

THE OPPORTUNITIES FOR INVESTMENT AND DEVELOPMENT

MTWARA REGION

Introduction

Mtwara region is endowed with abundant natural resources which have started to create growing opportunities for investment to generate wealth and prosperity for all. Potential investment area in Mtwara include the new high economic growth sectors of oil and gas, as well as the more traditional agriculture, fishing, mining, industry, and tourism sectors.

With a view to provide support services and a cost efficient platform for doing business, in Mtwara, The Region offers investment opportunities in the provision of economic services infrastructure (Port, Railway, Airport, Roads, Electricity, Water and Telecommunications) and social services (General Education, Vocational Training and Health Services).

Map of Tanzania with Mtwara Region in blue colour

Land Area:

The region occupies 16,710 km² (6,450 sqmi) or 1.9% of Tanzania Mainland land area of 885,987 sq. kms

Climate. The temperature is 27°C in December and lowest is 23.8°C in July. **The rains** along coast is of two seasons. From the mid-March to May

Population according to the 2012 national census, the region had a population of 1,270,854, with 1.2 % average annual population growth rate. The region is densely populated with 76 people per square kilometre.

| Council/ TC Name | Number of people | % of Region | Number of House | Average number in @HH |
|------------------------|------------------------|----------------|--------------------|-----------------------------|
|------------------------|------------------------|----------------|--------------------|-----------------------------|

| | | | Holdings | |
|---|---------|-------|----------|------------|
| MTWA RA - MIKIN DANI | 108,299 | 17.94 | 28,387 | 3.9 |
| MTWA RA | 228,003 | 16.17 | 58,921 | 3.5 |
| NEWA LA | 205,493 | 20.53 | 58,499 | 3.6 |
| TAND AHIM BA | 227,514 | 17.90 | 61,254 | 3.7 |
| MASA SI | 260,854 | 8.52 | 68,279 | 3.8 |
| MASA | 89,835 | 11.87 | 28,415 | 3.7 |

| SI TC | | | | |
|-------|---------|------|--------|-----|
| NANY | 150,85 | | 41,064 | 3.6 |
| UMBU | 7 | 7.07 | | |
| Total | 1,270,8 | | 344,81 | 3.7 |
| | 54 | | 9 | |

The Population distribution by council (National census 2012).

Regional Administrative set up

The region is divided into five government administrative districts and seven local government authorities. The districts are namely; Mtwara, Tandahimba, Newala, Masasi and Nanyumbu. The corresponding local government Authorities are MtwaraMikindani Municipal council, Mtwara District council, Tandahimba District council, Newala District council, Masasi District council Nanyumbu District council and Masasi town council. The region is made up of 27 administrative divisions, 149 wards, 694 villages and 224 *Mitaa* in the urban areas.

MtwaraAdministrative set up:

| No | Council Name | Division | Ward | Village | Streets |
|----|---------------------|----------|------|---------|---------|
| 1 | MTWARA MIKINDANI | 2 | 18 | 0 | 111 |

| | | | | | |
|----------|--------------|-----------|------------|------------|------------|
| 2 | MTWARA | 5 | 28 | 157 | 0 |
| 3 | MASASI | 5 | 23 | 130 | 0 |
| 4 | MASASI TC | 2 | 14 | 30 | 59 |
| 5 | NEWALA | 5 | 28 | 155 | 0 |
| 6 | NANYUMBU | 4 | 14 | 89 | 0 |
| 7 | TANDAHIMBA | 3 | 30 | 157 | 0 |
| 8 | NANYAMBA | 1 | 12 | 65 | 0 |
| | TC | | | | |
| | Total | 27 | 167 | 783 | 170 |

Source RAS – Mtwara 2015

| Year | 2001 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
|--------|------|------|------|------|------|------|------|------|------|------|------|
| Mtwara | 3.86 | 2.97 | 2.68 | 2.68 | 2.50 | 2.51 | 2.46 | 2.37 | 2.87 | 2.58 | 2.65 |

The Regional per capita GDP at current market price 2001 to 2011 (revised) and 2012 (Provisional)

| Year | 2001 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|--------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Mtwara | 316,463 | 315,567 | 322,871 | 339,784 | 168,787 | 407,062 | 478,660 | 514,520 | 700,436 | 718,741 |

The Regional GDP at current market price 2001 to 2011 (revised) and 2012 (Provisional)

| Year | 2001 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|--------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Mtwara | 353,941 | 359,936 | 374,581 | 399,623 | 450,012 | 507,235 | 608,814 | 667,718 | 927,074 | 969,718 |

Source NBS

The economic status (GDP)

Mtwara region is recorded to have Gross Domestic Product (GDP) of Tshs. 1,183.0 Billion by 2012 and it shares 2.65% to national GDP at current market price; and thus the Regional capita Income at market price was Tshs. 930,862

The Trend of (GDP) Mtwara Region

The regional share of GDP at current market price 2001 to 2011 (*revised*) and 2012 (*Provisional*)

The economic activities in the Region

The main occupation in the Mtwara region is agriculture (over 85%) followed by fishing and forestry.

Agriculture sector

Mtwara region has potentials and opportunities for poverty alleviation through appropriate management of crop markets, to add value to crops and adoption of science and technology in order to increase productivity in agriculture, which is dependant by over 85% of the regional residents, followed by fishing and forestry.

Mtwara region has about 1,672,000 hectares of land out of which 1,421,200 has (85%) is potential arable. However, of the arable land about 741,712 has (or 52%) is currently cultivated (Table 2), suggested that there is underutilization of the potentially arable land and also that crop yields are relatively low.

Arable Land and Crop Productivity in Mtwara Region (2013/2014):

| S/N | Crop type | Area(Ha) | Production per Ha, (ton) |
|------------|------------------|-----------------|---------------------------------|
| 1 | Cereal crops | 160,044 | 1.4 |

| | | | |
|----------|--------------|----------------|-----|
| 2 | Root crops | 233,579 | 2.5 |
| 3 | Legumes | 125,653 | 1.0 |
| 4 | Oil seeds | 74,871 | 2.1 |
| 5 | Vegetables | 3,312 | 2.0 |
| 6 | Fruits | 1,426 | 3.4 |
| 7 | Cashew nuts | 142,827 | 0.6 |
| | Total | 741,712 | |

Source: RAS Mtwara 2015

Food crops commonly grown in Mtwara region are Cassava, maize, sorghum and Paddy while cash crops include cashew nuts, sesame, and groundnuts. Mangoes are dominant fruits, whereby varieties of vegetables are being cultivated on a small scale in both rural and peri –urban areas.

CASHCROPS

The major cash crops area cashew nut, sesame and ground- nuts.Mtwara region is the leading cashew nuts producer in Tanzania. About two third (2/3) of the cashew nuts produced in Tanzania is from Mtwara region.

Cashew nuts

Currently the production of cashew nuts stands at 85,625 tons realized in the year 2012/2013, surpassing production of 85,138 tons in 2010/2011.

The plan is to encourage LGA especially in Tandahimba,Newala, and Mtwara MC to plant 2,000,000 Cashew trees every year covering 100,000 ha (and removing old tree) and producing 250,000 tons. The available medium and small scale facilities do process only 20% of annual cashew production, leaving a room for 80% of unprocessed cashew nut to be sold raw



Cashew nuts grown from Mtwara (Raw, and processed)

A related plan is to construct processing industries and marketing through PPP which will be able to process the whole produced cashew nut (250,000tons). Already there are two agro processing facilities which are under construction within the region. One is a medium scale facility with a capacity of 10,000 tons per annum and the other scale facility with a capacity of 30,000 tons per annum

Major Cashew nut Processing in Mtwara Region

| Place | Factory Name | Production (tons/year) | Employees |
|--------------|---------------------|-------------------------------|------------------|
| Mtwara | OLAM | 11,000 | 1,800 |

| | | | |
|------------------|----------------------------------|-------|-----|
| Municipal | TZ | | |
| Masasi Town | Perfect Cashew can | 400 | 150 |
| Masasi Town | Masasi High Quality | 200 | 300 |
| Masasi District | Masasi High Quality Farmers Ltd. | 600 | 120 |
| Mtwara Municipal | MICRO NIX | 7,000 | 250 |

| | | | |
|---------------------|--|--|--|
| Tandahimba District | | | |
|---------------------|--|--|--|

Source RAS Mtwara 2015

Food crops

Major food crops produced in the region include cassava, sorghum, millet, paddy and maize. Leguminous crops grown extensively as protein sources are pigeon peas, cowpeas, bambara nuts and groundnuts.

Cassava

Cassava production is particularly high up to 349,329 tons while 2/3 of this is produced in Tandahimba (142,453 tons), and Newala (114,650 tons) districts. Regional production figures range from 495,499 tons in 2009/10 to 520,245 tons in 2012/13 indicating rise in crop performance in the region. A farm with 10,000 acres is available for investment in Cassava production in Newala District. The region welcomes investors

to exploit the opportunities aimed at crop value addition for export worldwide while providing motivating markets to farmers.



Cassava and Maize plantation found almost throughout the Region

Sesame

There are potential investment opportunities in oil seeds production, especially sesame. The production trend has been increasing since 1990/91 when it was 4,020 tons per annum, rising to 11,496 tons in the year 2012/13. The trend has been influenced by the growing of local and foreign markets. Hence the available opportunities in this area is investing in sesame production by creating central farms, engaging and motivating out growers, processing and packaging for both domestic use and export.





Sesame crop Production in Mtwara.Sunflower crop

Irrigation

The regional objective in agriculture is to strengthen this sector and availability of surplus food to cater for its people and the expected influx of workers to the new emerging oil and gas industry.i.e petro-chemicals,fertilizer,light industry,agro- processing, fish- processing.



Paddy production at kiroka village irrigation scheme –Mahurunga

LIVESTOCK KEEPING

The Region has 167,200 cattle, 226,077 goats, 15,886 sheep, and 1,134,864 chickens The Region aims to improve its ranch in order to increase the number of cattle and milk production, The proposed area for development is 8000 Ha.



Nangaramo multiplication unit

Communication and Infrastructure

The regional road network covers total 6149.8 km. Mtwara has reasonable transport links considering its remoteness in southern Tanzania.

It is linked by paved roads with Lindi to the north and Masasi inland and by partially paved roads to Newala in-land to the west.

Beyond Masasi the road is newly paved for some 60 km towards Tunduru and the Unity Bridge which provides a crossing point to Mozambique. The links it with Mbamba Bay on Lake Malawi in the west.

| Road Name | Total (km) | Tarmac (Km) | Paved/Earth road (km) |
|----------------|------------|-------------|-----------------------|
| National Roads | 284 | 171.72 | 112.74 |

| | | | |
|-------------------|---------|-------|---------|
| Regionalroads | 771.8 | 55.4 | 721.32 |
| District Roads | 5094.01 | 286.2 | 5065.56 |

Source: TANROADS- Mtwara



1. *Newly tarmac road Masasi- Mangaka* 2. *Earth road (Masasi -Mangaka)*

Future plan

Construction of Mtwara-Tandahimba-Newala-Masasi (209km) Mtwara-Mingoyo-Masasi (200km), Mangaka-Tunduru (139km)

Mtwara sea ports

Mtwara sea port is one of best natural harbour in the world, and the deepest port on the Eastern seaboard of Africa.

The port has quay wall of 385 metres with a natural draught of 9.85 metres at low tide. Mtwara port is uniquely and strategically located to serve as the gateway for international trade for the neighbouring southern Regions and Countries.

We believe that if the appropriate measure and incentive are put in place Mtwara port can easily absorb over 1,500,000 tons per year .The currently oil storage capacity is 34, 000m³.



Mtwara sea Port

Future plan

Expansion of the Mtwara port, rehabilitating the existing infrastructure. Currently we are in the process of developing new Seaport at Mgao village to cater business for shipping cement and other products from Dangote cement Industry.

Mtwara airport

Mtwara Airport it features with a paved runway that can accommodate medium size passenger jets.

Precision Air runs a daily morning flight between Mtwara and Dar es Salaam and Air Tanzania offers a flight in the afternoon.

Mtwara airport is one of the most reliable links with the outside world. Airport has 2,258.6x 29.9 metres long runway, capable of landing Boeing 737 planes and C. 130 cargo planes.

Well-constructed building, there is 2 run ways,01/19 having 2.258 km tarmac, and 08/26, having 1.1158km.

Future plan

Expansion of the Airport, reconstruction of the road to airport, putting light, backup generator, construction of security building.

Energy sector:

Extractives: Gas, oil mining

The gas production is done at Mnazi bay and Msimbati gas wells south of Mtwara town, where there are 5 wells and one 1 well (MB1) is commissioned producing 2 million cubic feet per day and Transported on

37miles pipeline to Mtwara town power plant to generate electricity with extension to supply electricity to some settlements of Mtwara and Lindi.

Currently there are giant companies *includes BG, Statoil,Orphir, drilling, and later producing oil and transportation of natural gas from Msimbati and Mnazi Bay fields to Dar es salaam.*



Natural Gas extraction from Msimbati village.

Wildlife

About 3.91% of Regional land area or 65,450 hectares is covered by two game reserves.

These are Msanjesi with a size of 444 km²(44,425 Ha.) and Lukwika/Lumesule with a size of 220 km², (21,025 Ha) both of which are in Nanyumbu district.



Wildlife found in Msanjesi (Elephant, Butterfly, Monkey and water bug)



Forestry areas

Forest areas in Mtwara region are covered with natural trees the Miombo woodland and Mangrove forest. Some of these are in the reserved and open area forests.

The region has fifteen (15) forest reserves which are under the management of Central Government, four (4) forest reserved under the management of District councils and 21 forest reserves under the management of the community or village government (**community based forest management**).



1. Mangrove forest, 2.&3.Miombo woodlands

Fishing

Fishing activities in Mtwara is conducted in the both marine and fresh waters. In marine fishing industry along coastal strip stretching 125 kms from south boarded with Mozambique to North Lindi Region Marine fishing activities is conducted along the Indian Ocean. It has a total of **5459** registered fishermen who are minor fishermen.



Fishing activities along Mtwara coastline

Fishing is done not more than 2km from the periphery of the sea. Fish farming, pearl oyster farming, and crab fattening are among the aquaculture in Mtwara

The marine fisheries contributes 97% of revenue collected from fishing sector and fresh water 3%

Fresh water fishing is conducted along Ruvuma and Lukuledi rivers, Chidya and Kitere ponds.

Tourism:

Mtwara Region has ideal areas for tourism activities, which are not yet touched. The following are potential area for tourism activities.

Mnazi Bay-Ruvuma Estuary Marine Park (MBREMP) 45 kilometres of Ruvuma River forming the border with Mozambique to the coast line



Diving area along the Marine Park.

Some of the best diving in Tanzania is found within the marine park and includes spectacular outer reef drop offs, extensive spur and groove formations, channel and patch reefs.

Over 400 species of fish have been identified and more species of coral (over 258) than anywhere else on the East African Coast. The inter-tidal reef flats team with life and the pristine white sands of Ruvula beach complete this tropical paradise.



Some species found at Mnazi Bay-Ruvuma Estuary Marine Park.

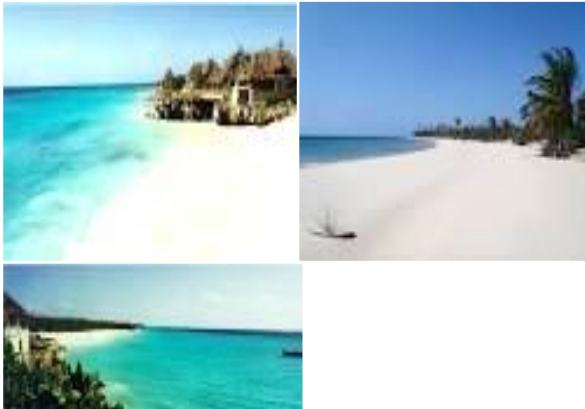
The Mnazi Bay is the headland of RasMsangamkuu

The area contains good representative examples of all the marine habitats found along the shores of Eastern Africa

The park also contain the Ruvuma river delta, mangrove forest with various species

SCENIC COASTLINE AND BEAUTIFUL BEACHES:

- The region has 125 km of Coastline where sandy beaches abound.
- Msimbati bay offers a unique topography and ideal for tourist attraction.
- To the north, past Shangani are the mangroves and coral flats which hold interesting rock pools and birdlife.





The Beautiful Coastline of Mtwarawhere sandy beaches are found.

Historical Sites:

This includes buildings of Arabs and Portuguese architecture at Mikindani and Newala, areas which are clear and accessible.



Historic buildings at Mikindani town and Newala “The Old Boma’s”

CULTURAL TOURISM:

The Rich cultures of the Makonde, Makua “Makonde Carvings”. You find the Makonde traditionally carve household objects, figures and masks.



The Makonde traditional Dance popular in Mtwara

MAKONDE PLATEAU, RUVUMA ESCARPMENT AND MIYUYU FOREST:

The Makonde Plateau is a river-gouged massif that rises to 900m above sea level.

The Makonde Plateau it is striking beauty as it's barely been changed by the outside world.

The Makonde plateau and Ruvumaescarpment, the Miyuyu forest provides an extremely refreshing and enjoyable experience for adventures and nature lovers.



The Makonde Plateau

DEVELOPMENT STATUS -OPPORTUNITIES

The Region has strife towards its future plan in the implementation of long term objectives by doing among several things includes:

Large and small scale farming Land

Mtwara region has about 1,672,000 hectares of land out of which 85% is potentially arable.

However, the actual utilized area for farming is estimated to be 33% suggesting that there is underutilization of the potentially arable land. The area for livestock activities is estimated to be only 9%.

Mtwara District council has set aside the following land for investment purposes:

- ✓ Industrial park 7000 Hak. At Msijute village
- ✓ Livestock farm 1000Hak. At Mbawala Village

- ✓ Horticulture farm 32 Hak. At Nachenjele village
- ✓ Paddy farm (irrigation) 2,800 Hak. At Kitere irrigation scheme

Mtwara Mikindani Municipal council is under preparation of Mtwara-Mikindani City Master plan, which is under consultant the scoping report will be available this year 2015 among other things it will includes areas for:

- ✓ The Construction of cement factories (*M/s Dangote and M/s Chang jang*) the operation is expected on August 2015.



The Dangote cement industry at Hiari village Mtwara

- ✓ Construction of metal products, Machinery, and Transport Equipment.
- ✓ Construction of Electronics and electrical appliance.
- ✓ Construction of metal products, machinery and transport equipment.
- ✓ Construction of electronics and electrical appliances.
- ✓ Construction of chemical, paper and plastics.
- ✓ Construction of light industries.
- ✓ Development of real estate properties (*residential, commercial, and shopping mall centres*).
- ✓ **The** EPZ site have been earmarked along Mtepezi sea shore.
- ✓ The Development of the Mtwara port infrastructures and port area to reach 2,694.24 ha answers 400,000 tons and 577 ships annually.

Railway

The Proposed Construction of railway line from Ruvuma to Mtwara 1000 kms.

With standards gauge.

Cashewnut processing

A related plan is to construct processing industries and marketing through PPP which will be able to process the whole produced cashew nut (250,000tons) produced per annum in the Region. The construction will include both Medium and Large industries.

Cassava processing

Cassava is among the food crop grown intensively in the region plan is to improve the production with extensive farming methods and increased production and hence processing.

Fishing processing

Mtwara Region is one of the coastal regions in Tanzania which has 125 square kilometres along the coast. Fishing is done not more than 2km from the periphery of the sea. Fish farming, pearl oyster farming, and crab fattening are among the aquaculture in Mtwara.

A related plan is to construct processing industries and marketing through PPP for fishing industry, keep in mind we have sea nearby which has not been used intensively. The estimate fish catch per annum is 60,500 tons.

Conclusion

The Region has high economic growth potentials of preferred destination for foreign direct investment; we are excelling on improving towards the creation of an enabling environment. Ample resources, attractions and opportunities do exist in Mtwara Region.

The central Government and Regional Authorities are fully committed to facilitate investment in Mtwara Region. Finally, we take this opportunity to welcome you all in Mtwara.

Thank you.

HON.HALIMA DENDEGO
REGIONAL COMMISSIONER

MTWARA