

WELCOMING REMARKS BY H.E. DR. SAMIA SULUHU
HASSAN, PRESIDENT OF THE UNITED REPUBLIC OF
TANZANIA TO THE FEDERAL PRESIDENT FRANK-
WALTER STEINMEIER IN DAR ES SALAAM, TANZANIA,
ON THE 31ST OCTOBER 2023

*Your Excellency Frank-Walter Steinmeier, President of the
Federal Republic of Germany;*

*Honourable January Makamba, Minister of Foreign Affairs and
East African Cooperation of the United Republic of Tanzania;*

*Honourable Dr. Robert Habeck, the Federal Vice Minister for
Economic Affairs and Climate Action;*

*Your Excellency Thomas Terstegen, Ambassador of the Federal
Republic of Germany to Tanzania;*

*Your Excellency Hassan Mwameta, Ambassador of the United
Republic of Tanzania to Germany;*

Honourable Ministers here present;

Distinguished Business delegates from Germany and Tanzania;

*Distinguished Government Officials from Germany and
Tanzania;*

Members of the Press;

Ladies and Gentlemen.

Good morning to you all.

INTRODUCTION

It gives me great pleasure to welcome His Excellency Frank-Walter Steinmeier, President of the Federal Republic of Germany and his delegation to Tanzania. I would also like to extend a special welcome to the German Private Sector. It is my sincere hope that we shall be seeing more of you in the near future.

This Business Forum is yet another testimony to the enduring friendship and commitment between our countries to harness the power of collaboration for the greater good. In particular, collaboration with the German private sector.

TANZANIA-GERMAN COOPERATION

Ladies and Gentlemen,

Germany is one of Tanzania's important development cooperation partners. Since I assumed the office of Presidency, in 2021, our relations have improved even more. One of the pieces of

evidence that our relations are thriving is this visit by President Steinmeier. The focus of these relations has been on investment, trade, biodiversity, water security, peace and social cohesion, social security, demographic policy, and sexual and reproductive health and rights, and particularly the advancement of women and gender equality. It is worth noting that, Germany is among the largest supporters of nature and environmental protection projects in Tanzania.

With all this, it is only natural that, we seek to leverage our strengths to foster more trade and investments. As such, this event is significant and provides an exceptional platform for fostering even stronger economic relations.

GERMAN INVESTMENTS IN TANZANIA

Ladies and Gentlemen,

German investments in Tanzania range from different sectors in agriculture, commercial building/construction, financial institutions, manufacturing, mining, transportation, services, energy, telecommunication, tourism and natural resources. These

projects are shining examples of the important role of this collaboration in promoting economic growth, creating jobs, and improving people's livelihood.

Between 1997 and 2023, the Tanzania Investment Centre (TIC) registered investments worth **Five Hundred Thirty-Four Point Eight Seven million dollars (\$534.87 Million)**. This came from a total of **180 medium** and large-scale projects, that were expected to create **16,283 jobs**. However, we have recently witnessed an increasing number of German companies making investments and operating in Tanzania.

Ladies and Gentlemen,

Knauf (pronounced 'nof') Gypsum Tanzania Limited is a vivid example of recent German projects in Tanzania. I cite this company for several reasons. It is a company that started with a small investment in 2015, but has since reinvested and expanded its investments. This attests to the potential of the Tanzania market and their continued faith in Tanzania's growth potential. *Knauf (nof)* manufactures gypsum plasterboards and high-quality

drywall products using resources found right here in Tanzania and with skilled Tanzanian workforce.

This year, Knauf (*nof*) won the African Company of the Year Awards under the category of Gypsum suppliers. This reveals the potential for German companies to invest and thrive in this market. Knauf Tanzania has also exported to other countries in the region, reaching an even larger regional market.

There are many German companies doing great but I singled out this company just as an example. I believe the numbers of German investments already in Tanzania and the story of Knauf (*nof*) Gypsum speak for themselves about the attractiveness of Tanzania as an investment destination. They are also part of the new story of a stronger relationship and deeper collaboration.

WHY INVEST IN TANZANIA?

Ladies and Gentlemen,

I can say without any doubt, that, *investing in Tanzania is a good deal!* I will explain some reasons, why, one should consider investing in Tanzania.

Foremost, Tanzania is a peaceful and politically stable country. Tanzania upholds tenets of democracy and the rule of law, attributes that can assure investment sustainability and profitability. Aware of this, my leadership's philosophy is anchored on 4R's, namely *Reconciliation, Resilience, Reforms and Rebuilding*. Through these 4R's we aim at creating a modern, competitive, vibrant and inclusive economy that provides opportunities for all. In view of this philosophy, we have put in place a conducive investment environment, where investors from all over the world, including Germany are invited to invest for mutual benefits.

Secondly, Tanzania has a wide range of generous and attractive investment incentives. These incentives position Tanzania among the best investment destinations in the world. Moreover, we have taken measures to simplify bureaucracy. Apparently, most of our seemingly paper works are undertaken electronically. It is pleasing to note that, these measures have started paying dividends. For instance, during the first quarter of our current financial year, Tanzania's GDP grew at a rate of **5.6%**,

a positive gesture that, in the next few years, Tanzania shall reach the pre-pandemic average growth of over 6%.

Thirdly, Tanzania's trade and investment policies are not only transparent, but also predictable. For instance, through our 4R's we made some deliberate policy decision, that, our trade and tax policies should not be changing arbitrarily. This way, investors may have opportunity to make short- and long-term plans, and benefit from their investments. Equally important, we have undertaken economic measures which have been commended by both the World Bank and the IMF. Assurances from the IMF and the World Bank suggests that, investors should consider investing in Tanzania.

Lastly, in Tanzania, we know how tedious it is for an investor to move from one place to another, just for paper works. Therefore, we have decided to establish a one stop facilitation centre for all paper works. Importantly, most of those paper works are now undertaken electronically.

AREAS FOR INVESTMENT AND COLLABORATION

Ladies and Gentlemen,

May I use this platform to welcome even more German firms to come and explore business and investment opportunities in Tanzania. Here, I would highlight four critical areas that may be of interest, namely: energy; manufacturing; agro-processing; and infrastructure.

On energy, I wish to highlight that, as Tanzania and Africa grow, their demand for energy also grows. Tanzania has great potential for investment in energy and in particular renewable energy. Regionally, Tanzania serves as a key link in projects to join the Eastern African Power Pool and the Southern African Power Pool to create a single energy market from Eastern and Southern Africa. This means that there are great potentials for Tanzania and those investing in Tanzania.

On manufacturing, Tanzania is blessed with an abundance of natural resources including rare-earth minerals. Tanzania has a huge market with a population of 62 million people and a lower-middle income economy. Additionally, manufacturing in Tanzania offers access to a wider regional market of up to 500 million people in the EAC and SADC. As such, Tanzania is an

ideal investment destination for investment in manufacturing, including in novel products related to rare-earth minerals.

On agro-processing, Tanzania has immense potential in the agriculture sector. On one hand, there are opportunities to boost productivity of the wide range of crops produced in Tanzania, including through the use of modern technology. On the other hand, potential lies in the processing, value addition and export of finished agricultural products. I encourage you to explore these opportunities as well.

On infrastructure, Tanzania offers great opportunities for infrastructure-related industries. The Port of Dar es Salaam serves as a gateway between the world and the Eastern Africa region. Tanzania also links to 8 African countries road and rail, and to even more countries by air. Indeed, Tanzania has an attractive investment potential in investments in industries that will support infrastructure projects in all these areas.

With Germany's technology and sophistication, and Tanzania's size, potentials and geographical locations, we can do

a lot together. *The right time for more investments from Germany to Tanzania was two years back. The second-best time, is NOW!*

CONTINUED SUPPORT TO TANZANIAN STARTUPS

Ladies and Gentlemen,

Today, we also have the good fortune to meet with Tanzanian startups. I would like to commend these Tanzanian Startups. Startups are increasingly playing a significant role in Tanzania. They are creating collaborations with national and international partners. Their impact on our economies is also growing, owing to their role in attracting investments. They also provide innovative and critical services to support growth and increased productivity in other sectors.

I would like to assure Startups in Tanzania that the Government will continue to support Startups, and will continue to provide a supportive framework for them to innovate and grow. In this regard, I wish to reaffirm our plans to develop a policy to further support Startups, and to include Startups in this process to ensure that their ideas and views are taken on board.

CONCLUSION

Ladies and Gentlemen,

Let me conclude by insisting on the following;

Firstly, Tanzania is ready to do business with you. Our doors are wide open. **Secondly**, Tanzania has everything that you need to look for in taking a decision about where to invest: a conducive business environment, politically sound economic policies, macro-economic stability, abundant natural resources, educated and skilled labor-force, and a sizeable and captive market because of Tanzania's unique geographical location. **Above all**, the Government is facilitative. The list is long, I can hardly exhaust it.

I welcome the deliberations from the roundtable discussion between representatives of the private sector from Tanzania and Germany. I wish to assure you that our Government will take due consideration of the outcomes of these discussions.

Distinguished Guests, Ladies and Gentlemen;

I would like to once again welcome you to invest and do business in Tanzania.

Asanteni Sana!