



THE UNITED REPUBLIC OF TANZANIA

DRAFT

**TANZANIA
DEVELOPMENT VISION**

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LIST OF ABBREVIATIONS AND ACRONYMS

AfCFTA	African Continental Free Trade Area
AI	Artificial Intelligence
AU	African Union
BOT	Bank of Tanzania
CMSA	Capital Markets and Securities Authority
DSE	Dar es Salaam Stock Exchange
EAC	East African Community
ECD	Early Childhood Development
GDP	Gross Domestic Product
GER	Gross Enrolment Rate
GNI	Gross National Income
HCI	Human Capital Index
HDI	Human Development Index
ICT	Information and Communication Technology
IoT	Internet of Things
IP	Intellectual Property
IPO	Initial Public Offering
IUCN	International Union for Conservation of Nature
KPI	Key Performance Indicators
MEL	Monitoring, Evaluation, and Learning
MICE	Meetings, Incentives, Conferences, and Exhibitions
MSMEs	Micro, Small and Medium Enterprises
NGO	Non-Governmental Organisation
NPC	National Planning Commission
ODA	Official Development Assistance
OSBP	One Stop Border Post
PPP	Public Private Partnership
PSSN	Productive Social Safety Net
R&D	Research and Development
SADC	Southern Africa Development Community
SDGs	Sustainable Development Goals
SGR	Standard Gauge Railway
SOEs	State-Owned Enterprises
STEM	Science, Technology, Engineering, and Mathematics
TASAF	Tanzania Social Action Fund
TDV	Tanzania Development Vision
LNG	Liquefied Natural Gas
LTPP	Long-Term Perspective Plan
UHC	Universal Health Coverage
UHI	Universal Health Insurance
UMIC	Upper-Middle-Income Country
USD	United States Dollar
WASH	Water Sanitation and Hygiene
ZPC	Zanzibar Planning Commission

INTRODUCTION

In 2024, Tanzania celebrated 60 years since the Union between Tanganyika and Zanzibar, forming the United Republic of Tanzania. Tanganyika gained independence on 9th December 1961, followed by Zanzibar on 12th January 1964 after the removal of the sultanate regime through revolution. On 26th April 1964, the two nations united to create the United Republic of Tanzania, marking a crucial step in the country's development journey.

Over the last six decades, Tanzania has pursued various development models with a focus on poverty, disease, and ignorance. The Arusha Declaration in 1967 introduced Ujamaa (African socialism), emphasising self-reliance, equality, and social cohesion. Throughout this period, Tanzania achieved notable successes in expanding access to healthcare, education, and rural development, fostering a strong sense of national identity and solidarity.

The country shifted direction from a centrally planned public sector driven economy towards economic liberalisation in 1985, creating a conducive environment for private sector growth and expanding economic opportunities. The re-introduction of a multiparty system in 1992 marked a new era in Tanzania's political landscape, deepening democracy, enhancing political inclusivity, and strengthening civil society's role in governance, in a bid to creating a foundation for sustained development.

In the year 2000, Tanzania launched its development vision – Tanzania Development Vision (TDV) 2025, with the aim of achieving middle-income country status by focusing on agricultural modernisation, industrialisation, infrastructure, and technology. The TDV 2025 led to notable improvements in livelihoods, economic growth, and governance, with increased women's participation in political and economic spheres.

By 2020, Tanzania had attained a lower-middle-income country status, with a per capita income of USD 1,080, representing a 170 per cent increase since 2000. Living standards improved significantly, with extreme poverty rates falling from 36 per cent in 2000 to 26 per cent in 2022. Health and education indicators also showed notable progress from 2005 to 2022: life expectancy has increased from 50.9 years (in 2002) to 66 years, child stunting decreased from 44 per cent to 30 per cent, maternal mortality declined from 605 to 104 deaths per 100,000 live births and child mortality dropped from 112 to 43 deaths per 1,000 live births. Primary school enrolment reached 100 per cent by 2020, accompanied by a significant rise in transition rates to secondary education.

Tanzania in 2050

Envisioning Tanzania in 2050 entails imagining a nation with socio-economic development on par with, or exceeding, that of upper-middle-income economies.

Achieving this vision requires preparing for transformative changes, as the population is projected to double to 140 million, with over half living in urban areas. This demographic shift will have profound implications for food security, settlements, employment, education, and healthcare services. However, with strategic investments in key sectors such as agriculture, mining, tourism, manufacturing, and technology, the economy could quadruple, attaining upper-middle-income status with a per capita GNI between USD 4,700 and USD 8,000.

As the country advances towards 2050, it will navigate a global landscape shaped by complex transformations. Economic fragility, widening inequalities, climate change, demographic shifts, rapid urbanisation, disruptive technologies, and geopolitical tensions are bound to pose significant challenges that could affect the nation's progress. Economic vulnerabilities continue to threaten global stability, while escalating inequality deepens economic and social divides. Climate change disproportionately affects vulnerable populations, thereby requiring Tanzania to prioritise mitigation, resilience and sustainability. At the same time, demographic transitions worldwide are creating workforce challenges in aging nations and unemployment risks in youth-dominant populations. Furthermore, urbanisation and technological advancements are reshaping societies, demanding adaptive skill development and sustainable urban planning. Geopolitical instability driven by nationalism and resource competition underscores the need for strategic diplomatic collaboration.

Addressing these interconnected challenges will require strategies focused on resilience, equity, and sustainability. Nevertheless, promising opportunities lie ahead, including productivity gains driven by technological advancements such as digital innovation and biotechnology, dynamic economic growth in Asia and Africa, increasing gender equality, and a global transition towards clean energy. If Tanzania can leverage its growing youth population and wealth effectively, it can support global sustainability goals while fostering its own prosperity.

The Tanzania Development Vision (TDV) 2050 is poised to build upon the achievements and lessons learned from TDV 2025, with a goal of elevating Tanzania's development trajectory. By learning from past experiences and adapting to emerging global dynamics, TDV 2050 aims to position the country as a significant economic force within Africa and on the global stage. It will guide the nation towards a sustainable, equitable, and prosperous future that is responsive to the needs of its people and adaptable to the challenges of a rapidly changing world.

THE VISION

A Prosperous, Just, Inclusive and Self-Reliant Nation

Our vision is for a prosperous, just, inclusive, and self-reliant Tanzania. The Vision 2050 sets out an ambitious roadmap for the nation's transformation by mid-century, aiming to create a thriving, equitable, and self-sufficient society. It focuses on human development, underpinned by robust economic growth and wealth creation to raise living standards and eradicate poverty in all its forms.

Building on decades of progress, the Vision 2050 draws on Tanzania's historical efforts and the achievements of the TDV 2025, incorporating lessons learned in combating poverty, disease, and ignorance. By leveraging on the country's strategic geographical position, abundant natural resources, and advancements in science and technology, the Vision 2050 aims to quadruple the country's GNI through transformative strategies. This bold growth trajectory aspires to position Tanzania as an Upper-Middle-Income Country (UMIC) with a per capita income of at least USD 4,700.

Furthermore, the TDV 2050 envisions a harmonious society where citizens enjoy peace and justice and are empowered with the knowledge and skills needed to contribute meaningfully to socio-economic development and lead fulfilling lives. It underscores resilience and adaptability as essential attributes for navigating a dynamic world, fostering sustainable development, and protecting the environment.

A commitment to gender equality, equity, and women's empowerment is integral to the TDV 2050, reflecting Tanzania's constitutional values. The Vision reaffirms Tanzania's alignment with regional and international protocols, ensuring the nation remains an active, responsible member of the global community. This alignment strengthens Tanzania's adherence to global standards and promotes a sustainable and inclusive development pathway. By embracing regional and global objectives, TDV 2050 presents a comprehensive, people-centred approach where individuals are the central participants and beneficiaries of Tanzania's development journey.

The Vision is guided by the following key principles that form the basis for its realisation:

1. **Unity:** Every person cherishes our United Republic, where individuals and communities from diverse backgrounds unite for the common good and shared national goals.
2. **Dignity:** Every person is entitled to respect, value, care, and the highest protection of their privacy.

3. **Rights and Freedoms:** Every person is entitled to enjoy all the rights, freedoms and protections guaranteed by the Constitution.
4. **Democracy:** A nation rooted in constitutionalism, judicial independence, political pluralism, human rights, the rule of law, and inclusive decision-making, ensuring equal participation for women, youth, and people with disabilities.
5. **Natural Wealth and Resources:** The right to exercise sovereignty over the nation's natural wealth and resources as invaluable assets for its citizens.
6. **Culture and National Ethos:** A nation that preserves, promotes and safeguards the country's cultural heritage and national ethos to reinforce national identity and unity, benefiting both current and future generations.

The principles of the TDV 2050 lay a solid foundation for cultivating a society equipped to meet both current and future challenges. Building on this foundation, the Vision sets forth a transformative agenda aimed at eradicating poverty, promoting a just and inclusive governance system, achieving broad-based economic growth, nurturing individual potential, ensuring environmental sustainability, and safeguarding national resources for future generations.

The Vision embodies the country's commitment to the following goals by 2050:

1. A diversified, resilient, and inclusive upper-middle-income economy.
2. Accelerated eradication of all forms of poverty, with a focus on women, youth, and people with disabilities, alongside balanced regional development.
3. High quality of life and wellbeing for all, supported by robust social services, enhanced human security, social cohesion, cultural diversity, and national unity.
4. A nation that maximises its human capability by harnessing the potential of its women and growing youth population to drive national development and engage as creative, thoughtful and confident global citizens.
5. An inclusive, transparent and accountable governance system that ensures lasting peace, guarantees the freedom and security of all citizens.
6. Effective and sustainable management of natural ecosystems and resources, building resilience to climate change.

The TDV 2050 centres on transformational progress in a dynamic global context. Its organising framework (Figure 1) rests on a foundational commitment to Good Governance, Peace, Security and Stability — core attributes of a society grounded in democratic governance, separation of powers, respect for rights and freedoms, and a political culture fostering inclusivity, tolerance, and unity. These elements are essential for implementing Vision 2050 effectively, establishing democratic structures and systems to support internal cohesion and constructive external relations. Such a foundation fosters

social harmony and optimises resource mobilisation, allocation, production, and distribution.

Building on this foundation, TDV 2050 is supported by three pillars: a Strong, Inclusive, and Competitive Economy; Human Capabilities; and Environmental Integrity and Climate Change Resilience. In addition, are the transformative sectors, which includes the high-potential sectors selected through rigorous analysis that sets priorities for specific development planning phases. These sectors generate goods and services for both local and external markets and are vital for socio-economic transformation. The functioning of the pillars, transformative sectors, and foundation is fuelled by four key drivers that bolster their effective operation. These are integrated logistics, science and technology, research and development, and digital transformation.

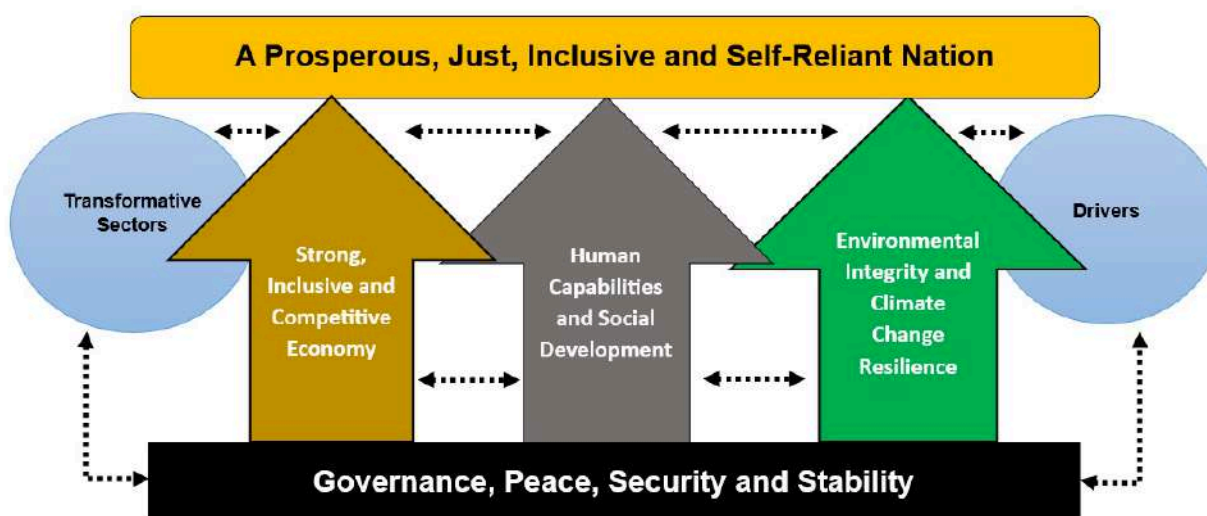


Figure 1: TDV 2050 Framework

Main Vision Targets

1. Tanzania is an industrialized upper middle income country with a USD 700 billion economy and a per capita income of between USD 4,700 and USD 8,000;
2. Tanzania has eradicated extreme poverty and has fewer than 5% of the population living below the poverty line;
3. Tanzania is a leading food producer in Africa, and among the top ten food producers in the world;
4. Tanzania business and investment climate attractiveness is among the top three in Africa;
5. Tanzania's private sector is strong, confident and competitive in regional and global markets;
6. Kiswahili is adopted as one of two official languages in Africa, and one of the official languages at the United Nations;
7. An industry linked and skilled based high quality education system at all levels;
8. Tanzanians are healthy and enjoy universal high quality health, water, and housing services;
9. Tanzania is energy sufficient with a per capital energy consumption of at least 600 kWh;
10. Tanzanians are dedicated custodians of the environment and are adapting to climate change with agility;
11. Tanzania is a leading hub of Africa's regional trade/ logistics;
12. Tanzanians are competent, confident creators and users of digital products and services;
13. Tanzania is a pluralistic [multi-party] democracy anchored in a strong Constitution founded on national consensus and secured by strong public institutions;
14. Tanzania leads Africa, and is among the top ten countries in the world at reducing the gender gap by [at least] 85 percent;
15. Tanzanians enjoy an average life expectancy of 75 years of age;
16. Tanzania is a top tourist attraction and is among the top three tourist destinations in Africa;
17. A Tanzanian attains a universal secondary education, and at least fifteen percent of Tanzanians have higher education, and the skills relevant for a dynamic global economy;
18. At least one in two Tanzanians has a job in the formal sector with a contract and social security benefits;
19. All Tanzanians are enjoying the freedom of expression, association and assembly in an atmosphere of national peace, security and stability; and
20. Land is clearly mapped for various uses, including land for agriculture, livestock development, and investment.

Vision Foundation

Governance, Peace, Security and Stability

1.1 Overview

The TDV 2050 sits on the firm foundation of adherence to constitutional principles, a democratic system of government, separation of powers, and a political culture that promotes inclusivity, forming a firm foundation for good governance, peace, security and stability. This entails upholding the rule of law and justice and protecting basic rights and fundamental freedoms. It also involves ensuring personal security and integrity, fostering a vibrant civil society, maintaining a competent public service, promoting institutional autonomy, gender equality, national unity, and peace, while safeguarding territorial integrity and national security.

Since independence, Tanzania has strived to build national unity, among other initiatives, by promoting Kiswahili as a unifying language, expanding political participation, and undertaking constitutional reforms. Affirmative measures have been adopted to correct historical imbalances by improving access to resources, gender equality, and essential social services, and implementing inclusive, broad-based and people-centred development policies and plans. Moreover, the country has instituted judicial system reforms to improve court efficiency and modernise court administration, supported by efforts to promote equitable justice.

Going forward, TDV Vision 2050 promotes good governance, human rights, justice, democracy, institutional service delivery, societal norms and values, and accountability. Social justice remains a central tenet, focusing on fair resource distribution, the elimination of discrimination, and the inclusion of all citizens in social, political, and economic spheres. These efforts underscore Tanzania's commitment to a just, inclusive, and equitable society that respects the rights and dignity of every individual as the nation advances toward its long-term development goals.

1.2 Objective

Establishing and strengthening legal and institutional frameworks to facilitate effective implementation of the Vision.

1.3 Attributes

1.3.1 Good Governance and Social Justice

Good governance is essential for fostering economic growth and ensuring sustainable development. It involves adherence to constitutional principles, a democratic system of government, separation of powers, and a political culture that promotes inclusivity. Good

governance also entails upholding the rule of law and justice, protecting basic rights and fundamental freedoms, protection of the right to personal security and integrity, fostering a vibrant civil society, maintaining a competent public service, institutional autonomy, promoting gender equality, national unity and peace while safeguarding territorial integrity and national security.

Tanzania is a multiparty democratic country that cherishes the rule of law and pluralism. The evaluation of the implementation of the TDV 2025 shows that over the past twenty-five years Tanzania has achieved impressive milestones in promoting good governance, democracy and the rule of law. Nevertheless, women's participation in decision-making processes is still limited. For instance, although women constitute 37.4 per cent of current members of parliament, the majority (30%) occupy reserved seats rather than competitively contested ones, posing a challenge to their full participation.

By fostering good governance and social justice, Tanzania aims to ensure a resilient society that upholds the rule of law, equity, and inclusivity as it advances towards achieving the goals of the TDV 2050.

Aspirations

- a) A vibrant democracy where the government and citizens respect and adhere to the rule of law, human rights, justice, equality before the law, and accountability for all.
- b) A society free from all forms of violence, including gender-based violence, and one that tolerates people holding different views and perspectives.
- c) An independent civil society (society organizations, trade unions, a free press, and faith-based associations) that is legally protected.
- d) Effective, accountable, and merit-based leadership and management with clear succession plans that ensure continuity, fair gender representation, equity, and high standards.
- e) An effective constitutional and legal framework that reflects broad national consensus and ensures long-term sustainability.

1.3.2 Effective and Strong Local Governance

After gaining independence in 1961, the country reformed local governance by abolishing native authorities in 1962 to promote national unity. However, in 1972, the Government of Tanzania abolished local governments and adopted decentralisation by deconcentration, establishing regions and districts as functional offices for central government operations at the local level.

Later, it became evident that decentralisation by deconcentration was constrained by, among other factors, the absence of local representation in decision making processes, leading to the reintroduction of urban authorities in 1978 and local authorities in 1982.

Local governments were reinstated to enhance public participation and improve service delivery. Furthermore, the decentralisation by devolution reforms instituted in 1996 aimed to strengthen these local structures, focusing on public participation, accountability, and improved financing.

Despite establishing legal and institutional frameworks for local governance, local authorities encounter significant challenges, including insufficient autonomy, poor resource management, insufficient staffing, limited capacity and financial independence.

Aspirations

- a) Strong, autonomous, innovative, and corruption-free local government institutions to enhance the provision of quality public services to communities and ensure their needs are met efficiently and equitably.
- b) A transparent and effective system for mobilising and sharing financial resources between the central and local governments, ensuring equitable allocation to address regional imbalances.
- c) A local government service framework with high integrity including merit-based recruitment and promotion.

1.3.3 Responsible and Accountable Public Service

The quality of public service is vital for effective governance, influencing policy implementation, service delivery, and the management of state affairs. However, the public service in Tanzania faces significant challenges, including inadequate staffing, skills shortages, and a lack of professionalism. These issues hinder the efficient execution of government programmes, especially in critical sectors like education, healthcare, and infrastructure. Addressing these challenges requires investing in education and training, improving merit-based recruitment, and strengthening accountability mechanisms to enhance public service performance and support the country's development goals.

Aspirations

- a) An efficient and effective public service grounded in moral ethics and integrity.
- b) A responsible and accountable public service that upholds the rule of law, combats corruption, maintains discipline and high standards of ethics.
- c) A public service that recruits, recognises and promotes officials based on merit and performance, without regard to ethnicity, regional background, political affiliation or any other demographic factor.

1.3.4 Peace, Security, Stability and Unity

National peace, security, stability and unity largely depend on the existence of domestic tranquillity, social cohesion, and harmonious social, economic and political relations, whereby citizens' rights are protected. The challenge of growing inequalities and especially among the youth threatens our peace, security, stability and unity. Internally, addressing economic and social challenges related to human security, particularly the rising conflicts between pastoralists and other land users and the growing youth unemployment and gender-based violence, is crucial.

Protecting Tanzania's sovereignty and security is paramount in today's complex global and regional landscape, starting by addressing the internal challenges mentioned above. At the global level, the collapse of rule based global order poses significant threats to peace and security. Geopolitical dynamics, including regional instability from neighbouring countries and global economic shifts, may adversely affect development. Emerging extremist ideologies and groups also pose security threats that could disrupt socio-economic activities. Furthermore, changes in the global balance of power, the emergence and formation of new political and economic blocs and alliances, and trade dynamics, such as dumping, trade wars, and economic sanctions, pose threats to our national sovereignty and can impact Tanzania's exports and imports.

Thus, vigilance in safeguarding our borders and national interests, supported by a robust and modern defence infrastructure, active diplomatic engagement, and efforts in conflict prevention, conflict management, peacebuilding, peacekeeping and regional reconciliation, is crucial for ensuring a stable and safe nation.

Aspirations

- a) A sustainably strong and stable union as a tool for maintaining unity, peace, stability, and prosperity for all.
- b) A proactive and anticipatory nation, supported by early warning systems, modern infrastructure that effectively safeguards its national interests and against all forms of modern warfare and threats.
- c) A sustained regional beacon of peace that ensures internal harmony and actively engages in conflict prevention, management, peacebuilding, peacekeeping, and regional reconciliation to foster international stability and prosperity.

Pillar 1

Strong, Inclusive and Competitive Economy

2.1 Overview

Tanzania has continuously and steadily achieved stable economic growth, of between 5 and 6.7 per cent per annum during the last two decades. However, macroeconomic performance, which had positive macroeconomic stability with growth rates that outperformed many other developing and industrialised countries, did not significantly reduce poverty. Economic growth has not been accompanied by adequate diversification, productivity, and export growth, which are needed to create jobs at scale, generate foreign currency, address household poverty, or offer resilience to shocks. This growth pattern has also been characterised by limited inclusivity, driven by sectors that have inadequately generated substantial employment opportunities for a significant portion of the population.

The economy has also been characterised by growing urbanisation that has fuelled the expansion of a low-paid labour and informal trading. Labour and other resources have shifted from agriculture into low-productivity sectors instead of higher productivity manufacturing and service sectors. The economy has left a majority of its people, particularly women, youth and people with disabilities in the informal sector. Furthermore, the economy has limited external trade and value addition, failing to take full advantage of domestic, regional and international value chains and market opportunities.

Our economic aspiration is to achieve an Upper Middle Income Country (UMIC) status by 2050. This will require an average annual economic growth rate of at least 10 per cent. Additionally, in order to achieve the higher-level goals of the Vision, the economy will need to be diversified, inclusive and globally competitive. This will be anchored in a conducive policy and regulatory environment to grow businesses and attract investment.

2.2 Objective

Enhancing a competitive, transparent and predictable business and investment environment for local and foreign investors to achieve a strong, inclusive, sustainable, and resilient economy.

2.3 Attributes

2.3.1 Macroeconomic Stability and Predictability

Macroeconomic stability and predictability are crucial for achieving a strong and sustainable economy. Macroeconomic stability exists when key economic relationships are in balance, that is, domestic demand and output, balance of payments, fiscal

revenues and expenditure, and savings and investment. Tanzania has done relatively well in managing inflation and exchange rates, maintaining a single-digit inflation rate and a stable currency for nearly a decade.

Macroeconomic predictability entails anticipating economic conditions using different economic indicators or variables, which are shaped by the country's institutional frameworks. Unpredictable policy and institutional interventions may lead to misalignment with market forces, making macroeconomic indicators unreliable for investment and business decisions. Progress in macroeconomic stability and predictability is needed to stimulate business and investment growth.

Aspirations

- a) A stable macroeconomic environment arising from the alignment of domestic demand and output, balance of payments, fiscal revenues and expenditures, savings and investment.
- b) Predictable and transparent monetary and fiscal policies to attract local and foreign investment growth.

2.3.2 Enhanced Fiscal Sustainability

Fiscal sustainability is the ability of a government to maintain its current spending, tax, and debt policies over the long term without jeopardising its financial stability or defaulting on its obligations. It is key to developing a strong and competitive economy. It involves balancing fiscal capacities with expenditure management for economic growth and stability. Tanzania has implemented an array of reforms to enhance its fiscal capacity and improve expenditure management in the last two and a half decades. These include expanding the tax base, strengthening revenue collection, adopting digital technologies, improving transparency and taxpayer education, improved planning, budgeting, expenditure management and auditing.

Despite this progress, the tax base has remained narrow and ineffective, far below the tax to GDP ratios of comparable economies. Tax administration has been affected by inefficiencies and inequities that hinder the development of conducive relations between taxpayers and authorities, on one hand, and the business environment on the other. Furthermore, expanded public spending has led to an increased appetite for debt while debt management strategies have crowded out private-sector credit. Moreover, changes in public expenditure management have strengthened reporting and oversight functions without leading to strategic prioritization and improved efficiency of public spending. There is a powerful perception that public investment is productive and therefore preferred over recurrent expenditure which is deemed unproductive. This perception fails to recognize that recurrent expenditure drives economic growth, especially in situations of high unemployment.

Moreover, public debt management is also crucial to ensure fiscal sustainability. It requires financial accountability and transparency, alignment of public revenues and expenditures, and effective public investment management. Thus far, the country's public debt is sustainable as rated by international credit rating agencies.

Aspirations

- a) A fairer, more efficient and effective tax system that improves the tax-to-GDP ratio to promote economic growth and development.
- b) A predictable and transparent tax system that encourages compliance, establishment and formalisation of businesses, supports their growth as employment creators, and broadens the tax base.
- c) Efficient public debt management that ensures debt sustainability and effective allocation of resources for development priorities.
- d) Responsible fiscal spending and increased prioritization and value for money in Government expenditure.
- e) Government spending that balances investment for future growth while recognizing the critical role of recurrent expenditure to boost current economic growth.

2.3.3 Innovative and Diversified Financing

Development financing in Tanzania has historically relied on traditional revenue sources, including tax and non-tax revenue collection, domestic and external borrowing, Foreign Direct Investment, and Official Development Assistance (ODA). While recognizing the need for non-traditional sources of finance, it is imperative to combine it with new and innovative financing for resourcing development. These include financial markets where money and capital market instruments are traded, public-private partnerships (PPPs), philanthropy and venture capital. Tanzania has implemented several initiatives to diversify financing, including the establishment of the capital market and its support systems, such as Capital Market and Securities Authority (CMSA) and the Dar es Salaam Stock Exchange (DSE). In addition, Tanzania has established the PPP institutional frameworks to promote public-private partnerships.

Similarly, the Bank of Tanzania (BOT) has supported the development of financial markets by creating a favourable environment. This includes robust financial market infrastructure, appropriate legislation, and the facilitation of innovative money and capital market instruments. The Government also issued tax incentives, such as corporate tax reduction, tax deductibility of all initial public offerings (IPOs), withholding tax on dividend income, and elimination of stamp duty and capital gains tax on the secondary market trades, to make the financial markets more attractive.

Nevertheless, there is limited understanding of the general concept of PPP, as reflected in the issues surrounding proposed PPP projects. Moreover, the money market remains

narrow and risk-averse, while the capital markets are still in their infancy and lack dynamism. Ongoing initiatives to strengthen both the money and capital markets are crucial for effectively addressing these challenges.

Aspirations

- a) Full and effective use of the public private partnership (PPP) framework to foster socio-economic development.
- b) An efficient and effective financial market free from distortion, supported by facilitative regulations and practices.
- c) A vibrant capital market with enhanced transparency and equitable access to reliable and quality information for all participants that provides a wide range of alternative innovative sources of finance.
- d) Robust financial inclusion system focusing on empowering women, youth, and people with disabilities.
- e) A strong entrepreneurial community with a proactive mindset that values and appreciates risk-taking as a prerequisite for accessing capital.
- f) A vibrant ecosystem of angel investors, venture capital and private equity as alternative sources of financing to businesses.

2.3.4 Enabling Business Environment and Investment Climate

A strong and sustainable economy in any country depends on a business-friendly environment. Since 2018, Tanzania has implemented a Blueprint for Regulatory Reforms to Improve the Business Environment. Initiatives under this framework include improving its business environment, including reviewing laws and regulations, reducing and eliminating a larger share of inefficient taxes and fees and harmonising the functions and roles of regulatory bodies. These initiatives aimed to enhance legislative frameworks' efficiency, simplifying business regulatory regimes, and increase transparency in regulatory processes.

Despite these initiatives, significant improvements have not materialised to match the expectations. Numerous challenges persist, including high compliance costs both in terms of money and time required to start and run businesses, multiple pre-approval procedures that foster rent-seeking behaviours and the proliferation of inefficient bureaucratic processes. Furthermore, there is persistent overregulation, especially in high-value products geared towards control and revenue-raising motives, insufficient harmonisation of policies, laws and regulations, and overlapping roles among regulatory bodies. Additionally, businesses face excessive taxes, fees, and the burden of obtaining multiple licences, certificates, and permits, compounded by regulatory bodies tasked with revenue collection duties.

Aspirations

- a) A leading investment destination with an ease of doing business, ranking among the top three in Africa.
- b) Policy continuity and predictability that promotes conducive business environment, nurtures domestic firms, and attracts foreign investment.
- c) A broad-based economy with strong local small and medium enterprises, alongside large dynamic, globally competitive firms.
- d) A dynamic ecosystem that supports domestic startups with financing and regulatory incentives and capacity building prioritising women and youth-led businesses to drive jobs and sustainable growth.
- e) A society that embraces a culture of saving and investment for wealth creation and well-being.

2.3.5 Efficient and Strategic State-Owned Enterprises

State-owned enterprises (SOEs) are crucial for economic development, particularly in sectors vital to national interests. However, many SOEs in Tanzania operate inefficiently and unprofitably, often due to a lack of operational and financial autonomy, which results in a drain on public funds. Additionally, they sometimes unfairly compete with private firms in non-strategic areas.

Rather than crowding out private enterprise, SOEs should foster collaboration with the private sector, creating a supportive environment that drives inclusive growth and enhances competitiveness. By focusing on critical sectors such as clean energy, transportation, and essential public services, SOEs can contribute to broader economic progress, attract private investment, and improve market efficiency.

To achieve this, SOEs must operate with transparency and efficiency, complementing rather than competing with private-sector initiatives. Well-managed SOEs, guided by clear strategic objectives, can drive sustainable growth, create jobs, and support Tanzania's Vision 2050 for socio-economic transformation.

As part of ongoing reforms, Tanzania is pursuing privatisation, public-private partnerships (PPPs), and stronger corporate governance to enhance SOE performance and reduce government dependence. However, challenges such as financial sustainability and resistance to change remain, making continued progress in SOE reform essential for the country's long-term economic development.

Aspirations

- a) Robust state-owned enterprises built on integrity, transparency, accountability, and effective management to maximise their socio-economic contributions while working synergistically with the private sector to drive inclusive growth and national progress.
- b) Profitable state-owned enterprises that operate autonomously on commercial basis and attract diversified investments to accelerate economic development and enhance public service delivery.
- c) State-owned enterprises that compete fairly in the market to foster creativity and innovation and, therefore, do not divert public resources from important developmental priorities.
- d) State-owned enterprises (SOEs) that are internationally competitive and strategically empowered to drive industrialisation, infrastructure development, and economic growth, while fostering private sector collaboration.

2.3.6 Vibrant Private Sector

A vibrant and responsible private sector is the engine of a strong and sustainable economy. Efforts have been made to engage and promote private sector participation, including public-private dialogues and the establishment of a Public-Private Partnership (PPP) framework and policy. Additionally, economic diplomacy has been mainstreamed as a key component of the foreign affairs policy. Furthermore, several financial inclusion programmes have been implemented to enhance access to financial capital.

Nevertheless, the private sector in Tanzania is still dominated by micro, small and medium enterprises (MSMEs), many of which operate informally without adequate resources. Sectoral local content policies aimed at supporting Tanzanian owned firms have had limited success partly due to limited capacity for enforcement. Efforts to develop national local content policy as a response to the risk of potentially limited participation of local firms in the economy, are encouraging. The success of this policy will depend on its strong and consistent enforcement.

Aspirations

- a) A private sector-oriented public service to foster an enabling environment where private businesses can thrive and contribute meaningfully to economic development.
- b) A competitive, assertive, responsible, coordinated and inclusive private sector that spearheads socio-economic development.
- c) A private sector that competes in global markets by capitalising on the downstream position in global value chains.
- d) A significant reduction in the share of the informal sector in the economy.

2.3.7 Strategic Regional and Global Engagement

From supporting liberation movements in a number of countries in southern Africa to facilitating peacebuilding and conflict resolution in the Great Lakes Region, Tanzania is a well-recognised in the region as an important actor. Although recent international engagement has focused significantly on economic diplomacy, a broader, integrated approach is essential to leverage Tanzania's unique strengths fully, Tanzania can secure its long-term influence and prosperity by combining economic, political, and cultural dimensions.

Strengthening its leadership role within the East African Community (EAC), Southern African Development Community (SADC), and the African Union (AU) will allow Tanzania to shape regional policy, bolster trade and investment, and cement its role as a stabilising force for economic and political stability. Positioning Tanzania as a bridge between East and Central Africa and global emerging markets in Asia and Latin America will attract investment, drive technology transfer, and expand export opportunities, while amplifying Tanzania's voice on global issues like trade, sustainable development, and climate. Strengthening Tanzania's cultural diplomacy will also build soft power, making it an attractive destination for tourism, cultural exchanges, and education. A well-executed cultural diplomacy strategy can foster goodwill, elevate Tanzania's global profile, and deepen international ties.

Aspirations

- a) Enhanced engagement and leadership in the eastern and southern Africa region through ongoing peace-building initiatives, broadened mediation efforts, and increased influence on regional security policy frameworks.
- b) Solid strategic partnerships built on economic and diplomatic ties with high-growth economies aimed at facilitating investment and technology transfer.
- c) Enhanced soft power, including by promoting Kiswahili as a regional and global language and cultural experience.
- d) A global player, championing African interests on the world stage by advocating for African perspectives in global forums on key issues such as human rights, climate change, economic justice, and sustainable development.

Pillar 2

Human Capabilities and Social Development

3.1 Overview

A well-developed human capability is essential for Tanzania to achieve the goals of the TDV 2050, emphasising a holistic approach that supports individuals from early childhood through adulthood. Human capabilities go beyond economic productivity, encompassing the freedoms, skills, and opportunities necessary for individuals to lead meaningful and fulfilling lives. The TDV 2050 prioritises investment in early childhood development and lifelong learning, which are critical in preparing citizens for the demands of the global dynamics. A resilient, adaptable, and inclusive society is built by fostering not only knowledge and skills but also essential ethical values, confidence, and a readiness for lifelong learning and adaptability.

Quality education and training, healthcare services, social protection, and community engagement form the core of Tanzania's human development strategy, aligning with the Vision goals of eradicating poverty, promoting economic growth, and advancing social progress. A skilled and knowledgeable society is foundational to socio-economic growth and global competitiveness, while accessible healthcare and social protections enable all citizens to contribute to national development. Key aspects of this approach include a commitment to quality education, a healthy society, social inclusivity, improved living standards, and a responsive and cohesive citizenry. By investing in these areas, Tanzania can create an empowered and motivated workforce and a socially engaged and culturally vibrant society, forming a strong foundation for sustainable national development by 2050.

3.2 Objective

Promoting well-being and fostering a productive society equipped with the essential knowledge, skills, competencies, and motivation needed to compete and excel at national, regional, and global levels.

3.3 Attributes

3.3.1 Well Educated, Skilled and Learning Society

In achieving sustainable socio-economic growth and effectively compete on the global stage by 2050, Tanzania envisions building a well-educated, skilled, and adaptable society. Vision 2050 highlights education's transformative power in equipping citizens with

essential knowledge, skills, and ethical values to address development challenges. Education forms the basis for nurturing critical thinking, problem-solving, creativity, analytical acumen, and technical expertise across various fields, while also promoting adaptability and a culture of lifelong learning.

Investment in quality early childhood development (ECD) is crucial. ECD lays the foundation for cognitive, emotional, and social skills, shaping lifelong learning and success. By addressing developmental needs from a young age, it builds a resilient, skilled workforce, reduces inequalities, and drives socio-economic growth. Quality ECD programs break cycles of poverty, foster gender equity, and equip children with essential pre-literacy, pre-numeracy, and socio-emotional skills that support future academic and economic achievements.

Tanzania's education system has made substantial progress, driven by significant government investment in school infrastructure. By 2020, the Gross Enrolment Rate (GER) for primary education reached 100 per cent, with a primary-to-secondary transition rate of 73.8 per cent by 2023. Nevertheless, the system must continue evolving to meet local and global demands by 2050.

Preparing youth for the global economy and the technological revolution necessitates prioritising Science, Technology, Engineering, and Mathematics (STEM) skills and digital literacy. Bridging skills gaps and addressing gender disparities, particularly in STEM, involves nurturing adaptability, entrepreneurship, and financial literacy. Essential soft skills are also vital for thriving in a dynamic world. Through a holistic, lifelong learning approach beginning in early childhood, Tanzania's education system can cultivate a resilient, versatile workforce, driving socio-economic progress.

Tanzania envisions mindset transformation, fostering a confident, and empowered populace. The Vision aims to fulfil the fundamental needs of all citizens by fostering a culture that values human development through hard work, professionalism, entrepreneurship, creativity, and innovation. Balancing community spirit with individual initiative, Tanzania aspires to achieve high educational standards, producing citizens equipped to address societal challenges, drive development, and remain regionally and globally competitive.

Aspirations

- a) A high quality, relevant, and globally competitive education and training system at all levels of learning.
- b) Holistically nurtured and protected child bolstered by a robust early childhood development and education ecosystem.
- c) Industry-ready graduates equipped with relevant skills through a comprehensive education and vocational training system aligned with industry demands, fostering

professionalism and enhancing employability in a competitive, technology-driven global economy.

- d) A knowledge-driven, innovative society that fosters creativity, critical thinking, and problem-solving through education, positioning innovation as a foundation for Tanzania's socio-economic progress and resilience against future challenges.
- e) A lifelong learning society that treasures continuous education and skill development, ensuring individuals stay adaptable to evolving societal and technological demands.

3.3.2 A Healthy Society

A healthy society is one in which individuals and communities experience good physical, mental, and social well-being. This encompasses access to quality healthcare services, healthy lifestyles, and supportive environment that promote health. Achieving this requires a robust healthcare system complemented by strong societal support.

Tanzania's healthcare system has made significant strides in recent years, with a strong focus on infrastructure development to broaden access nationwide. Efforts have concentrated on enhancing healthcare facilities and service quality, particularly in historically underserved rural areas. Initiatives have also prioritised improving the availability of essential medicines and equipment, thereby strengthening healthcare delivery capabilities across the country. Additionally, efforts to enhance healthcare financing have included increased public funding and exploring social health insurance options, such as universal health insurance (UHI), to provide financial security for citizens. Consequently, the universal health coverage (UHC) service index improved from 38 in 2015 to 43 in 2022.

However, the rapidly growing population (at 3.2% with a high fertility rate of 4.8), the abject poverty (9% in 2022), and the effect of climate change on health are exerting increasing pressure on the healthcare sector to enhance access and deliver high-quality, affordable healthcare to all. As a result, the health sector continues to face significant challenges, such as inadequate access to healthcare, especially in rural areas, and continued shortages of healthcare personnel and medical supplies. All these create the need for sustainable domestic healthcare financing.

Disease prevention and control are key priorities in the healthcare agenda, with ongoing programmes targeting both communicable and non-communicable diseases, as well as pandemics. These efforts underscore Tanzania's commitment to improving public health outcomes and ensuring comprehensive healthcare coverage, particularly in light of growing concerns over non-communicable diseases such as diabetes, cardiovascular conditions, renal diseases, cancer, and mental illnesses.

Aspirations

- a) Individuals and communities committed to health promotion and disease prevention, supported by robust public health systems that prioritise healthy lifestyles and resilience against pandemics and climate-related health challenges, while shifting to a one-health approach.
- b) A healthy society where every citizen has access to comprehensive, and quality healthcare services, prioritising the strengthening of primary health care and addressing emerging challenges such as non-communicable diseases, injuries, and mental health issues.
- c) A society where healthy individuals and communities have knowledge of and access to nutritious food, supported by local manufacturing and food fortification, while ensuring that all citizens are protected from unhealthy food and drugs, whether produced locally or imported.
- d) A healthy society that leverages modern technologies, such as artificial intelligence, to predict and manage disease patterns.
- e) Accessible, affordable, high-quality healthcare commodities for all citizens, supported by a strong local manufacturing base.
- f) A leading hub of super-specialised medical services, delivering healthcare solutions through cutting-edge technology that also attracts medical tourism.
- g) Affordable health services achieved through sustainable and diversified domestic health care financing to promote health insurance.

3.3.3 Socially Protected and Inclusive Society

Social protection, cohesion, inclusion, and gender equality are essential for building a robust human capital. Social protection establishes safety nets for vulnerable groups and integrates marginalized populations in the national development programs, thus reducing inequalities.

Efforts towards social protection, inclusion, and gender equality in Tanzania have registered significant progress. Initiatives such as the Productive Social Safety Net (PSSN), managed by the Tanzania Social Action Fund (TASAF), aim to alleviate poverty, and enhance well-being among vulnerable groups like the elderly and people with disabilities. Further, there are initiatives to attain universal health insurance. In gender equality, significant progress has been achieved. Efforts to reduce gender disparities in access to education have been successful, resulting in a 96 per cent decrease in the gap, though challenges remain in the qualitative aspects of gender. Health and survival rates stand at 97 per cent, slightly surpassing the global average of 96 per cent.

Tanzania has significantly improved universal access to water, sanitation, and hygiene (WASH) services. Currently, 64 per cent of households have access to at least basic drinking water, and 55 per cent of households have at least basic sanitation

services. Nevertheless, access to WASH services is below the universal target with significant disparities between urban and rural areas.

Despite these achievements, efforts need to be made to address challenges that prevent the attainment of a socially protected and inclusive society. The overall social protection coverage remains limited, with less than 20 per cent of the population benefiting from the requisite programmes, revealing significant disparities, particularly between urban and rural communities and those in the formal and informal sectors. This underscores the urgent need for more expansive and inclusive social protection initiatives. Furthermore, gender-based violence remains pervasive, with recent studies indicating that 44 per cent of women aged 15 to 49 have experienced intimate partner violence. Consequently, promoting women's leadership roles in both the public and private sectors is a critical objective.

Aspirations

- a) An inclusive society free from child and gender-based violence, where individuals including those with disabilities are happy, safe, respected, and empowered, ensuring that everyone has the opportunity to thrive.
- b) A society that values and ensures equal access to socio-economic opportunities and representation in leadership roles, particularly for women, youth, and people with disabilities.
- c) Individuals and communities benefit from a universal social protection system that ensures all have access to essential social security guarantees and services.
- d) An inclusive and accessible infrastructure that ensures equal opportunities for people with disabilities.

3.3.4 High Quality Living Standards

Living standards encompass a wide range of factors that directly and indirectly influence an individual's productivity. By improving living standards societies can enhance overall productivity and contribute to economic growth and development.

As Tanzania continues to make strides in improving living conditions for its people, it is crucial to invest in essential infrastructure and services to foster a more productive workforce. This includes ensuring the availability and accessibility of quality housing and settlements across the country. It is also imperative to develop affordable housing options, improve connectivity to reliable and affordable energy, safe and clean water supply and sanitation as well as communication infrastructure. These efforts are essential for enhancing living standards, promoting economic growth, and advancing overall societal development in Tanzania.

Aspirations

- a) Affordable and decent housing and settlements, ensuring sustainable urban and rural development.
- b) Universal access to safe, clean, affordable, resilient, and sustainable water, sanitation, and hygiene (WASH) systems to promote public health.
- c) A resilient network of energy infrastructure with transition to clean and renewable energy sources, promoting environmental sustainability, reducing carbon emissions, and enhancing energy security for all sectors of society.

3.3.5 A Capable and Motivated Workforce

Tanzania consistently invests in developing its human capital by enhancing nutrition, healthcare, quality education, skills development, and job opportunities for its population. Consequently, the Human Development Index (HDI) increased from 0.371 in 1990 to 0.549 in 2021, and the country graduated from low-income to lower-middle-income in 2020. Significant progress has been made, though at a gradual pace, in the HDI dimensions of health, education, and standard of living. However, Tanzania must redouble its efforts in human capital development to raise its Human Capital Index (HCI) score of 0.39, which falls below the sub-Saharan Africa average of 0.4.

Aspirations

- a) Fertility rates that result in a population size that the economy can sustain, ensuring decent living standards for all.
- b) A highly skilled and adaptable workforce equipped with the necessary competencies and technical expertise to meet the evolving demands of both local and global markets.
- c) An environment that attracts diaspora, grows and retains the finest minds and talents among citizens, and foreigners to grow the human capital base and speed up socio-economic development.
- d) A society that embraces openness, exposure and competition in the labour market to enhance the quality and productivity of the workforce.
- e) A motivated and productive workforce supported by strong labour policies, workplace incentives and comprehensive well-being initiatives that foster job satisfaction, creativity, non-discrimination and sustained national development.

3.3.6 A Cohesive, Responsible and Engaging Society

The TDV 2050 aims to build a cohesive, responsive, and actively engaged society, drawing on the country's rich cultural diversity and the unifying Kiswahili language. With a substantial youth population, Tanzania recognises the potential to develop human capital by investing in educational, cultural, and athletic initiatives that empower young people, about 75 per cent of whom are under 35, and enrich the social fabric. The country

has seen encouraging growth in physical activities and competitive sports, which has received substantial private sector investment. Additionally, creative arts have gained traction, helping local talents make strides on both regional and international stages. Tanzania seeks to leverage these cultural and sporting assets to foster sustainable development, promote well-being, and contribute to economic growth.

Aspirations

- a) A globally renowned hub for Kiswahili language and literature, and culture enhanced by rigorous research and cultural exchange.
- b) Empowered children and youth by nurturing and promoting their talents to help them reach their full potential in arts, professional sports and entertainment, both locally and globally.
- c) A society that embraces developmental mindset, recognising time and resources as valuable and finite assets to be used responsibly and efficiently for personal and collective growth.
- d) A responsible and engaged citizenry that actively participates in civic life, fulfilling its constitutional duties and sustainably addresses socio-economic challenges.
- e) A citizenry committed to upholding national values and contributing to societal progress, fostering a sense of patriotism, duty and ownership of national development goals.

Pillar 3

Environmental Integrity and Climate Change Resilience

4.1 Overview

Tanzania is renowned for its abundant natural resources and diverse ecosystems, from savannahs to rainforests and coastal waters, making it one of the world's key centres of biodiversity. The country is also endowed with fertile land, marine resources along its extensive Indian Ocean coastline, and freshwater lakes. These resources play a pivotal role in the national economy, particularly through wildlife-based tourism, which accounts for around 17 per cent of GDP and 25 per cent of foreign currency earnings. With over 80 per cent of tourism centred on wildlife, the sector is crucial for both economic growth and the conservation of Tanzania's rich biodiversity.

Forest resources play a vital role in Tanzania's economy, contributing 2.5 per cent to national GDP and 5.9 per cent to foreign trade. The country's per capita emission rate is approximately 0.2 tonnes per year. Despite high deforestation rates, Tanzania's forest cover is estimated to have a carbon storage potential of - 0.4 gigatonnes annually. This indicates that Tanzania's forests store around 2 per cent of the world's total carbon and 11 per cent of the carbon stored by forests in Africa.

The Tanzanian economy is heavily driven by climate-sensitive sectors, particularly agriculture and both renewable and non-renewable natural resources. As a result, the rising frequency of extreme weather events poses significant economic risks, jeopardizing food security, infrastructure, jobs, and public health. Although measures have been implemented to address these impacts, progress has been slow, uneven, and incomplete, with climate change potentially causing economic losses of up to five per cent of national GDP. Tanzania aims to establish a climate-resilient society characterized by robust environmental management, an effective disaster risk preparedness framework, and a healthy ecosystem that supports biodiversity.

4.2 Objective

Achieving development that safeguards environmental and ecological integrity while enhancing low-carbon and socio-economic resilience in the face of a changing climate.

4.3 Attributes

4.3.1 Biodiversity Integrity

Tanzania boasts exceptional biodiversity across diverse ecosystems, including savannahs, rainforests, coastal mangroves, and marine habitats, home to species such as elephants, lions, and numerous endemic plants and animals. This natural wealth is safeguarded by a network of conservation areas, including national parks that protect vital wildlife and habitats, game reserves for wildlife conservation and regulated hunting, forest reserves preserving forest ecosystems, marine parks and reserves dedicated to marine life conservation, and wildlife management areas promoting sustainable wildlife practices while benefiting local communities.

Taken together, these protected areas cover approximately 32 per cent of the country's land, which is vital for biodiversity conservation, carbon sequestration, pollution control, and the retention of soil fertility – elements essential for human survival and national prosperity. The country also hosts the 10th highest number of International Union for Conservation of Nature (IUCN) red-listed threatened species globally, with around 2,100 species at risk, including 895 plants, 841 non-plants, and 364 from other groups. However, this biodiversity faces significant threats from human activities such as poaching, illegal logging, agricultural encroachment, deforestation, and urban expansion. Illegal wildlife trade, particularly in ivory and bushmeat, exacerbates these pressures, leading to biodiversity loss.

Tanzania has implemented various policies to support environmental and biodiversity conservation, including the National Environmental Policy (2021), the Environmental Management Act (2004), the Wildlife Policy of Tanzania (2007), the National Forestry Policy (1998), and the Beekeeping Policy (2007), along with their respective legislation. These frameworks emphasize community-based conservation initiatives that actively involve local communities in biodiversity stewardship and economic activities. Additionally, the country engages in international collaboration and adheres to global biodiversity agreements, underscoring its commitment to safeguarding its natural heritage and contributing to global conservation efforts. Looking ahead, sustained efforts are essential to mitigate threats, enhance conservation measures, and ensure the long-term sustainability of biodiversity for future generations.

Aspirations

- a) A global leader in preserving healthy natural habitat ecosystems, where rich diversity and variability of species thrive in their native environments.
- b) Thriving flora and fauna in their natural environment, protected from all forms of poaching, illegal logging, wildlife trafficking, encroachment, and invasive species, ensuring their sustainable survival for future generations.

- c) An iconic nation in the sustainable utilization of biodiversity, promoting socio-economic livelihoods for both present and future generations.
- d) Biodiversity and natural wealth are appropriately valued and significantly contribute to GDP and socio-economic growth.

4.3.2 Healthy Wetlands and Water Resources

Tanzania covers approximately 2.7 million hectares of permanent and seasonal freshwater swamps and floodplains, spanning nearly all major river systems. The country hosts several continental river basins, including the Nile, Congo, and Zambezi, as well as significant international lakes. The Rufiji basin accounts for the largest share of Tanzania's renewable water resources. Millions of people, particularly local communities, depend on these wetlands for their livelihoods, and the country's economy, especially in agriculture, energy, and tourism, is heavily reliant on these resources. For instance, 37 to 45 per cent of the energy mix comes from hydroelectric power.

However, these vital wetlands and water sources face intense pressure from encroachment and unsustainable human activities. As a result, wetlands are shrinking due to the expansion of agricultural and settlement areas driven by the growing demand for arable land. For example, the drying up of wetlands like the Ihefu wetlands has far-reaching ecological consequences, impacting not only the Usangu plains wetland and Ruaha River but also Ruaha National Park and other downstream ecosystems in the Rufiji basin, where critical hydropower plants such as Mtera, Kidatu, and Julius Nyerere hydropower plants.

Furthermore, since 2010, the country's major lakes have experienced significant fluctuations in water levels, with notable changes observed across all of them. These fluctuations are primarily attributed to increased sediment loads caused by unsustainable human activities in the surrounding catchment areas and climate change. The annual renewable freshwater availability stands at 2,300 cubic metres per capita, slightly above the 1,700 cubic metres per capita threshold, classifying the country as water stressed.

Aspirations

- a) Healthy wetlands provide a range of values and services, such as clean water, food, biodiversity, and infrastructure, that sustain livelihoods and boost the economy.
- b) Sustainable water resources management to ensure the country remains free from water stress while also providing social needs, ecological balance and long-term water security.

4.3.3 Pollution-Managed Environment

Environmental pollution from human activities such as urbanisation, industrialisation, mining, and exploration is a significant global issue, threatening both public health and the natural environment. Air, water, noise, and waste pollution are major environmental challenges across the country.

Recent estimates suggest that Tanzania's urban population accounts for approximately 36 per cent of the total population. The urbanisation rate, reflecting the average annual growth of the urban population, is estimated at 4.89 per cent. This rapid urban growth presents both opportunities and challenges, requiring substantial investment in infrastructure, housing, and services to accommodate the expanding population. As economic wealth increases, so does the generation of municipal solid and liquid waste. In major towns and cities, much of this waste remains untreated, leading to air and water contamination, which poses a significant health risk to residents.

Aspirations

- a) A pollution-conscious society equipped with the skills and knowledge to foster a healthy, enjoyable, and sustainable environment for all.
- b) An urban environment built with green infrastructure, efficient waste management, and sustainable building practices that significantly reduce environmental pollution.
- c) An enhanced circular economy where the economic potential of waste materials is fully exploited.

4.3.4 Rigorous Land Management

Covering nearly one million square kilometres, Tanzania has vast potential for effective land management, which is crucial for sustainable development. However, rapid population growth, urbanisation, agricultural expansion, mining, and industrialisation have placed increasing pressure on land resources, leading to soil degradation and conflicts between communities. Furthermore, legal and cultural practices have contributed to gender inequality, particularly affecting women, youth, and people with disabilities in terms of access to and ownership of land. Issues such as undocumented land rights, inadequate land use planning, village boundary disputes, informal settlements, housing shortages, and land use conflicts are rising, further complicating land management. These challenges are compounded by limited financial and human resources, technological gaps, and uncoordinated institutional framework that hinder sustainable land management.

To address these challenges, Tanzania has implemented policies to enhance land management, including strengthening land tenure security, promoting sustainable land use, and involving communities in natural resource management. International collaborations and support from development partners are crucial in advancing sustainable land management practices nationwide. Moving forward, ongoing efforts are essential to balance conservation objectives and climate change mitigation within the context of carbon trading, alongside socio-economic development, ensuring that land resources can sustainably support current and future generations.

Aspirations

- a) A harmonious society where every citizen enjoys secure land tenure and equitable access to land resources across the country.
- b) A conducive land use and enforcement regime that attracts land-based investments.
- c) A stable and transparent real estate market that protects the interests of all stakeholders through a well-regulated and coordinated real estate sector.
- d) Balanced urban-rural growth by promoting rural modernisation and sustainable metropolis to ensure inclusive development and reduce regional disparities.
- e) Sustainable, SMART, and green cities and urban centres for prosperous, healthy and decent livelihoods for all.
- f) Harmonious system of ascertaining and strengthening boundaries in the administrative and conserved areas to ensure effective and efficient land use amongst users.
- g) Surveyed and strengthened international boundaries.

4.3.5 Climate Change Resilience

Tanzania is experiencing the effects of climate change, characterised by rising temperatures and extreme rainfall events over the past decade. In the last five years alone, the country has warmed by at least 0.6°C compared to the 1981–2010 baseline, with many regions seeing temperature increases of up to 1°C since the 1960s. Both land and sea temperatures have risen since 1980, and projections suggest that by 2041, areas in the western and central regions could see temperature increases of over 2°C, while most eastern regions are expected to warm by 1°C.

Alongside rising temperatures, the country is also experiencing shifts in precipitation patterns, with variability in rainfall becoming evident since the 1970s. Climate change is leading to more extreme rainfall events, and projections suggest that some areas, such as the Lake Victoria basin and the north-eastern highlands, may see an increase in mean annual rainfall. Conversely, regions in the southwestern highlands and western zones could experience an up to 9.9 per cent rise in annual rainfall by 2050. These changes

present significant challenges to water resources, agriculture, and overall climate resilience in the country.

These changes are leading to climate-induced water stress, the spread of climate-related diseases, flooding, and the proliferation of bushfires and invasive species. They also contribute to the loss of coral reefs and biodiversity, droughts, and the emergence of vector-borne diseases such as malaria and dengue fever. Rising temperatures pose significant health risks that threaten Tanzania's development vision. For instance, higher temperatures increase the risk of waterborne illnesses such as typhoid, cholera, and diarrhoea, with a 1°C rise associated with a 15 to 29 per cent increase in cholera risk. Additionally, malaria is now appearing in highland regions such as Tanga and Kilimanjaro, which were previously free from mosquitoes.

Amid these concerns, several government initiatives have been implemented, including policy and institutional developments. However, the insufficient mainstreaming of policy directives across implementing entities has led to inadequate coordination. Women and children have been particularly vulnerable to the dramatic effects of climate change. These shortcomings underscore the urgent need for comprehensive climate mitigation and adaptation strategies to protect both ecosystems and human communities.

Aspirations

- a) A sustainable and resilient future that embraces a clean energy mix, low-carbon alternatives, carbon sequestration, and institutionalised carbon trading mechanisms to reduce greenhouse gas emissions.
- b) A climate-ready nation with a disaster risk preparedness framework to effectively mitigate, respond to, and recover from natural and human-made disasters, protecting infrastructure, people, and property.
- c) A climate-resilient society that embraces climate-smart practices and targeted resilience-building measures to adapt to the impacts of climate change.
- d) Mainstreamed and localised environmental management, including climate change action across all levels of government and society.
- e) A leading nation in climate change responses, supported by robust climate governance that upholds international climate change protocols.
- f) A nation that maximises its carbon trading potential to capitalise on climate finance opportunities.

DRIVERS FOR THE VISION REALISATION

5.1 Overview

Realising the Tanzania Development Vision 2050 hinges on four key drivers: Integrated Logistics, Science and Technology, Research and Development (R&D), and Digital Transformation. Integrated Logistics streamlines supply chains, optimising resource allocation and enhancing efficiency. Science and Technology foster innovation, driving advancements that boost productivity and competitiveness. R&D is essential for creating new knowledge and solutions that address local challenges and enhance socio-economic growth. Finally, digital transformation facilitates the adoption of cutting-edge technologies, improving service delivery and operational effectiveness. Together, these drivers are crucial for accelerating socio-economic transformation, enhancing productivity, and improving the quality of life for all citizens, ultimately achieving the goals of TDV 2050.

5.2 Objective

Leveraging science, technology, innovation, and connectivity to enhance productivity and stimulate economic and social development.

5.3 Integrated Logistics

Integrated logistics entails harmonising the movement of people, goods, services, and information flow throughout the supply chain network. It requires seamless coordination among entities engaged in production, transportation, warehousing, distribution, and delivery, aiming for optimal efficiency, reliability, and cost-effectiveness. As Tanzania gears up to transform its economy, transitioning to an integrated logistics system is paramount.

In recent years, Tanzania has made notable progress in strengthening its logistics capabilities through strategic infrastructure development, structural reforms, and technological advancements, leveraging its prime geographical position as a gateway to eastern and southern Africa. Key developments include significant investments in road networks, the modern Standard Gauge Railway (SGR), and the expansion of ports and airports. Improvements to Air Tanzania, with a modernised fleet and expanded routes, complement these initiatives. Additionally, increased electricity generation, particularly the Julius Nyerere Hydropower Station (planned capacity of 2,115 megawatts), supports these transformative efforts. Together, these improvements strengthen infrastructure within the country and across borders, facilitating regional trade and economic integration. Additionally, the establishment of One-Stop Border Posts (OSBPs) for faster cross-border trade, along with the adoption of digital technologies, has optimised document processing, inventory management, shipment tracking, and overall supply chain

efficiency. Collectively, these advancements position Tanzania as a vital logistics hub in the region, fostering sustainable economic growth and enhancing its competitive edge.

Despite these achievements, concerns persist regarding high operational costs and delays. Logistics currently account for 35–45 per cent of total import costs, including insurance and freight, ranking among the highest globally. These elevated costs are partly due to prolonged waiting and offloading times caused by insufficient handling and storage facilities, alongside the unreliable and inconsistent transport and logistics network. Additionally, the regulatory framework is overly complex, hindered by overregulation, unharmonised local government bylaws, and multiple levies. Addressing these challenges is essential to enhance logistical performance, maximise contributions to economic growth and job creation, and strengthen the country's regional and global competitiveness.

Aspirations

- a) A premier gateway for eastern and southern Africa, leveraging its geographical location to enable seamless cross-border trade, foster collaborative relationships, and maintain efficient, sustainable systems.
- b) An integrated logistics network with a competitive multimodal transport system and modernised infrastructure, aligning the country's economic corridors to support efficient domestic and international trade.
- c) High-quality logistics providers deliver world-class services at competitive prices and embrace advanced digital technologies to enhance efficiency and seamless information flow across the value chain.
- d) A transparent, efficient regulatory environment that streamlines customs, reduces bureaucracy and roadblocks, responds to logistical advancements, and enforces compliance with international standards.

5.4 Science and Technology

In a rapidly evolving global knowledge-based economy, science and technology serve as crucial drivers of productivity, efficiency, and economic growth. Tanzania has leveraged advancements across multiple sectors to enhance service delivery, boost production, and increase accessibility, particularly through investment in renewable energy technologies like solar power and biogas, addressing energy demands and promoting sustainability in rural regions. Biotechnology has also been applied in agriculture, health, and manufacturing, optimising production processes and enhancing quality of life.

The government has played a pivotal role in creating a supportive environment for scientific and technological advancements by addressing industry and societal challenges, investing in education, and promoting Science, Technology, Engineering, and Mathematics (STEM) training. Despite these efforts, challenges remain. Limited infrastructure, funding shortages, skills gaps, inadequate collaboration among

stakeholders, and regulatory issues persist. Additionally, gender disparities and restricted access to STEM education hinder equitable participation, compounded by low investment in early talent identification and development.

To overcome these hurdles, Tanzania will expand its adoption of transformative technologies to advance its development agenda. Focused initiatives in renewable energy will promote sustainable access, while advances in biotechnology will drive agricultural productivity, manufacturing, and healthcare innovation. By harnessing the transformative power of science and technology, Tanzania envisions becoming a technologically empowered, resilient, and inclusive nation that drives sustainable growth, enhances human development, and promotes good governance, paving the way for a prosperous and equitable future.

Aspirations

- a) Widespread adoption of emerging technologies across all levels of production and service delivery to improve efficiency and drive change.
- b) World-class technology zones dedicated to research and innovation in key sectors such as agriculture, manufacturing and health, backed by a dynamic team of experts and financing to meet domestic industrial needs.
- c) Robust investment in developing and using emerging technologies, including energy, biotechnology, space, and nanotechnology to support industry and promote socio-economic development.

5.5 Research and Development

As the country advances in its development, Research and Development (R&D) is vital for driving innovation, addressing local challenges, and enhancing productivity across various sectors. R&D also fosters skills development, informs policy formulation, and promotes sustainable practices, positioning the country competitively in the global economy.

In recognition of this importance, the Government has taken steps to support R&D, including increased funding for research initiatives, partnerships with academic and industry stakeholders, and the promotion of innovative technology commercialisation. These initiatives have spurred innovations, evidenced by the rise of startups, innovation hubs, incubators, and accelerators. Furthermore, there is a growing emphasis on R&D within higher education and research institutions, alongside strengthened frameworks for protecting Intellectual Property (IP), ensuring that innovators are able to secure their creations and benefit from their commercialization, thereby fostering a culture of creativity and innovation.

Despite these advancements, challenges persist, including limited funding, inadequate infrastructure, skills shortage, and weak collaboration between stakeholders, which

hinder effective innovation. Additionally, regulatory barriers, brain drain, low public awareness, and gender disparities further impede the development and sustainability of research initiatives.

Aspirations

- a) A robust R&D ecosystem that attracts global collaboration and partnerships, underpinned by strong intellectual property protection to foster innovation and investment.
- b) A sustainable R&D financing mechanism that allocates at least 1 per cent of GDP, featuring incentives to encourage private sector investment in key areas such as agriculture, biotechnology, clean energy, and emerging technologies in ICT and other fields.
- c) A nation that embraces evidence-based decision-making, driven by cutting-edge scientific research to drive socio-economic development.
- d) A regional innovation hub that supports local innovations and inventions throughout the entire lifecycle, from ideation to commercialisation.
- e) World-class universities and centres of excellence with strong industry links, engaging in groundbreaking research including indigenous research leading to discoveries, innovations, and the development of products and solutions.
- f) A dynamic and informed innovation ecosystem characterised by accurate technology forecasting, positioning the nation as a global leader in innovation.

5.6 Digital Transformation

Digital transformation can significantly propel Tanzania towards its 2050 goals by enhancing economic growth, improving service delivery, and fostering innovation through digital technologies. By leveraging data-driven decision-making, expanding financial inclusion, developing digital skills and digitalisation services, and embracing emerging technologies, Tanzania can strengthen its competitiveness and ensure sustainable socio-economic development.

Tanzania has made significant strides in digital technologies, particularly through the widespread adoption of mobile money services, expansion of broadband access, and e-government initiatives that improve service delivery. Mobile technology has revolutionised the financial sector, greatly enhancing financial inclusion through mobile banking. Furthermore, digital technologies are transforming healthcare, education, and agriculture by improving efficiency and addressing human resource gaps, all supported by extensive internet connectivity via broadband and wireless services. The emergence of tech hubs and startup support highlights the country's commitment to leveraging digital solutions for socio-economic development.

Furthermore, significant efforts have been made in data management, recognising its crucial role in informed decision-making, efficient service delivery, and overall

development. These efforts include the establishment of institutional frameworks for data management and substantial investments in data infrastructure, such as creating data centres.

Despite these advancements, digitalisation and digital transformation in Tanzania face challenges such as limited infrastructure, cybersecurity threats, high costs, skills shortage, and regulatory barriers that hinder widespread adoption and implementation. Moreover, disparities in access, data privacy concerns, rising concerns on ethical use of these technologies, resistance to change, and inadequate policy frameworks further impede progress and exacerbate inequalities, alongside a lack of appreciation, investment, and application of emerging technologies like artificial intelligence (AI), blockchain, and the Internet of Things (IoT).

Aspirations

- a) A digitally proficient society that fosters digital literacy and embraces secure digital practices and emerging technologies to harness opportunities, address threats, enhance efficiency, and drive change.
- b) A regional hub for technology development that harnesses emerging technologies such as artificial intelligence (AI), blockchain, and the Internet of Things (IoT) to drive innovation, promote socio-economic development, enhance global competitiveness, while ensuring the ethical and accountable use of these technologies.
- c) Nationwide access to reliable and affordable communication services and high-speed internet.
- d) A robust, integrated system for the provision of high-quality statistics and harmonised, high-frequency data, which are embedded within national and sectoral frameworks to support the monitoring, evaluation, and continuous improvement of development programmes.
- e) Widespread data commercialisation to maximise economic value, foster new business models, and create jobs.
- f) A leading regional hub for app and digital content creation, catering to local use and export.

TRANSFORMATIVE SECTORS

6.1 Overview

Transformative sectors are pivotal to realising Tanzania Development Vision 2050, driving economic, social, and environmental advancements that align with long-term national goals. These sectors hold high potential for growth, job creation, and innovation, spanning productive and service activities that support both local and export markets. Tanzania, with its wealth of resources and opportunities, is well-positioned to harness these sectors effectively, enhancing quality of life and promoting sustained economic growth.

In line with this potential, TDV 2050 provides guidance for sector prioritisation, focusing on those with potential to drive socio-economic transformation. The Vision emphasises a balanced sector prioritisation to support a sustainable economy with diversified growth and substantial employment opportunities. With adaptable criteria for identifying high-impact sectors, TDV 2050 ensures its ongoing relevance, aligning with shifting priorities and fostering long-term resilience in the face of global market fluctuations. This flexibility allows Tanzania to adapt to new challenges and opportunities, securing a prosperous and inclusive economic future.

6.2 Objective

Establishing a strategic and adaptable framework for identifying and prioritising transformative sectors aligned with TDV 2050 goals, fostering targeted socio-economic progress through sustainable growth, employment generation, and innovation that drive long-term socio-economic transformation.

6.3 Sector Selection Criteria

Acknowledging that today's priorities may shift in response to evolving national and global dynamics, resource availability, population growth, and huge advancements in science and technology, the Vision 2050 establishes adaptable criteria for selecting balanced, high-impact transformative sectors with the potential to drive diversified economic growth, job creation, and intersectoral linkages. This approach safeguards the Vision's relevance and alignment with future developments, fostering resilience and sustainability in Tanzania's economy.

- i. **Employment Multiplier Potential:** The sector should exhibit strong employment multiplier effects, meaning it has the capacity to stimulate additional job creation across interconnected industries. This criterion evaluates how an increase in spending or job growth within the sector can generate ripple effects that benefit other sectors, demonstrating the sector's broader impact on the national economy and its interconnectedness within the labour market.

- ii. **Export Potential:** A priority sector should display strong export potential by aligning its products and services with target market demands, facilitating access to international markets, and building reliable trade networks. This export capability should be bolstered by efficient, sustainable supply chains to increase global competitiveness and resilience within the economy.
- iii. **Sector Linkages:** A priority sector should demonstrate robust forward and backward linkages, showing value in its capacity to purchase inputs and services from local suppliers while distributing products and services to domestic markets. Such linkages foster a self-sustaining ecosystem within the economy, enabling growth across interconnected sectors and reinforcing local supply chains, thereby supporting resilience and balanced development.

6.4 Strategic Sectors

Agriculture (Crops, Livestock, Fisheries, and Fisheries)

Prioritising agriculture within Tanzania's Vision 2050 is crucial due to its immense potential for socio-economic transformation. The sector currently contributes 26.7 per cent to GDP, employs 65 per cent of the workforce, and generates 30 per cent of export earnings, highlighting its critical role in economic growth and livelihood security. Agriculture encompasses crops, livestock, fisheries, and forestry, primarily serving domestic markets, with most farmers focusing on food production for local consumption while exports of traditional cash crops remain limited. Expanding food production for export could enable Tanzania to tap into growing local and global demand and leverage established trade advantages. Achieving this shift requires substantial productivity gains and supportive market structures that attract investment, particularly for large and smallholder farmers and agribusinesses.

Transforming agriculture across these sub-sectors demands enhanced productivity through modern technologies such as smart agriculture, improved infrastructure, and secured market access. In the crop sector, climate-smart practices such as water-efficient technologies in irrigation and improved post-harvest technologies can increase yields and enhance resilience to climate change. For livestock, improved animal health services, sustainable grazing methods and access to improved animal feeds can drive higher productivity and enhance product quality for local and export markets. Fisheries stand to benefit from regulated aquaculture and fishing practices and modernised facilities to meet local and international standards. Sustainable forestry management can balance economic growth with environmental conservation while increasing the productivity of honey and other sustainable forestry products.

Tanzania can be a trusted and reliable regional food basket with fertile land, diverse agroecology, and abundant natural resources. Strategic interventions in agribusiness,

particularly focusing on key crops such as cashew nuts, coffee, tea, sugarcane, and horticultural crops, hold transformative potential. Enhancing value addition will not only boost income and job creation but also elevate Tanzania's standing in the regional and global agricultural market. Targeted policies and investments will ensure agriculture drives inclusive and sustainable growth, making it a cornerstone of Vision 2050's agenda for a resilient and competitive economy. By transforming raw agricultural outputs into higher-value products, Tanzania can capture a greater share of the global value chain, enhance export competitiveness, and secure long-term economic stability.

Consumer Services

Consumer services hold strategic importance in Tanzania Vision 2050, presenting a pathway for inclusive economic growth and employment. This sector, covering retail, hospitality, and related industries, absorbs significant labour, especially for urban and rural-urban migrant populations, and is second only to agriculture in terms of employment levels. Although informal services generally offer lower productivity, they exceed agricultural productivity, contributing to economic efficiency and higher income.

Expanding and formalising consumer services through regulatory reform and technological integration can drive productivity growth and economic resilience. Transitioning informal micro-enterprises to formal SMEs, coupled with access to finance and business support, can improve service quality and efficiency. This aligns with Vision 2050 goals for sustainable urbanisation and poverty reduction, enabling the sector to support Tanzania's move to an upper middle-income economy.

Tourism

Prioritising the tourism sector for Tanzania's Vision 2050 is essential, as it has proven to be a key driver of socio-economic growth, creating jobs and generating substantial foreign exchange. As one of Tanzania's major economic sectors over the past 25 years, tourism contributes approximately 17 per cent of GDP and 25 per cent of all export earnings. It provides direct employment to over 600,000 people. With approximately 1.8 million tourists in 2023, the sector supports related industries, including transportation, hospitality, and retail, while promoting local economic development. To sustain and expand this impact, it is crucial to address current limitations in infrastructure, accommodation, travel costs, and the diversity of tourism products. Tourism's link to natural and cultural resources makes environmental conservation vital for long-term growth. Conservation efforts ensure that Tanzania's renowned attractions, such as Zanzibar, Serengeti National Park, Ngorongoro Crater, and Mount Kilimanjaro, continue attracting tourists.

Tanzania's tourism is mainly wildlife-based, accounting for over 80 per cent; recent efforts to diversify tourism products have focused on promoting cultural heritage sites, ecotourism initiatives in areas like nature forests, community-based tourism and less-

visited regions like Raha and Selous in southern Tanzania. Investments are also being made in other tourism-related products such as Meetings, Incentives, Conferences, and Exhibitions (MICE) and cruise-ship tourism infrastructure, recognising their potential to attract high-value visitors. The MICE sector is crucial as it brings in international business travellers and supports local economies through increased demand for services and facilities. Efforts to enhance conference facilities and promote Tanzania as a MICE destination are expected to boost visitor numbers and extend their stays.

Similarly, the cruise ship tourism sector is being developed to capitalise on Tanzania's stunning coastal offerings and natural beauty. Expanding port facilities and promoting cruise itineraries that include stops in Zanzibar, Dar es Salaam, and other seaside attractions aim to draw more cruise tourists, thereby increasing revenue for local businesses and communities. Additionally, international promotion efforts are designed to highlight the country's rich cultural heritage and diverse attractions, drawing greater global attention to destinations beyond the traditional international markets. Implementing targeted strategies to attract more investment in recreational industries and accommodation facilities is essential for enhancing Tanzania's tourism infrastructure. By diversifying offerings and promoting responsible tourism practices, the country can create a more resilient sector that preserves its rich cultural and environmental heritage and drives significant economic growth, fostering long-term sustainability and improved living standards for Tanzanians.

Mining

To drive substantial economic gains, Tanzania should prioritise value addition in its mining sector, leveraging its demonstrated potential to catalyse transformative growth. Historically, mining has served as a significant engine of economic expansion, particularly from 2000 to 2014, positioning Tanzania among the fastest-growing economies during that period. While future growth is expected to evolve beyond past gold-led surges, the sector remains highly promising due to the country's abundant deposits of critical minerals such as graphite, lithium, uranium, and rare earth elements. These minerals are increasingly essential for global energy transitions and technological advancements, heightening their value within the international market.

By focusing on value addition, Tanzania can amplify mining's economic impact, which currently contributes 9 per cent to the nation's GDP. Developing mineral processing and downstream industries will increase job creation, bolster export earnings, and promote technology transfer, all while supporting sustainable sector growth. This strategy aligns with national objectives to attract foreign investment, enhance capital access, improve infrastructure, and foster partnerships between government, local communities, and private entities. Strengthening environmental practices, community engagement, and modernising mining operations through advanced technologies and skills development are essential to achieving these goals.

Emphasising value addition within the mining sector will solidify Tanzania's role in the global mineral supply chain, foster inclusive growth, and ensure resources drive meaningful socio-economic transformation. This strategic focus is integral to the Vision 2050 ambitions of building a diversified, resilient economy, maximising resource wealth, and promoting sustainable development and long-term economic stability.

Manufacturing

Prioritising the manufacturing sector in Tanzania is critical for driving economic growth and diversification by 2050. Manufacturing's impact goes beyond its current 8.1 per cent contribution to GDP and recent 8 per cent annual growth; it has the unique potential to create a multiplier effect, benefiting multiple sectors and building a resilient economy. Key areas, such as agro-processing, food and beverages, and construction materials, hold significant potential due to their capacity to increase local value addition, reduce reliance on imports, and boost exports, thereby strengthening the trade balance and generating foreign exchange.

Manufacturing also directly addresses Tanzania's high unemployment rate by creating jobs across skill levels, from unskilled labour in assembly lines to skilled positions in quality control and technology management. This is particularly vital as Tanzania's youth population grows and will need sustainable employment avenues. As it expands, manufacturing can integrate with other transformative sectors like agriculture, mining, and construction, creating strong backward and forward linkages. For instance, agro-processing could use local agricultural produce, enhancing farmers' incomes and driving demand in rural areas.

Strategically, Tanzania is implementing coordinated efforts aimed at regulatory and structural reforms designed to enhance innovation, improve efficiency, and bolster industry competitiveness. Tanzania government plans to invest heavily in reliable energy sources, aiming to significantly increase energy consumption per capita from the current approximately 120 kWh to 600 kWh. This ambitious target will be supported by robust investments in clean energy mix, focusing on expanding hydropower, solar, wind, and geothermal projects. Notably, the Mwalimu Nyerere hydropower project is expected to generate 2,115 MW annually, bolstering the national grid and enhancing overall energy availability. Additionally, the government aims to reduce transmission losses from around 16 per cent to below 10 per cent by improving distribution networks. These strategic initiatives, alongside enhancements to transport infrastructure, will create a more reliable energy landscape that supports manufacturing growth.

However, unlocking this potential requires overcoming challenges, including infrastructure gaps, regulatory complexities, and access to affordable finance. Coordinated efforts towards policy consistency, skills development, adaptable workforce, market, reliable power and transport infrastructure would create an environment that

attracts both local and foreign investors. Addressing these barriers can bolster manufacturing productivity and efficiency, enabling Tanzania to become more competitive in both regional and global markets.

Financial Services

Focusing on the financial services sector is crucial for Tanzania's Vision 2050, given its potential to catalyse economic growth, deepen financial inclusion, and enhance national resilience. With advances in mobile banking and microfinance extending financial services to over 20 million Tanzanians, the sector has laid a foundation for substantial economic transformation. Strengthening the sector will boost investment, empower SMEs, create jobs, and foster equitable growth, particularly in underserved regions where financial access remains limited. Enhanced inclusion also encourages savings and investment at both individual and enterprise levels, driving capital accumulation and broadening economic participation.

Moreover, a robust financial services sector can accelerate technological advancement and infrastructure development, which are critical for modernising Tanzania's economy. Expanding digital and mobile banking infrastructure can increase accessibility, enhance financial literacy, and promote cross-sectoral growth, particularly in agriculture and manufacturing, where access to capital is crucial for scaling operations. To fully harness these benefits, however, regulatory reforms, improved digital infrastructure, and reduced lending costs are necessary to build resilience and align the sector with Vision 2050's goals of a diversified, inclusive, and sustainable economy. Targeted policy actions in these areas will ensure that the sector not only supports growth but also contributes meaningfully to Tanzania's socio-economic transformation.

Real Estate

Prioritising the construction and real estate sectors within Tanzania Vision 2050 offers a pathway for substantial socio-economic transformation. Together, these sectors account for 16 to 19 per cent of the nation's GDP, underscoring their key role in driving economic growth. The construction sector, with an annual growth rate of 9 per cent from 2015 to 2020, has been fuelled by significant infrastructure projects like the Standard Gauge Railway and other logistical improvements. This sectoral expansion supports not only construction but also trade and retail, meeting rising demands for warehouses and logistics facilities as Tanzania positions itself for increased regional commerce.

Real estate has shown steady growth, accounting for about 3 to 4 per cent of GDP, driven by rising demand for residential, commercial, and industrial properties. This demand is fuelled by factors such as urbanisation and population growth, economic growth, a growing middle class, infrastructure development, tourism and hospitality industry growth, government policy and housing initiatives, real estate financing and mortgage accessibility and an influx of foreign investment. Real estate development is integral to addressing urbanisation and housing needs. The real estate sector acts as a catalyst for

economic diversification and urban growth. As the demand for residential, commercial, and industrial properties continues to rise, particularly in rapidly developing urban centres, the sector creates a ripple effect across multiple sectors, such as construction, finance, and property management.

Real estate development is vital for addressing the housing deficit and promoting inclusive urbanization, which is essential for accommodating the growing population. Moreover, it attracts both domestic and foreign investment, fostering economic stability and creating opportunities for wealth generation. By expanding real estate infrastructure, Tanzania can also improve its overall business environment, making it more attractive for international investors, while simultaneously enhancing the quality of life for its citizens through improved housing and public amenities.

For Tanzania to fully benefit from the construction and real estate sectors, it will need to establish a robust, transparent, and efficient legal framework for the real estate sector in Tanzania, fostering growth, investor confidence, and equitable economic contribution, while ensuring regulatory mechanisms support sustainability, fair practices, and broad stakeholder engagement. Certain challenges, including urban planning limitations, must be addressed. For the Construction sector high construction costs are the main factor that needs to be addressed to ease the situation. Strategic investments in skills-building, policy reform, and private sector partnerships will further elevate these sectors, aligning with Vision 2050 goals for sustainable urbanisation and resilient infrastructure. This focused development can drive long-term economic transformation in Tanzania, meeting Vision 2050 objectives of inclusivity, resilience, and sustainability.

Blue Economy

Tanzania's blue economy is increasingly recognised for its potential to drive sustainable growth, particularly through sectors such as marine tourism, water resources, sustainable fishing, offshore energy and minerals and marine carbon trade. The country boasts over 1,400 km of coastline and an exclusive economic zone covering approximately 223,000 square kilometres, which supports rich fisheries and diverse marine life. The fisheries sector alone employs around 2.5 million people and contributes about 1.5 per cent to the national GDP.

A key component of Tanzania's blue economy is the development of liquefied natural gas (LNG), with offshore reserves primarily located around Lindi and Mtwara, estimated to exceed 57 trillion cubic feet. The proposed \$42 billion LNG export terminal in Lindi, projected to produce 10 million tons per year, will be located near an envisaged industrial park focused on value-added manufacturing, including fertilizers. This infrastructure is expected to create thousands of jobs, enhance energy security, and provide a cleaner alternative to coal and oil. The government's strategic focus on LNG development aims to attract significant investment and establish a robust regulatory framework, positioning Tanzania as a regional energy hub while ensuring that the benefits of LNG development are shared with its citizens.

In addition to LNG, the development of Tanzania's shipping and port infrastructure is crucial to its economic aspirations. The government plans to invest \$1.5 billion in upgrading the Port of Dar es Salaam, increasing its capacity to handle over 30 million

tons of cargo annually by 2025, and developing the Bagamoyo port, which is set to become one of the largest strategic logistics investments in the region. This expansion will improve logistics, reduce shipping times, and lower transportation costs, strengthening Tanzania's competitiveness as a trade hub. Moreover, hydropower expansion is a key part of Tanzania's sustainable development plans. With an installed capacity of 561 MW, the government aims to increase this to 2,000 MW by 2035, including the Mwalimu Nyerere hydropower project, which will generate 2,100 GWh annually. This expansion will meet rising domestic energy demands and create surplus energy for export, boosting national revenue and enhancing regional energy security.

Together, these strategic initiatives in LNG, port development, and hydropower expansion represent a comprehensive approach to harnessing Tanzania's blue economy resources. Collectively, these efforts are expected to make a significant contribution to the country's GDP growth, create jobs, enhance energy security, and position Tanzania as a leading regional economic player.

Sports and Creative Arts

Prioritising sports and creative arts within Tanzania's Vision 2050 is essential for harnessing the socio-economic potential of the nation's large youth population, which comprises approximately 75 per cent of the total population. The sports and creative arts sector offer significant opportunities for economic growth, social cohesion, and youth empowerment, providing diverse avenues for employment, skill development, and income generation. These sectors engage Tanzania's young and dynamic population, creating pathways for them to contribute to the economy and strengthening national identity. By cultivating talent and establishing a supportive ecosystem, Tanzania can unlock the creative and entrepreneurial potential of its youth, driving long-term economic transformation.

The development of sports and creative arts in Tanzania requires strategic government support across sub-sectors like athletics, football, music, film, and digital arts. The government plays a vital role in establishing policies, allocating resources for infrastructure, and creating institutions that foster growth in these industries. Investments in sports infrastructure, training facilities, and sports academies can nurture talent from a young age and position Tanzania as a regional sports hub. In creative arts, government initiatives to promote educational programs, improve access to technology, and protect intellectual property can boost local talent and open doors to global markets.

Government-backed digital platforms can expand creative reach, generating revenue through digital exports and cultural tourism. A supportive regulatory framework is essential to align sports and creative arts with Tanzania's development goals, unlocking their potential for GDP growth, job creation, and tourism. Initiatives like sports tourism, international partnerships, youth programmes, and talent showcases can drive economic

growth and national pride. Through these efforts, sports and creative arts can be transformative sectors essential to achieving Tanzania's Vision 2050 and building a resilient, competitive economy.

IMPLEMENTATION OF THE VISION

To successfully implement Tanzania Development Vision 2050, strategic prioritisation, evidence-driven approaches, and robust accountability mechanisms and discipline of execution are essential. As the guiding national development framework for the next 25 years, the Vision requires that all sector policies, plans, and programmes align with it to prevent fragmented sectoral visions. This cohesive approach will ensure that efforts are focused and synergised to achieve long-term national objectives.

Strategic Prioritisation

Given limited resources and the wide-ranging goals of TDV 2050, clear prioritisation is essential. The Vision has identified three priority areas: (i) The foundation—Governance, Peace, Security, and Stability; (ii) three pillars—a Strong, Inclusive, and Competitive Economy, Human Capabilities, and Environmental Integrity and Climate Change Resilience and (iii) four drivers—Integrated Logistics, Science and Technology, Research and Development, and Digital Transformation. Additionally, the Vision has established a targeted approach to selecting key sectors to propel socio-economic transformation through the Transformative Sector. Selection criteria include employment multipliers, export potential, and sector linkages to ensure maximum impact.

This strategic prioritization balances immediate economic growth, job creation, and poverty reduction with long-term objectives of social inclusion, sustainable development, and resilience. It ensures that resources are allocated to areas that will drive both short-term gains and long-term progress, fostering a holistic, sustainable transformation.

It is also important to recognise that the government cannot finance all development initiatives independently to foster a strategic process that includes a strong and meaningful role for the private sector. The Vision aims to establish at least ten Public-Private Partnership (PPP) projects that leverage the expertise and resources of both sectors. This collaborative approach will enhance the effectiveness of development efforts and create sustainable solutions for economic growth.

Phased Implementation and Coordination

Vision 2050 will be implemented in two main phases, each guided by a Long-Term Perspective Plan (LTPP) — the first spanning 15 years, followed by a 10-year period. These LTPPs will serve as frameworks, guiding each phase with specific strategic directions and actions. Five-year development plans and annual plans aligned with the LTPPs will ensure continuous progress and adaptability to changing circumstances.

Evidence-Driven Strategies

For Vision 2050 to be effective, evidence-based strategies are essential, using data, analytics, and insights to inform decision-making. Each five-year development plan and annual sectoral plans should be based on rigorous analysis of current trends, resource needs, and emerging risks. Leveraging data on population dynamics, economic indicators, and regional disparities will facilitate targeted interventions, maximising the efficiency and impact of initiatives under Vision 2050.

Monitoring, Evaluation and Learning

Monitoring, Evaluation, and Learning (MEL) are essential for implementing a national vision, as they ensure progress, accountability, and adaptability. This approach fosters flexibility and responsiveness to emerging challenges and opportunities. MEL systems should gather enriched information, incorporate diverse perspectives, and meaningfully engage stakeholders and beneficiaries, cultivating an organisational culture that values continuous learning from M&E findings.

To strengthen MEL, it is crucial to establish clear Key Performance Indicators (KPIs) relevant to each sector. KPIs provide measurable benchmarks that facilitate accurate tracking of progress, highlighting achievements and identifying areas for improvement. A well-defined set of KPIs enables a more robust monitoring framework, ensuring that performance aligns with Vision 2050 goals.

Furthermore, implementing a reward and sanction mechanism is necessary to enhance performance across individuals and organisations. This system would incentivise high achievers with rewards, fostering a culture of excellence, while penalising underperformance to maintain accountability. Such mechanisms drive consistent dedication to national objectives, reinforce commitment to achieving Vision 2050, and hold all stakeholders accountable for their roles in its success.

Coordination and Adaptive Oversight of Implementation

Effective implementation of Vision 2050 requires robust coordination, leveraging the complementary roles of both the government and the private sector. The National Planning Commission (NPC) will serve as the central coordinating body, aligning sectoral strategies and resources with Vision 2050 objectives, while ensuring strong collaboration with stakeholders, including the Zanzibar Planning Commission (ZPC). This approach promotes unified resource mobilisation, strategic communication, and broader stakeholder engagement, ensuring that all efforts are harmonised in pursuit of the vision's goals.

A key element of successful implementation is the clear delineation of roles of the government and private sector. The government will focus on establishing supportive policies, regulatory frameworks, and essential infrastructure, creating an enabling

environment for private sector engagement. In turn, the private sector is expected to drive innovation, investment, and operational efficiency within these frameworks. This division of responsibilities allows the government to focus on governance and facilitation, while the private sector takes the lead in delivering economic value through dynamic growth, technological advancement, and job creation. By fostering a strong, cooperative partnership between the public and private sectors, Tanzania can maximise the socio-economic impact of Vision TDV 2050, ensuring sustainable and inclusive progress toward becoming an upper-middle-income nation.

