally, it also aligns this fiscal measure with that of individual presumptive income tax that excludes gross turnover of 4 million from income tax.. (refer to TRA presumptive tax structure)

EMPLOMENT RELATED TAXES

- **Increase in PAYE Threshold** - This measure is expected to increase the disposable income and reduce the tax burden to the salaried employees.
- **The reduction of SDL rate from 4.5% to 4.0%.** This measure is expected to reduce the tax burden to the employers. The funds could now be re-allocated into production expansion or/and employment of more manpower.(Good news for the workforce)

COVID-19, HIV & AIDS(ATF) FUNDS

100% Allowable deduction for contributions made by companies towards COVID 19 and HIV AIDS relief funds. This means, the private sector will now be allowed to deduct the whole contribution from their taxable income (Treat 100% of the contribution as an expense whole incurred in the realization of business income). This intends to incentivize the private sector to voluntarily support these Funds.



Askari handling sanitizer to a woman in the Car

“UJUZI FAIR” in the Making

By Veneranda Sumila



Tanzania Private Sector Foundation is organizing a career fair event dubbed UJUZI EXPO. The event aims to bring together experienced employers, key ministries, training institutions, policy makers, graduates and students to discuss different measures to curb the existing skills gap in the country.

Further, this intervention aims to give students a chance to meet with employers, financial institutions, innovation hubs and equipment vendors in order to establish professional relationships, and discuss potential job/internship, self-employment and start-up

significantly lower. Value added per employee is 43% lower than in Kenya, 54% lower than in China, and 37% lower than in India¹. Tanzania also falls behind China, India and Kenya in agriculture value addition and agribusiness processing, which suggests that despite Tanzania's

UJUZI EXPO aims to give students and employers a chance to meet one another, establish professional relationships, and discuss potential job and/ or internship opportunities and career path available in the market. It also aims to help policy makers to hear and get to know the challenges faced by employers and students when comes to skills and employment hence enable policy makers to make the right decisions when making different policies.

The EXPO is designed to instil change of mindset of students from focus on pathways limited by their geographic and social scope but rather widen the information pool to enable productive decision making when selecting education and training options to contribute to the required skills in the national labour force.

“This is very important now because the world has very many wide professional fields and if youths are not prepared and properly guided now, they may end up being confused not knowing what to pursue, and eventually, they would have wasted a lot of time,”

says Sector Skills Council Coordinator Ms. Jane Gonsalves



Members of the UJUZI EXPO Preparatory committee met on 15th July 2020 to discuss details on how to effectively conduct the expo.

opportunities.

This will also allow organizations to meet potential employees in an informal setting and gives students the opportunity to learn more about potential employers, their requirements and the opportunities available.

The proposed approach aims to provide this form of support to three target groups namely, secondary school, Vocational and Technical graduates and University graduates on the other hand as separate endeavours given the difference in the nature of their needs.

The private sector in Tanzania sees many opportunities yet faces many constraints. The shortage of skilled labour, at all levels, is one of the most serious of those constraints. When compared to neighbouring Kenya, or other developing economies like China and India, labour productivity in the Tanzanian manufacturing sector is

heavy reliance on the sector for GDP growth, Tanzania's workforce lags behind in adopting technology and investing in innovations that improve production output and competitiveness.

“So the Ujuzi Fair is very important in bringing together stakeholders from different institutions to discuss skill issues and how to tackle existing skills challenges,” said Ms. Gonsalves. According to Ms. Gonsalves every country needs a driving force and young energy that will preserve its values, its beliefs, its heritage, with the ability to raise the young children and to move the nation forward while maintaining its legacy. There is no better person than the youths of our generation.

“Skilled youth are very important in nation building, in building Tanzania! They are as important as oxygen is important for breathing.”

Non-Tariff Barriers Workshop Targeting The SADC Pharmaceutical Sector

By Mwamini Mohamed

The SADC Business Council, SADC Pharmaceutical Working Group, and GIZ-CESARE held an online workshop on 12 June 2020 to discuss the Non-Tariff Barriers (NTBs) faced by pharmaceutical companies in the SADC region in the COVID-19 period. The meeting was attended by 26 participants (refer to appendix 1) from major pharmaceutical companies in the region, including representatives of the SADC Secretariat, COMESA, and GIZ.



Objectives

1. To identify the major NTBs in the pharmaceutical industry which make it difficult for pharmaceutical companies to engage in regional trade.
2. To share information on the available mechanisms for companies to report NTBs to the SADC Secretariat in real time.
3. To share information on the role of the SADC Business Council (SADC BC), SADC Pharmaceutical Working Group, and GIZ-CESARE in identifying Pharmaceutical NTBs.

The meeting noted that NTBs and other trade obstacles make trade in the region difficult by imposing artificial barriers to trade. Participants were made aware of other available mechanisms at their disposal to report the NTBs to SADC Secretariat.

Major Non-Tariff Barriers in the Pharmaceutical Sector

Export permits were identified by participants as a major issue in South Africa but not an issue outside South Africa. To apply for an export permit, a company engaging in international trade concurrently applies for the export permit approval from the International Trade Administration Commission of South Africa (ITAC), Department of Trade, Industry and Competition (DTIC) and the National Department of Health (NDOH). Once approved by DTIC and NDOH, ITAC provides the exporter with a permit. Once the permit is issued by ITAC, the exporter will send the permit approval to South African Revenue Services (SARS) to issue a customs clearance for export to take place. However, one could have an ITAC permit and not have a SARS customs clearance. Without the SARS clearance, medicines will not be exported.

The issue of export permits is discussed in detail below:

1. Due to the COVID-19, some countries in the region restricted the export of pharmaceutical products to meet domestic demand. While the objective to meet domestic demand is noble, the challenge is that some medicines limited to export permits are unrelated to COVID-19.
2. Also, application forms keep changing even after engagements with stakeholders with the export products restricted under a single HS code.
3. Another challenge is that essential medicines that are exempt from export permits are subject to export permits. This violates SADC regional guidelines for harmonising and facilitating movement of critical goods and services across the region during the COVID-19
4. Products that are readily available locally are also subjected to export permits (the exception being countries in the Southern Africa Customs Union-SACU). This in turn restricts movement of lifesaving medicines to needy markets and affects company profitability.
5. Participants also highlighted frustration with the slow approval of permits (although it is improving) in South Africa by the International Trade Administration Committee (ITAC), South Africa's Department of Trade and Industry which is received in a fragmented fashion, resulting in delays, thereby putting products at risk.
6. The above challenges on export permits in South Africa were confirmed by a participant from Mauritius. According to the participant, his company has been unable to order new stock from South Africa since March 2020. Their stock has been depleted due to delays in issuance of export permits by ITAC.
7. Lastly, participants also expressed their frustration with the slow processes by the SARS in processing customs clearance of export permits and noting that the requirements are changing on a regular basis without proper notice.

Adjusting to the Corona Virus Pandemic in The Construction Sector

By Eng. Prisca Magori

The Coronavirus pandemic has proven resources are short and staff is threatened. In Tanzania the unforeseen pandemic continues to have a significant impact on businesses across the construction industry. The ongoing mega construction projects i.e.; SGR, New Selander Bridge, Expansion of Dar es Salaam Port etc. are likely to experience contractual terms implications relating to the contractor's schedules, substantial completion and other contractual provisions.

Whereas the construction industry has had to continue business during the coronavirus pandemic, the Contractor has additional role to play in re-evaluating safety measures and worker health policies in view of reducing exposure among construction workers whilst ensuring smooth running and completion of the construction projects.

The Coronavirus pandemic have taught the sector that;

- There is need to setup guidelines to support COVID-19 responses for construction employers and workers. These guidelines will also supplement the OSHA Act (2003)
- It is important for the sector to adapt modern technologies such as; Building Information Modelling (BIM) and other sensor-based solutions; to facilitate AEC (Architects, Engineers & Contractors) in project implementation remotely.
- In order to minimize the spread of Coronavirus; adherence to social distancing directives by Ministry of Health remains critical and necessary as to reduce the number of workers on a job site at one time.

However, the Construction industry needs to adjust and pivot the way it does some tasks, and relying on a safety-first culture. Nevertheless, the public private partnership remains key for thriving of the sector particularly during the novel coronavirus.



TPSF Applauds Implementation of Blueprint Action Plan

By Rehema Mbugi

The Private Sector celebrates and appreciates the 5th Government for keeping the promise of implementing Blueprint Action Plan (BAP). As of July 1st 2020, total of 173 reforms in the period of four years since fiscal year 2017/2018-2019/2020 including 54 reforms for the fiscal year 2019/2020 and more than 60 in the Finance Act 2020/21 have been implemented.

114 reforms on livestock, fisheries, and horticulture.



5 reforms on OSHA



54 reforms on other areas

A great priority has been given to the agriculture sector with 114 reforms targeting livestock, fisheries, and horticulture. Five reforms on OSHA and 54 on other areas such as removal of overlapping functions between the Tanzania Bureau of Statistics and the former Tanzania Food and Drug Authority to a new Tanzania Medical and Drug Authority are some of the biggest achievements.

The Blueprint document took stock of all the business environment agendas that were tabled at various Public-Private Dialogue platforms from the National to the Sub national level, the formulation process started in 2016-2017 with countrywide consultations being conducted. The first draft of the Blueprint was shared on 2017. On April 2019, TPSF solicited Private Sector inputs that were submitted back to the Government after validation. Blueprint Action Plan was approved by the Cabinet on 18th May 2019.

The Private Sector through its unified focal platform - TPSF, participated in the 3rd Blueprint Steering Committee (BCM) that took place on the 31st of March 2020 at the Government City Mtumba, Ministry of Industry and Trade conference room. processes are being runned parallel. By 31st of April 2020 all the eight BTWGs were

The meeting was chaired by Hon Doroth Mwaluko, Permanent Secretary Planning and coordination at the Prime Minister's Office and in attendance were sectors Permanent Secretaries including Industry and Trade, Energy and representatives of Permanent Secretaries who could not attend the meeting. This was the first time the Private sector was invited to take a seat as a member of the Blueprint Steering Committee (BSCM). The inclusion of the Private Sector in this platform came as a result of the Government's consideration and taking into account the Private Sector recommendations submitted on April 2019.

The feedback that was provided by the Private Sector at this platform was the need for improvement of Blueprint implementation framework effectiveness by fast tracking formation of the eight (8) Blueprint Technical Working Groups (BTWGs) that includes Trade and Industry, Tourism and Natural Resources, Agriculture, Livestock and Fisheries, Construction, Transport and Telecommunication, Health Sector, Mining and Energy, Local Government mainland and Zanzibar and crosscutting. Also the private sector proposed that, while the proposal of having the Business facilitation Act is still being assessed within the Government decision levels, implementation of BAP reforms should be ongoing such that the

established however due to COVID-19 these groups could not convene meetings yet. It is to our expectations that, engagements at the TWGs level are going to officially be initiated.

TPSF is going to establish Private Sector-led Blueprint Working groups as per the Blueprint Action Plan to ensure issues are identified, researched in advance and get endorsement from the Private Sector before being forwarded to the Blueprint Technical Working Groups through the few selected private sector representatives under the Blueprint Implementation Unit hence more inclusiveness and ownership of the Blueprint reforms process.

The Private Sector recognize the need for enabling environment including effective regulatory framework to ensure workplace safety, protection of our environment and public health. However inefficiencies especially in unreasonable high compliance costs and complex rules we become uncompetitive against, hence it's clear the regulatory system needs reforms to work in the way it should. We are sure with effective implementation of BAP we are going to arrive at an enabling regulatory framework that is fair for everyone, takes into account the views of communities and businesses, conducts Regulatory Impact Assessment (RIA) to determine the negative effect on jobs and small businesses, and protect our economic and personal freedoms.

127th Canton Fair 15th to 24th June 2020

The 127th Canton Fair has successfully started on 15th and came to a close digitally on June 24. Against the background of the spreading pandemic, greater risk of global economic downturn and severely battered global trade, the 127th Canton Fair attracted buyers from 217 countries and regions to register, a record high of buyer source, further optimizing global market mix. You can learn about the 127th online fair official website www.cantonfair.org.cn. TPSF in partnership with Canton Fair organizers is organizing online workshop for the 128th Canton Fair, which will be held in the next half year (date to be confirmed). For more details please contact events@tpsftz.org

Songwe Youth Business Opportunities Forum 20th JUNE 2020, SONGWE “Songwe Gate for the SADC Countries – opportunities for Youth”

The leadership, Business community and Youth of Songwe have organized the Forum in quest of position Songwe as the true custodian of Tanzania's economic growth and transformation towards realization of the country's industrialization drive. The Forum has the unique theme namely **“SADC gateway – Opportunities for Youth”**. **TPSF being the Focal point of all private sector in Tanzania, and the Chair of SADC Business Council participated, Mr. Godfrey Simbeye the Executive Director** attended and represented the Foundation.

TPSF through TradeMark East Africa (TMEA) supported the event, a symposium that specifically sought to expose youth to socio-economic opportunities in their Region especially Trade across Borders. Mr Simbeye further commented that “we want to show the Youth how they can and must be important part of Tanzanian's present and the future”.

The event was hosted by Songwe Regional Commissioner (RC) (rtd) Brig-Gen Nicodemus Mwangela and officially opened by Hon. Japhet Ngailonga Hasunga, Tanzania Minister of Agriculture. More than 1,000,000 Youth participated in this event from Songwe Region and neighboring regions including Mbeya.

Macfrut 2020 Digital Event It is an actual, yet digital trade fair event 8th - 10th September 2020

Macfrut 2020 Digital supposed to be conducted in May 2020 in Rimini, Italy HOWEVER, due to the coronavirus pandemic, the trade fair has been pushed to September 10th 2020 and is going to take place digitally i.e. Macfrut digital 2020. Macfrut digital will be the first virtual trade fair of the fruit and vegetable sector, an online event dedicated to sector's professionals. It offers great business opportunities through a virtual platform that will allow you to meet with professionals coming from all over the world and reach new international markets. It is an actual, yet digital trade fair event.

What are the benefits for exhibitors/ Buyers?

- Chance to present their products and services in a virtual stand;
- Chance to reach different targets and countries at the same time;
- Opportunity to have a meeting agenda

Again this is another big opportunity to showcase Tanzanian products for European market, don't plan to miss it. For more details please contact events@tpsftz.org.

SERVICES BEYOND POLICY AND ADVOCACY

TPSF has established an Event & Forum Management Unit with intent to organize and coordinate trade and business linkages through organized business missions, B2B meetings, trade forums, exhibitions, conference, study tour, site visits, industrial visits, B2G meetings both locally and global without forgetting business tourism “Tanzania Unforgettable”

The Foundation has been organizing inbound and outbound trade and investment missions in partnership with different stakeholders including Government, Embassies, development partners and private sector, Private Sector Associations (Apex Bodies), Financial institutions, Government Agencies across the world from and to various countries to facilitate business community to get the required information about markets, machines & technology, financing, business partners, trade opportunities i.e. import and export etc.

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APPOINTMENT OF ACTING EXECUTIVE DIRECTOR OF TANZANIA PRIVATE SECTOR FOUNDATION (TPSF)

The Board of Directors of Tanzania Private Sector Foundation (TPSF) would like to notify TPSF Members, Partners, and the General Public of the appointment of Mr. Zachy Mbenna as the Acting Executive Director with effect from 15th July 2020. Prior to this appointment, Mr. Zachy Mbenna held the position of Director of Membership Services at TPSF.

This appointment follows the official resignation of Mr. Godfrey Simbeye who had served the Foundation for over ten years. Once again the Board of Directors would like to thank Mr. Godfrey Simbeye for his devotion and commitment towards promoting effective engagement of the Private Sector in driving the socio-economic development of the country.

TPSF Board would like to reassure all its members, Government, Development Partners and the Private Sector at large of a smooth transition period that will not affect the delivery of the Foundation's mandate.

On behalf of TPSF Board of Directors

Angelina Ngaluala

Interim Chairperson

Dar es Salaam, 5th July 2020



Outgoing TPSF Executive Director Mr. Godfrey Simbeye handing over the office to the newly appointed Acting Executive Director Mr. Zachy Mbenna



The Management of Tanzania Private Sector Foundation (TPSF) wishes to convey heartfelt congratulations to one of her employee Ms. Jane Gonsalves for being appointed as a member of the COSTECH Board of Commissioners. We are privileged to have such a committed and talented employee at our organisation, and we anticipate your experience will be of utmost importance to the Commission and that you will represent the interest of the Private Sector.

CONGRATULATIONS

Cluster Meetings Important Private-Private Dialogue Tool

By Lilian Ndosi

In 2013, TPSF revised its Governance structure by introducing cluster approach in electing board members. TPSF membership was therefore grouped in 14 clusters which includes (i) agriculture, livestock and fisheries, (ii) manufacturing, (iii) trade and commerce, (iv) natural resources and tourism, (v) financial services and banking, (vi) services (vii) construction and engineering, (viii) transport and logistics, (ix) oil and gas, (x) women in business, (xi) mining, (xii) Zanzibar entrepreneurs, (xiii) regional businesses and (xiv) large corporates. These clusters meet after every two years during the AGM of the respective year to elect their representative to the board of TPSF.

The use of cluster approach provides more meaningful representation and increase its board size with a view specifically to increasing upcountry and corporate representation among others the benefits of the clusters includes:-

- a) Creating and categorizing members into clusters, each of which would constitute an electoral platform for nomination of candidates to be elected by the AGM to the board of directors;
- b) Use business clusters as democratic platforms to which the AGM would delegate other responsibilities to ensure effective member representation and inclusiveness in the Foundation's governance structure;
- c) To allow the clusters to be used as a platform for Private Private Dialogue prior to engage with the Government (Public-Private Dialogue) to ensure members representation and inclusiveness.

Since 2013, TPSF Board of Directors has been elected based on cluster approach and it has been very successful. However, the new Board which came to power August 2018 made a decision to add TPSF electoral clusters to promote Private Private Dialogue and further agreed to hold cluster meetings once in every quarter.

Status Of The Cluster Meetings

Due to the COVID-19 the model of organizing cluster meetings changed from physical to virtual meetings in the first half of 2020. TPSF is very grateful because, despite of the challenges of the pandemic during the 2nd quarter (April, May and June 2020), five cluster meetings were successfully conducted and the composition of each cluster included cluster head, cluster members, secretariat and invited prospective members.

During those meetings key agenda discussed were the following:-

- Update of the last Cluster meetings – Mr. Zachy Mbenna, Director Membership Services

- Overview of the cluster – Cluster Representative
- Fiscal Policy Issues -Mr. Kennedy Rwehumbiza , Policy Analyst -TPSF
- BluePrint Implementation- Ms. Rehema Mbugi , Policy Analyst -TPSF
- Presentation of TMEA Project- Max Rugaimukamu, Policy Analyst -TPSF
- Overview of TPSF constitution (AGM & Election) – Mr. Godfrey Simbeye, Executive Director, TPSF
- Sector- specific Impact of Covid-19- (during & post)- Contribution from Members.

The following are the Cluster meeting took place during the the 2nd quarter (April, May and June 2020)

- Oil and Gas cluster took place on 11 May 2020 led by Hon. Abdulsamad Abdulrahim from Association of Tanzania Oil and Gas Service Providers (ATOGS) a cluster representative and TPSF Board member
- Mining cluster took place on 4 June 2020 led by Mr. Simon Peter Shayo, a Vice president of AngloGold Ashanti, GGMa representative cluster and TPSF Board member.
- Transport & Logistics cluster took place on 15 May 2020 led by Mr. Elias Lukumay Vice Chairperson, TATO on Behalf of the TPSF Chairperson Madam Angelina Ngalula.
- Natural Resource & Tourism cluster took place on 12 June 2020 led by Mr. Richard Rugimbana Executive Secretary of the Tourism Confederation of Tanzania (TCT) on Behalf of the Cluster Representative Mr. Gulam Hussein Ismail a Group Chairman and CEO of Wellworth Group
- Agriculture, Fisheries, Livestock, Beekeeping & Water resources took place on 15 June 2020 and led by Dr. Jacqueline Mkindi CEO's TAHA Group and Chairperson Agriculture of the Council of Tanzania (ACT).

Online Cluster meetings to be held in the Month of July are

- *Regional Entrepreneurs to be led by*
- *Manufacturing & Industries to be led by Subhash Patel, the founder and chairman of the Motisun Group Limited.*
- *Services Cluster to be led by Mr. Sanjay Rughani who is a CEO for Standard Chartered Bank (SCB) in Tanzania and Chairman of CEO Roundtable in Tanzania (CEOrt)*
- *Women Entrepreneurs cluster to be led by Ms. Fatuma Abdallah Kange CEO - GS1 Tanzania and Vice Chairperson - Tanzania Women Chambers of Commerce (TWCC)*
- *Trade & Commerce cluster to be led by Mr. Paul KOYI who is a President of Tanzania Chamber of Commerce, Industry and Agriculture (TCCIA)*
- *Corporate cluster to be led by cluster representative Hon. Silvestry Koka who is also a Member of Parliament and Founder & CEO of SF Group.*
- *Construction/Engineering to be led by cluster representative Dhruv Jog, Managing Director, Advent Construction.*
- *Banking and Financial Services to be chaired by Mr. Abdulmajid M. Nsekela, a Chief Executive Officer & Managing Director at CRDB Bank Plc and Chairman at Tanzania Bankers Association*
- *Zanzibar to be led by Mr. Toufiq Turkey who is a CEO - Vigor - Turkys Group and a President of ZNCCIA.*

The Management of TPSF appreciates the cluster leaders and members for making their valuable time attending and ensure these meetings are taking place to support sectors especially during the pandemic. The cluster meetings are key platforms for Private Private Dialogues, collecting issues and assisting the business community to engage and dialogue for improvement of business environment and investment climate. From those cluster meetings TPSF was able to collect issues on how members and clusters affected by the COVID19 and which were later submitted to the Prime Minister's Office. Jacqueline Mkindi CEO's TAHA Group and Chairperson Agriculture of

Comments from Members

Dr. Jackline Mkindi from TAHA commended the efforts made by TPSF in conducting the cluster meeting, and being able to invite key stakeholders who will then drive the agendas for the betterment of the sector, she further said the meeting was very enlightening and she advised the secretariat should prepare and share with members the agreed key action points for further actions.

Subsector meeting for telecom industry
In the same spirit of promoting Private Private Dialogue, TPSF organized a meeting with the telecom industry on June, 5th from 11:00 – 12:00 via ZOOM. The meeting was organized in partnership with their association of mobile operators (TAMNOA) specifically to discuss on how best together we can improve the business environment affecting their sector. The session gathered members and other stakeholders from the Telecom industry. Among other things, TPSF is set to ensure business environment reforms in the Telecom sector to warrant its growth and sustainability. Among others the key agenda were:-

1. Updates from TPSF on key aspects namely:
 - Fiscal Policy Issues
 - Blueprint Action Plan
 - Corporate Member rights from TPSF
2. Impact of Covid-19 on Telecom Industry and
3. Sector Specific issues from each member

Telecom companies representative in attendance were from VODACOM, AIRTEL TANZANIA, TIGO,

21st Annual General meeting 2020

The outgoing TPSF Executive Director, Mr Godfrey Simbeye would like to inform all TPSF members that this year's Annual General Meeting (AGM) will be held at the end of September 2020 and will also elect TPSF office bearers. He encourages all TPSF members to take this opportunity to participate in the election and become Board Directors for the purpose of representation of TPSF members and private sector in the Board of TPSF for the next two years.



Involvement of Private Sector to Combat Wildlife Crime

Victoria Michael

Training of trainers on Combating Wildlife trafficking to Airline and Airport staffs at Julius Nyerere International Airport

Private Sector Companies Join Hands to Fight Wildlife Crime

Engagement of various private sector stakeholders in the fight against wildlife crimes, directly and indirectly, is critical at all levels. Wildlife species are rapidly vanishing in their natural areas and even in captivity due to poaching to supply illegal markets at the local and international markets; i.e. wildlife crime. Different from many other crimes, wildlife crimes are highly coordinated from poaching, illegal trafficking of wildlife products and the illicit market locally and internationally. Many actors are engaged and state agencies alone cannot manage to combat wildlife crimes on their own. Engagement of various stakeholders is required. Support from the private sector and community members is required as well.

Sustainability of Private sector businesses depends highly on Environment they operate in and thus TPSF as an umbrella body of the private sector is aligning to the Sustainable Development(SDG's) Goal no 15 Life and Land" and in the TPSF Strategic Plan for 2019-2023,in its seventh Strategic Objective which states that "to have increased awareness of environmental protection, biodiversity and prudent use of Tanzania's natural resources'.

With the support from USAID PROTECT project, TPSF trained 291 Private sector members from across the sector of the economy to including the financial sector, telecommunication, transportation and logistics etc. Various topics were covered to including the role

of private sector in combating wildlife crimes, combating illegal wildlife trafficking, and empowering the private sector with skills and material to conduct their own trainings on how to detect, report and combat wildlife trafficking for frontline personnel at the major airports.

"It is through such programs we learn issues like smuggling," said Uronu. He thanked TPSF for selecting a facilitator who understands issues of Wildlife trafficking around the world. Some Private sector companies who received the trainings found them t so important that they requested their colleagues also learn about combating wildlife crime. Representatives from Coastal Aviation and Grumeti Air, who participated in the aviation workshop in Dar, flew the expert facilitator to Arusha where he conducted sessions with their staff. The two companies covered all associated costs. For sustainability, TPSF will continue to mobilize support from its members and work closely with the private sector multi-sectoral committee on environment and biodiversity conservation which was just formed to implement the Action Plan for 2020-2025 and beyond. Implementation of the Action Plan is also backed by the TPSF's seventh Strategic Objective in its Strategic plan for 2019-2023, which is to have increased awareness of environmental protection, biodiversity, and prudent use of Tanzania's natural resources.



Abel Uronu, in the middle, the Executive Secretary for Shipping Agents listens to a presenter during the CWC training for shipping and logistics sector held in Dar es Salaam.

“Now I am aware of the local and global issues on combating wildlife crime. I will share this knowledge with my co-workers and together we will improve our investigations. This workshop connected me with many companies which will be helpful during investigations.”

”

Abel Uronu - the Executive Secretary for Tanzania Shipping Agents.

Visiting Our Members During Covid-19

By Abella Dennis

Tanzania Private Sector Foundation conducted a series of virtual meetings to her members to discuss key issues including challenges affecting day to day operations especially on the COVID-19 Pandemic.

The meetings also aimed at building a robust relationship between TPSF and its members. Members got a chance to express their challenges and TPSF is looking on a better strategy that will ensure that the collected challenges and recommendations are well packaged and sent to relevant government offices for action.

TPSF was able to engage the following members,

Corporate Members.

- CRDB BANK PLC
- ADVENT CONSTRUCTION LTD
- CHEMI & COTEX INDUSTRIES LTD
- BONITE BOTTLERS LIMITED
- MULTICHOICE TANZANIA LIMITED.
- BIDCO OIL & SOAPS LTD
- JTI GLOBAL LEAF TANZANIA
- CMA CGM (TANZANIA) LTD



TPSF Acting Executive Director Mr. Zachy Mbenna visiting one of our members Tanzania Association of Women with Disability

Ordinary Members.

- Association of Private Health Facilities in Tanzania (APHFTA)
- Tanzania Association of Oil Marketing Company (TAOMAC)
- Tanzania Renewable Energy Association (TAREA)
- Tanzania Freight Forwarders Association (TAFFA)
- Tanzania Truck Owners Association (TATOA)
- Tanzania Security Industries Association (TSIA)
- Association of Businessmen Industrialists and Traders of Turkey. (ABITAT)
- Confederation of Tanzania Industries (CTI)
- Tanzania Chamber of Mines (TCM).
- Tanzania Insurance Brokers Association (TIBA)
- Tanzania Handcraft Association(Tan Craft)
- Leather Association of Tanzania (LAT)
- Rice Council of Tanzania (RCT)
- Tanzania Mentors Action.
- Kawe Women Economic Development Trust Fund
- COMMUNAL SHAMBA LTD
- African Forestry (AF)

Virtual visit has been a very good platform for members to give out their opinion, inputs, challenges, and overview about their industry, organization, association and private sector at large. Indeed this has also helped TPSF to provide a room for collecting fiscal issues, opinions on business environment, and investment as well as experiences from her members on how you have been affected with the COVID-19 Crisis.



Business Feature:

Righa's Safina Aquaculture Farming Limited (Big Fish)

By Shenina Mangula

It was a sunny day in Dar-es-salaam as we headed to Kigamboni -a beautiful area surrounded by the Indian ocean- few kilometers away from Dar-sa-salaam City Centre. By looking at its features one can clearly tell that it is very conducive area for fish farming.

The trip was to pay a courtesy visit to 'Big Fish Company', a local company that deals with fish farming by using modern technology -Recirculating Aquaculture System (RAS). Big Fish uses RAS to produce fish, the commonly produced fish are Nile Perch (*Oreochromis niloticus*) and African catfish (*Clarias gariepinus*) in the concrete tanks and a hatchery producing high-quality YY-fingerlings.

On our visit we met with the founder and owner of 'Big Fish' Mr Abraham Mndeme who told us more about the company and the fish industry. He said, The company transformation to modern technology of fish farming and leaving out the old system was because with RAS the production is high and they use very small space, for instance, from a square meter there

is production of a maximum capacity of 50 kilograms of fish .Which is a huge difference from the production in the old ponds where by they take up a large portion of land and ending up with a production of one kilogram of fish per square meter.

They had eight old ponds before transforming to the modern system of which they saw the production was ineffective since they had a production of 300kg up to 500kg in a week. So they had to change to the modern system of which they produce up to 1 ton per week, and they also established the cage system in Korogwe which produces upto 4 tons per week.

The production was tempting the question had to be asked, If the modern system is this great and a way to enter to the wider fish markets how comes there are not that many investors in the sector and for the ones who did, why did they stop investing in this business?

Beside the fact that modern system for fish farming is quit expensive for

some investors to acquire it, but there are also challenges and disadvantages of fish farming investments that made investors run away from the business, he explained "Most of the stakeholders who started fish farming on early days and suffered losses was due to the information they received from experts who are season professionals who were still using the old ways of 60s /70s fish farming techniques and so many shortcuts. Another main problem in Tanzania was that, there was no good seed for breeding, and also there was no good food for feeding." He emphasized on efficient production of fish, Expertise in food and Aquaculture are the most important factors.

He told us the right knowledge on fish farming is 'good breeding' and good breeding involves:-

-The breeder should know where the chicks came from,

-The chicks breed or they do not breed,



“Most of the stakeholders who started fish farming on early days and suffered losses was due to the information they received from experts who are season professionals who were still using the old ways of 60s /70s fish farming techniques and so many shortcuts. Another main problem in Tanzania was that, there was no good seed for breeding, and also there was no good food for feeding.”

-If the chicks have inbreeding inside or not, because in the breeding of fish does not allow breeding together meaning mother, son, daughter together is not allowed and that's why in old systems there were no sophisticated controlled hatchery and education which they had to do what they can.

Fish market in Tanzania is not yet covered there are still gaps, the report from the Ministry of Livestock and Fisheries shows the harvest in the year 2018/19 was tons 389,459.40 fish worth shillings trillion 1.83. Of the tones harvested in 2018/2019, 333,782.32 tons (85.70 percent) are from cold water and 55,677.08 tons (14.30 percent) are from seawater. With 700,000 tons a deficit. The most fishers fish aiming for big demand consumption of which shows there is still production is still low and to sell for food and not markets.

Mr Abraham also good market for not fully explored. of fish in Congo, Victoria's fish are there has not been export fish there. things and complain there is of the sort. The



contributes greatly to the export market though there is a challenge in lack of transports that have freezer to store the fish so they not get destroyed or code rooms in Tanzania are not many for large production." He also added, the most priced fish in the global market are sea lions, prawns, nile perch and tuna fish.

Mr Abraham besides being a businessman who contributes to the nation's income with his tax, he also gives back to the community by helping small holder farmers who want to venture in to fish farming by giving classes on productive fish farming and good breeding, especially to women who sell fish and youth.

World Bank Economic Analysis Says Tanzania Can Seize Important Opportunities to Mitigate Negative Effects of the COVID-19 Pandemic

By Veneranda Sumila

DARES SALAAM, June 8, 2020 –Notwithstanding Tanzania’s strong growth performance in 2019, a new World Bank report says its economy will also suffer the effects of the COVID-19 (coronavirus) pandemic and global economic crisis.

The World Bank’s 14th Tanzania Economic Update (TEU) forecasts economic growth to slow sharply in 2020, to 2.5 percent from the 6.9 percent growth the government reported in 2019, while recognizing significant uncertainty as the pandemic continues to unfold. The report recognizes mitigating steps government has already taken, and this forecast assumes the authorities will take additional health and economic policy measures to mitigate negative impacts. However, there are downside risks for even slower growth if additional policy response is delayed or not well-targeted, or the external environment does not markedly improve this year.

The TEU analyzes the key transmission channels of the global crisis to the Tanzanian economy, including lower export demand, supply chain disruptions for domestic producers and suppressed private consumption. International travel bans and caution against contracting the virus have severely hurt the tourism sector, which had been one of the fastest-growing sectors in the economy. Tourism operators in the country are now forecasting revenue contractions of 80 percent or more this year, and only a mild recovery next year, conditional on how well global demand rebounds.

Beyond the macro numbers, the analysis says the pandemic is impacting lives and livelihoods. Simulations using the recent

Household Budget Survey data released in December 2019 show that the crisis could push 500,000 more citizens below the poverty line, particularly those in urban settings relying on self-employment and informal/micro enterprises.

The report also has a special highlight on the benefits of investing in Tanzania’s digital economy, both to support stronger policy responses to the current crisis as well as boosting the recovery in productivity and job creation. The country has already made good progress in the ICT sector which it can build upon, including the strong network of existing mobile accounts to streamline new cash transfer schemes and widen the coverage of existing social programs. Tanzania also is currently connected to three international undersea cables and, working with the private sector, could harness greater internet capacity to ensure continuity of government and education.



Mara Warwick, World Bank Country Director for Tanzania, Malawi, Zambia and Zimbabwe.

“The vulnerable people especially those employed in the informal economy are likely to bear the most severe impacts,” says Mara Warwick, World Bank Country Director for Tanzania, Malawi, Zambia and Zimbabwe. “They tend to live in congested settlements with limited access to basic services and they also lack adequate safety nets and have limited savings. Women and women-headed families will be more significantly impacted.”



Tim Kelly, World Bank Lead Digital Development Specialist.

“If the digital economy is to rapidly expand to support the government’s response to the pandemic, there are a number of interventions that need to be considered, including making mobile money and low-value data packages affordable for the poor and removing barriers that currently prevent competitive mobile operators from investing in their own infrastructure,” says Tim Kelly, World Bank Lead Digital Development Specialist.

FISCAL POLICY REFORM PROCESS

By Kennedy Rwehumbiza

Economist-Policy Analyst & Research Assistant
Fiscal Policy reforms Lead

How can the private sector achieve more in the budgetary reform process?

TPSF recognizes the need to collaborate with the government in coming up with a well streamlined fiscal policy which constitutes of the private sector views and recommendations. A fiscal policy that is able to attract investment, growth of small and medium businesses that will bring about sustainable economic growth; enhancing voluntary tax compliance; broadening the tax base; mainstreaming the use of ICT System in tax administration; strengthening enforcement of tax laws in order to address tax evasion challenges and minimize revenue leakages; and streamlining levies and fees in order to improve business and investment environment.

The Ministry of Finance and Planning (MoFP) through the Taskforce on Tax Reforms (TFTRs) Secretariat coordinates the Fiscal Reform process for every Financial Year. Through this Secretariat, a TFTRs Dialogue-Platform is formed, constituting of members from the Public and Private sector. These members, meet to discuss, analyze and deliberate on the fiscal policy proposals submitted by the various players in the economy including but not limited to Private sector, Sectoral ministries, TRA, Budgetary Committee, Civil Society Organisations, Individuals etc.

Specifically TFTRs aims to attain the following objectives;

- To remove or reduce taxes, levies and charges that impede business and investment growth.
- To provide alternative sources of revenue to the government and eradicate those that have a long run dwindling effect to the private sector performance as well as country's budgetary prospects.
- To call for government support to nurture infant industries by providing subsidies or any other fiscal measure (exemptions or remissions) to reduce their costs of production. and make them competitive.

How to best draft a compelling-FISCAL proposal?

For the proposal to be convincing as well draw positive recommendations from the taskforce, it must contain the following key issues;

- Identify clearly the problem (fiscal concern) and where it originates (from tax laws, regulation, Administration)
- Provide supporting information i.e DATA (employment rates, production costs, output size, market share etc) if possible in monetary terms and literature or policy papers that evidence the negative effect of the stated fiscal measure to your business/investment
- Suggest a fiscal solution that you find fit for your problem and Provide positive impact associated to this fiscal measure
- Provide literature (study) on "effectiveness" of the proposed fiscal measure
- Provide information on "best practice" or developing countries that have implemented similar fiscal measure and what is the achievement.

Other requirements:

- When requesting for any tax relief (of nature), the proposers should make sure they understand the exact impact (economic, Social and political) it will have to their business if granted. This portrays professionalism and helps to gain TFTRs trust on our submissions.
- The proposal should be clearly analyzed and identify whether they need intervention (expert opinion) from the following key fields; Economic, Accounting procedures and principles as well as Tax laws & Regulation requirement. If a proposal lacks attributes from the above fields, there is a high possibility of it being disqualified
- Provide feedback of the previous recommended fiscal policy measures granted by the government and elaborate why you may need additional tax incentives.

NOTE: The fiscal policy dialogue platforms offer the private sector an opportunity to create and impose change however, the government still has the discretion to incorporate these changes. If the private sector meets the above requirements, the future is bright.

LET'S KEEP ADVOCATING FOR A BETTER TAX REGIME

New Financing to Make Secondary Education Safer, Better, and More Accessible for Tanzanian Girls and Boys

By Veneranda Sumila

The World Bank's Board of Executive Directors in April approved a credit from IDA, the World Bank's fund for the poorest countries, which will enable millions of young Tanzanians to access and complete secondary education in safer and better learning environments.

The \$500 million Secondary Education Quality Improvement Project (SEQUIP) will directly benefit about 6.5 million secondary school students by strengthening government-run schools and establishing stronger educational pathways for students who leave the formal school system.

SEQUIP uses a disbursement mechanism that is phased and releases funds in tranches only when previously agreed results have been achieved. These include increasing access to schools, improving education quality for all public secondary education options, and supporting more children to re-enter the formal public system if they drop out.

"Every child in Tanzania deserves a good education, but thousands are denied this life-changing opportunity each year. This project puts the country's young people front and centre; it also dedicates two-thirds of its resources to better and safer learning environments for girls," said Mara Warwick, World Bank Country Director for Tanzania. She added, "This is an important step in addressing the challenges that Tanzania's children face throughout their education. The World Bank will continue our dialogue with the government on broader issues concerning equal treatment of school children."

Tanzania's Fee Free Basic Education Policy has led to more children entering school: primary enrolment rose from 8.3 million to 10.1 million between 2015 and 2018, while secondary enrolment increased from 1.8 million to 2.2 million. But despite better access, the secondary education system suffers from low quality and high dropout rates. Nearly 60,000 students (30 percent) fail to complete their schooling each year, and children are not learning enough, particularly in mathematics and science, due to a lack of skilled and motivated teachers, large class sizes, and a poor learning environment. There is also a large gender gap in upper secondary school enrolment, as this learning environment has more effect on girls and their performance in exams.



“**The \$500 million
Secondary Education Quality
Improvement Project
(SEQUIP)**
will directly benefit about 6.5
million secondary school

”

"Tanzania, like many countries around the world, is suffering from a learning crisis, where children are either not in school, or are in school but not learning," said Jaime Saavedra, Global Director for Education for the World Bank. "Of 100 children who start school in Tanzania, less than half will finish primary and only three will complete their upper secondary schooling. This is a crisis. This project will support better quality secondary education, while helping make school a safer place where children can thrive, and where all girls, no matter the circumstances, have a pathway to complete their secondary education."

Over the past two years, about 300,000 children, half of them girls, have been unable to continue their lower secondary education due to insufficient space in public schools. In addition, an estimated 5,500 Tanzanian girls who are pregnant drop out every year. SEQUIP has been designed to enable more adolescent girls and boys to transition to upper secondary education. It gives pregnant girls, young mothers, and other vulnerable children who leave school early the possibility to return to the formal system and complete their education. The project tackles the issues facing pregnant girls with an approach informed by civil society organizations and NGOs, in Tanzania and around the world.



“SEQUIP’s design strives to give pregnant girls and young mothers a better chance to complete their education,” said Caren Grown, Senior Director of the Gender Group at the World Bank. “

The Bank has stepped up its work to create a new generation of education programs that emphasize safe school environments for girls and boys, including measures that reduce gender-based violence, corporal punishment, bullying, and other forms of violence in and around schools. It gives girls better quality choices and opportunities for completing their secondary education.”

The project will be implemented under the Bank’s new Environmental and Social Framework; the government has committed to offering all stakeholders opportunities to engage in consultations during project implementation and to supporting construction of school infrastructure that is safe and built to good environmental and social standards. Citizen engagement in the project will be enhanced through civil society input and strong mechanisms to redress grievances.

The population of secondary education students in Tanzania could double to 4.1 million by 2024. The five-year SEQUIP operation will help address this demand through four components, with disbursement of funds linked to clearly defined, measurable, and independently verified results through four components.

Component 1: Empowering girls through secondary education and life skills. The project aims to improve access to safe secondary education in schools and alternative education centres and to help girls continue and complete this schooling. It aims to help 900,000 more girls attend secondary school.

Component 2: Digitally-enabled effective teaching and learning. The project will introduce digital technology to facilitate math and science teaching and improve learning and teacher efficiency. It aims to improve the quality of secondary school teaching and learning environments.

Component 3: Reducing barriers to girls’ education by facilitating access to secondary schools. The project will support government efforts to expand the number of secondary school places, reduce the distance between a student’s home and her school, and ensure that schools offer safe and good-quality learning environments. This component will also ensure that adequate funding is available as secondary school enrollment expands.

Component 4: Project coordination, monitoring, and evaluation. The project will help reinforce existing capacity, inform education planning and policy decision-making, and implement key activities. Parent-teacher associations and school boards will be trained for close tracking and support to at-risk students, especially girls. Statutory

The SEQUIP operation was redesigned and approved following an extensive dialogue between the World Bank and the government of Tanzania. The increase from the initial project funds is due to two factors: first, the increase of children who are expected to enrol in secondary school would have made it difficult to achieve the goals of the project. Second, the stronger emphasis on girls’ education, which translates into two thirds of funds going exclusively to girls, requires more funds to focus on preventing drop-outs and enabling re-entries.

Essential steps to start a successful business

By Veneranda Sumila

Of the many businesses that open each year, many fail to last long. Though there is no guarantee for success, an entrepreneur who has properly prepared has a leg up on the competition. In addition to a strong business plan, there are other resources that contribute to the success of a new enterprise

a) Assessing demand

The first step in starting a business is to identify a need in the community. Establishing the size of that need is called assessing demand. It is a waste of time to jump into business plan development before doing thoroughly and proper demand assessment first.

Definition of Demand

Demand means willingness to go out and buy a certain product/service. For example, market demand is the total of what everybody in the market wants.

How can an entrepreneur assess demand of a product/service

- There are several ways to access demand of a product / service in the community. Such ways includes;
- Listening to people complains about a specific need in the community
- Conducting informal survey especially at the market place
- Sending out questionnaires to sample population
- Reading and listening highlights of needs in the local newspaper or radio respectively
- Complains or demands highlighted in social platforms.
Local focus groups

Assessing your target market

Before you can sell anything, you have to understand who you are selling to. You have to create a complete picture of your customer and know

why they want your product and how they will use it. By determining who will buy your products, you can fine tune the various aspects of your marketing message to appeal to this group and to avoid wasting time and money on non-customers. An entrepreneur needs to assess the kind of customer attracted to buy her products /service and be able to establish the demographic segment of these customers such as their age, gender, occupation, education level, location and socio-economic status amongst others.

Assess your market size

The starting point for estimating the market size is to understand the problem you solve for customers and the potential value your product generates for them. You need to analyse whether the market is growing in numbers or declining and how to reach them? In addition to that you need to examine trend which is relevant to target market.

Competitive arenas

Show clear what your business provides in the area. You need to demonstrate how your product/service differ with that of your competitors

b) Seizing up the market

Seizing the market is a necessary task for business planning and budgeting for all start ups. If you wish to invest in certain business then you need to know about potential market size. In order to determine the market size for your start up, you need to ask yourself the following questions.

- What problem are you solving,
- Who is your target customer,
- What competitors' products/ services exist in your space? And
- What is the estimate number of target customers?



Marketing Strategy

The market must be aware of availability of the product/service and can be able to obtain it. Helping the customers to know about a product/service and how to obtain it is a marketing strategy. It makes sense for a business to have an effective marketing strategy.

Any marketing strategy must take into consideration the following factors:

- The location of business
- Advertising
- Packaging
- The need for good relationship with other businesses
- Reputation in the community (word of mouth)

Competitor's price

The entrepreneur should be willing to adapt products or services to customer preference, taking into consideration local safety and security regulations. A new product may have an initial period of high demand.

However, a situation point may be reached and demand may stay stable or even decrease. A sustainable market is one in which demand price keep increasing or stay stable with a steady rate of replacement.

c) Estimating cost and setting a price

A product or service may be exchanged for money or for another product or service. Most businesses will want to make profit on product or services sold. Profit is the difference between cost price and selling price. A part of the profit can be reinvested or used for expansion of the business. A reasonable margin of profit enables the business to continue and even expand.

Definition of "Costs"

An amount that has to be paid or given up in order to get something. All expenses are costs, but not all costs are expenses.

There are two types of costs

Direct cost: These are costs that are directly related to the product or services that business makes or sell. E.g. the money we pay people who work in making or selling product; transport of materials or product; and consumable bills.

Indirect cost: These are all other costs for running the business for example rent, license, security, utility etc Indirect cost are also known as overhead costs as they are paid whether the business is producing or not.

Factors to consider in setting price and formulate effective price strategy

When setting a price for product or service one needs to consider the following:

- Total production cost (direct and indirect)
- How much customers are willing to pay
- Competitors price
- Short supply of product /service "Scarcity"
- Product/ service demand
- Government policies

It is therefore important to accurately calculate each of these, so that the final selling price is realistic.

Cost of production + overheads + profits = selling price
The entrepreneur should be careful in setting the level of profit made on the sale of a product or service, considering the relationship between demand of the product and the available supply. If demand is higher than the available supply, the price (and thus the profit) may be increased. If there is a large supply, but few people want to buy, then prices may drop. An excessively high price due to a big margin of profit will dissuade customers. When sales increase, profit margins may be reduced. This can enable

the entrepreneur to lower the selling price, therefore allowing the business to 'capture' the market and even expand it

d) Financial Resources

The most important element in starting a business is funding. Even the most basic home business incurs a multitude of startup costs, including registering a business name and others. Financial resources can be obtained from a variety of sources, the easiest being from the personal accounts of the company's founder. Alternatively, loans and lines of credit may be granted from financial institutions, friends and relatives.

e) Human Resources

The success of an organization is heavily reliant on the talent and strength of its employees. The hiring of experienced professionals with track records of excellence within their area of expertise ensures that the mission and goals of the company will be carried out efficiently and with competence. Strong team members can be recruited using a variety of methods. An alternative is to find employees through referrals from individuals whose judgment is trusted.

Prepared by Veneranda Sumila additional reporting from <http://smallbusiness.chron.com>



PICTORIAL PAGE



Outgoing TPSF Executive Director Mr. Godfrey Simbeye handing over the office to the newly appointed Acting Executive Director Mr. Zachy Mbenna

Songwe Youth Business Opportunities Forum 20 JUNE 2020, SONGWE



TPSF Chairperson Ms. Angelina Ngalula speaking during a press conference to applaud the 2020/2021 Government budget.



Sector Skills Council Coordinator
Ms. Jane Gonsalves (middle) posing for a picture
with Director of Technical and Vocational Education
Training (TVET) at the Ministry of Education,
Science and Technology, Dr Noel Mbonde (right)
and NACTE Executive Secretary Dr. Adolf Rutayuga

Sector Skills Council Coordinator Ms. Jane
Gonsalves chairing the UJUZI EXPO
Preparatory Committee held on 15th July
2020 at TPSF offices, Dar es Salaam



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