



THE UNITED REPUBLIC OF TANZANIA



DIRA
2050



THE UNITED REPUBLIC OF TANZANIA

**THE TANZANIA DEVELOPMENT VISION 2050
(DIRA 2050)**



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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
ECCD	Early Childhood Care and Development
GDP	Gross Domestic Product
GNI	Gross National Income
ICT	Information and Communication Technology
IoT	Internet of Things
IP	Intellectual Property
IPO	Initial Public Offering
IUCN	International Union for Conservation of Nature
KPIs	Key Performance Indicators
LNG	Liquefied Natural Gas
LTPP	Long-Term Perspective Plan
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
OAU	Organisation of African Unity
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 African 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
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

FOREWORD

It is with pleasure and a sense of responsibility that I present the Tanzania Development Vision 2050 — *Dira 2050*. This is a bold, inclusive, and forward-looking roadmap that embodies our collective aspirations and sets a clear strategic course for the next twenty-five years.

Since Tanzania Mainland's independence in 1961, the Zanzibar Revolution of 1964, and the historic Union that created the United Republic of Tanzania on 26 April 1964, we have consistently pursued development to eradicate ignorance, disease and poverty and improve the wellbeing of our people. In 2000, we launched Vision 2025, our first long-term non-partisan national development framework. Its goal was to transform our economy from low-productivity agriculture to a semi-industrialised, human development-centred economy.



Vision 2025 achieved important milestones. For instance, our national income per person (GDP per capita) nearly tripled from US dollar 453 in 2000 to US dollar 1,277 in 2023. Life expectancy rose from 51 years in 2000 to 68 years in 2024. We expanded access to education, healthcare, water supply, and social protection. Through unity and determination, Tanzania has maintained peace and stability, which continue to safeguard our progress.

Yet, the world around us is changing faster today than ever before. It is shaped by shifting global dynamics, transformative technologies, and the aspirations of a new, energetic generation. These realities call for a renewed and more ambitious long-term vision for our country.

Dira 2050 sets a clear path to deliver a high quality of life for all Tanzanians through inclusive growth, a knowledge-based and industrialised economy, and enduring national values. By 2050, we will build an upper-middle-income country of more than 118 million people, with a one-trillion-dollar economy and an average GDP per capita of US dollar 7,000.

Dira 2050 stands firmly on the solid foundation of good governance, peace, security, and stability, all of which are essential conditions for realising our ambition. At its heart lies an unwavering commitment to the values that unite us as Tanzanians, and that will guide the choices we make. We respect the dignity of every individual and cherish each person's worth in society. We commit to upholding democracy

and the rule of law, securing the fundamental rights and freedoms of every citizen. Our peace and unity are the foundation of our strength and the protection of our sovereignty. We preserve and steward our natural wealth for current and future generations. We celebrate and sustain our rich cultural heritage, which has shaped our identity and strengthened our unity.

Dira 2050 is not merely a government blueprint; it is the vision of the Tanzanian people. It reflects a national consensus shaped through extensive consultations with citizens and stakeholders across every region and sector over eighteen months. It captures our shared aspirations for the future, the pathways to achieve them, and the collective responsibilities of all Tanzanians.

To realise *Dira 2050*, we must act with determination, foster a culture of execution, and embrace meritocracy and innovation. We must champion accountability and remain steadfast in our commitment to our shared future. I therefore call on all ministries, government agencies, the private sector, civil society organisations, development partners, cooperatives, and social groups to align their plans and actions with the aspirations of *Dira 2050*.

Let us march forward together – to build a Tanzania that is prosperous, just, inclusive, self-reliant, and a beacon of honour among nations.



.....
H.E. Dr. Samia Suluhu Hassan
President of the United Republic of Tanzania
17 July 2025

PREFACE

Following the conclusion of the Tanzania Development Vision 2025 in June 2026, and in accordance with Section 6(2)(b) of the Planning Commission Act, 2023, Her Excellency Dr. Samia Suluhu Hassan, President of the United Republic of Tanzania, directed the National Planning Commission to formulate a new long-term development vision to guide the country's development trajectory for the next 25 years. In response, the drafting process commenced in April 2023 with the appointment of a multidisciplinary team of 22 distinguished Tanzanian experts, entrusted with leading the formulation of the country's new long-term development blueprint, *Dira 2050*.



To ensure the new vision would be informed by a broad national consensus, a countrywide consultative process was officially launched by the President on 9th December 2023. Led by the expert team, the process involved an inclusive engagement with a wide spectrum of stakeholders, including government officials, civil society organisations, development partners, religious leaders, students, and the public. Multiple platforms were used to gather inputs, ranging from household surveys, telephone interviews, and internet platforms to USSD tools, seminars, and nationwide public forums.

Informed by stakeholder contributions, alongside lessons drawn from previous development efforts and international best practices, the expert team prepared the first draft of *Dira 2050*. This initial draft was launched on 11th December 2024 in Zanzibar by the President of Zanzibar and Chairman of the Revolutionary Council, marking the beginning of a second round of validation consultations aimed at refining the draft to ensure it reflected the collective aspirations of Tanzanians.

Following an extensive and iterative validation process, the final draft was completed in March 2025 and subjected to rigorous review by experts and key government decision-making bodies. On 22nd June 2025, the Cabinet officially approved the Tanzania Development Vision 2050, acronymised as *Dira 2050*. The Vision was subsequently tabled in the National Assembly on 26th June 2025.

The 2050 Vision sets out a firm commitment to ensuring that the nation is governed on the foundations of justice, lasting peace, national stability, and secure systems that promote inclusive and sustainable development. This Vision is anchored on three interrelated strategic pillars, outlined as follows:

1. **A Strong, Inclusive, and Competitive Economy:** The pillar aims to transform Tanzania into an upper-middle-income country by strengthening fiscal sustainability, promoting innovative and diversified financing, and enhancing the enabling environment for business and investment.
2. **Human Capabilities and Social Development:** The pillar envisions a dignified life for all citizens, projected to reach more than 118 million by 2050, through improved access to quality education, healthcare, clean energy, and comprehensive social protection systems. It affirms our commitment to gender equality, inclusivity, social cohesion, and the reduction of regional disparities.
3. **Environmental Integrity and Climate Change Resilience:** The pillar aspires to position Tanzania as a global leader in environmental stewardship, ensuring the sustainable management of our natural resources and enhancing climate change resilience for the benefit of present and future generations.

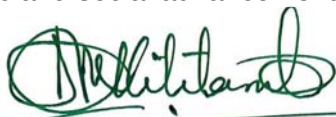
To realise the goals articulated in these pillars, *Dira 2050* identifies five strategic drivers of transformation:

1. **Integrated Logistics:** Leveraging Tanzania's geographic advantage to become a premier regional trade hub through world-class infrastructure, digitised trade systems, and regional cooperation.
2. **Science and Technology:** Accelerating productivity and growth through the adoption of disruptive technologies, the development of innovation ecosystems, and inclusive digital access.
3. **Research and Development (R&D):** Strengthening our national innovation system through increased investment, targeting at least 1% of GDP, and fostering university-industry partnerships supported by strong intellectual property protection.
4. **Digital Transformation:** Expanding digital literacy and access to technology to improve government efficiency, enable data commercialisation, and ensure ethical digital governance.
5. **Energy:** Building a reliable, affordable, and clean energy system to power socio-economic transformation, with a long-term vision of becoming a net energy exporter by 2050.

To strategically guide national efforts and direct strategic investments, *Dira 2050* establishes a framework for identifying priority sectors, grounded in five key criteria: employment generation, export potential, sectoral linkages, value addition, and revenue generation. These criteria will help Tanzania maximise its vast potential for inclusive and sustainable development.

The opportunity before us is immense. With a projected population growth in 2050, Tanzania has the potential to build a one trillion US dollar economy, an economy that delivers tangible benefits to families and communities across the country.

I extend my heartfelt gratitude to Her Excellency Dr. Samia Suluhu Hassan for the honour she bestowed on me of leading the *Dira 2050* drafting process. I remain confident that this Vision will stand as a bold and unifying roadmap, steering transformative economic and social advancement over the next quarter-century.



Prof. Kitila Alexander Mkumbo

Minister of State

President's Office, Planning and Investment

17 July 2025

1. CONTEXT

The United Republic of Tanzania includes Mainland Tanzania and Tanzania Zanzibar, and spans an area of 948,740 square kilometres, of which 61,500 square kilometres are inland water. Situated in East Africa, south of the Equator, Tanzania is bordered by Kenya and Uganda to the north, Zambia, Malawi, and Mozambique to the south, Rwanda, Burundi, and the Democratic Republic of the Congo to the west, and the Indian Ocean to the east. Its vast size and strategic location offer significant opportunities for equitable resource utilisation and regional integration. With a population of 61.7 million people, according to the 2022 national population and housing census, Tanzania stands among Africa's most populous countries. Notably, its youthful demographic, with 43 per cent under the age of 15 years, exceeds the African average and is poised to shape the nation's future trajectory.

Tanzania is celebrated for its rich cultural diversity, deep-rooted customs and traditions, and renowned hospitality. Home to over 120 ethnic groups, its heritage comes to life through vibrant music, dance, art, language and shared customs. As a unifying national language, Kiswahili reinforces social cohesion and symbolises the nation's collective identity. Its traditions of hospitality and inclusivity have earned the country a reputation as a peaceful, stable and welcoming nation, promoting unity in diversity and creating a strong foundation for sustainable development. As one of the Cradles of Mankind, with its discoveries of some of the earliest human remains, Olduvai Gorge in the Ngorongoro Conservation Area is a testament to shared origins. Together with iconic landscapes like Mount Kilimanjaro, the Serengeti National Park, the Kilwa ruins, and Zanzibar's pristine beaches, Tanzania has established itself as a world-class tourist destination.

Tanzania Development Journey After Independence

In 2024, Tanzania proudly celebrated the 60th anniversary of the historic Union between Tanganyika and Zanzibar, which gave birth to the United Republic of Tanzania. This milestone marks six decades of resilience and progress, beginning with Tanganyika's independence in 1961 and Zanzibar's revolutionary transformation in 1964. Tanzania's journey toward nationhood was shaped by a strong commitment to equality, fraternity, and liberty under the visionary leadership of Mwalimu Julius Kambarage Nyerere, the first President of Tanganyika, and Sheikh Abeid Amani Karume, the first President of the People's Republic of Zanzibar. These leaders strived to bridge ethnic, cultural, and religious divides. This vision was further strengthened through the adoption of Kiswahili as the national language, fostering a shared identity and reinforcing social cohesion.

Early post-independence policies prioritised the fight against poverty, ignorance, and disease. The government focused on building an inclusive and prosperous society through universal education, accessible healthcare, and community development programmes. In 1967, the Arusha Declaration introduced the transformative *Ujamaa* ideology (African socialism), which emphasised self-reliance, equality, and social cohesion. It laid the groundwork for a collective national identity, centred on shared values of justice, equality, solidarity, and self-reliance. In the next decade, Tanzania registered notable progress in expanding access to healthcare, education, water and sanitation, energy, and rural development, while promoting a strong national identity and solidarity.

In the mid-1970s, Tanzania faced significant challenges. Domestically, the *Ujamaa* policies, which aimed at building a self-reliant economy through villagisation and state-controlled agriculture, began to falter. Poor implementation, inadequate infrastructure, and low agricultural productivity left many villages struggling to sustain themselves, leading to widespread food shortages. The country became increasingly reliant on foreign loans due to declining export earnings from cash crops such as coffee, cotton, and sisal.

The economic crisis of the late 1970s was fuelled by global downturns and the costly Kagera War against Idi Amin's fascist regime in Uganda (1978–1979). The latter placed immense strain on Tanzania's national budget. Resources were diverted from development projects to defence spending, and later to post-war reconstruction. Simultaneously, the global oil crisis of the 1970s led to a sharp rise in import costs, fuelling inflation and placing further strain on the country's already fragile economy. Furthermore, by the 1980s, a mounting national debt and dwindling foreign reserves had pushed Tanzania into economic stagnation. In addition, Tanzania faced growing pressure from international financial institutions such as the International Monetary Fund and the World Bank to implement structural adjustment programme.

By the mid-1980s, the country began to transition away from central planning to market-oriented economy, including trade liberalisation, privatisation of state enterprises, and reduced government control over the economy. These shifts marked a significant turning point in Tanzania's development trajectory, as the nation moved toward integrating into the global economy while grappling with the social and economic costs of these reforms.

Building on these reforms, Tanzania fully embraced economic liberation in 1985, transitioning from a centrally-planned economy to one that fostered private sector-based economy. This shift was accompanied by political reforms, most notably the reintroduction of a multiparty system in 1992, which ushered in a new era of democracy and inclusivity.

At the regional level and beyond, Tanzania had established itself as a cornerstone of Africa's liberation struggle, a prominent champion of peace, stability, and regional integration. Under the visionary leadership of President Julius K. Nyerere, the country became a sanctuary for liberation movements fighting against colonialism and apartheid in Southern Africa.

Building on its liberation legacy, Tanzania positioned itself as a stabilising force in regional politics. Dar es Salaam, the country's then capital, became a hub for Pan-African solidarity, symbolising the country's crucial role in the anti-colonial struggle. Tanzania continues to mediate conflicts in neighbouring countries and consistently supporting peacebuilding initiatives across Eastern and Southern Africa.

In addition to its liberation and peacebuilding efforts, Tanzania championed regional integration and cooperation, playing a vital role in the establishment and strengthening of the African Union (AU), the East African Community (EAC), and the Southern African Development Community (SADC). Through these platforms, Tanzania worked to enhance economic integration, promote trade, and develop critical regional infrastructure, including cross-border transportation and energy networks. As a committed member of AU and a staunch advocate of South-South Cooperation, Tanzania also championed conflict resolution, human rights, and sustainable development. Its hospitality as a host to millions of refugees further reflects its unwavering commitment to promoting regional stability, shared prosperity, and a sustainable future for Africa.

Tanzania Development Vision 2025

In the year 2000, Tanzania launched its development blueprint, the Tanzania Development Vision (TDV 2025), which aimed to achieve middle-income country status by focusing on agricultural modernisation, industrialisation, infrastructure development, and technological advancement, among others. Since its launch in 2000, TDV 2025 has served as a vital instrument for advancing the country's social and economic development. The foundation of these achievements has been rooted in peace, stability, and national unity, conditions that have enabled effective policy implementation, attracted investment, and reinforced national cohesion.

Economically, Tanzania maintained a steady growth trajectory, with the real Gross Domestic Product (GDP) expanding at an average annual rate of 6.2 per cent between 2000 and 2024. Inflation was contained, remaining within single-digit targets, contributing to macroeconomic stability and enhancing citizens' ability to meet the cost of living. At the same time, per capita income increased from US dollar 453 in 2000 to US dollar 1,277 in 2023. Similarly, the rate of extreme poverty declined from 36 per cent in 2000 to 26 per cent in 2024. These achievements enabled Tanzania to attain lower-middle-income status in July 2020.

Other notable achievements include an increase in life expectancy from 51 years in 2000 to 68 years in 2024, alongside a significant decline in maternal mortality, from 750 deaths per 100,000 live births in 2000 to 104 in 2022. Access to clean and safe water has increased significantly in both rural and urban areas, from 32 per cent and 55 per cent in 2000 to 79.9 per cent and 94 per cent respectively by 2024. In education, primary school enrolment reached 98 per cent by 2024, accompanied by a substantial rise in secondary school enrolment. Furthermore, efforts to combat corruption have been strengthened, and the growth of the industrial sector has contributed to an increase in the export value of manufactured goods, from US dollar 43.1 million in 2000 to US dollar 1.4 billion in 2024. Overall, the implementation of the TDV 2025 has reinforced the foundation for human development, national economic growth, and an inclusive development trajectory that upholds the interests of all Tanzanians.

Despite the achievements of Vision 2025, several targets fell short of expectations. Although Tanzania achieved lower-middle-income status by 2020, it did not reach the intended per capita income of US dollar 3,000. Economic growth, while notable, lacked inclusivity and did not significantly reduce poverty. A large proportion of the population, particularly women, youth, and persons with disabilities, remained confined to the informal sector, limiting their access to sustainable economic opportunities. Furthermore, the quality and relevance of education remained misaligned with the needs of a dynamic labour market.

Multiple factors contributed to these gaps, including the 2008 global financial crisis, climate change, the COVID-19 pandemic, and shifting development partner policies. Domestically, frequent changes in institutional structures and policy direction disrupted continuity and weakened the implementation of development initiatives. Additional constraints included inadequate financial resources, the absence of a long-term implementation plan during the first 10 years of implementation of the Vision 2025, underdeveloped infrastructure, unreliable energy supplies, slow growth of the agricultural sector, which has continued to grow at below 4 per cent, an issue that limited efforts to reduce rural poverty to a significant degree, and underutilisation of science and technology, all of which limited inclusive and sustainable development.

TDV 2025 concludes its implementation period in June 2026. In light of this, and considering the rapidly changing global economic and social landscape, as well as technological advancements, there is a need of a renewed and more ambitious development vision to build upon the achievements of the current one and align with emerging trends to provide a clear direction for the country's future development. Section 6(2)(b) of the Planning Commission Act of 2023 mandates the Commission to develop the National Development Vision, along with long-term, medium-term, and short-term development plans, and to oversee their implementation.

Tanzania in 2050

By 2050, Tanzania is imagined to be a model of resilience, innovation, prosperity and diplomacy, both for Africa and globally. Driven by its abundant natural resources, robust infrastructure, and a capable and motivated workforce, the country aspires to achieve a diverse and globally competitive economy. Tanzania is set to transform into an industrialised, knowledge-based, upper-middle-income country, with a one-trillion US dollar economy and a per capita income of US dollar 7,000.

Achieving this Vision requires embracing transformative changes at an exponential pace, including establishing a business-friendly investment climate, boosting agricultural productivity, skilled workforce, expanding access to reliable electricity, advancing modern infrastructure development, and accelerating digital transformation. Strategically located, Tanzania is well-positioned for transit trade and market access through optimised supply chains.

Central to this Vision is the commitment to developing an educated, skilled, and visionary human capital to propel the nation towards sustainable development. This workforce will be rooted in innovation, entrepreneurship and social responsibility, empowering a generation of changemakers who will drive economic growth and social transformation. Recognising that women and youth constitute the majority of the population and are vital to social and economic progress, the Vision prioritises their active participation in development. Unlocking their talents, energy, and resourcefulness is key to achieving inclusive and transformative growth, thus ensuring the nation's economic and social advancement.

Recognising the crucial role of the private sector in driving socio-economic development, *Dira 2050* seeks to transform the nation's business and investment landscape by empowering a dynamic private sector to drive innovation, growth, and sustainability. It envisions a future where the private sector leads transformative change across industries, prioritising inclusive economic opportunities for women, youth, and persons with disabilities. Building on the successes and lessons of Vision 2025, *Dira 2050* aims to leverage Tanzania's resource potential, align with global trends and establish the nation as a leading economic powerhouse in Africa and beyond.

By 2050, Tanzania aims to be a leading force in regional and global stability, maintaining its foundational foreign policy of peacekeeping and peacebuilding. The country will play an important role in conflict resolution across Africa, positioning itself as the central hub for African peace architecture. As a trusted mediator, Tanzania's involvement in peace processes through the AU, SADC and EAC will strengthen its influence and foster deeper diplomatic and economic partnerships. Its commitment to peace will support socioeconomic development, attract international investment, and contribute to Africa's transformation and global prosperity.

As Tanzania progresses towards 2050, it will navigate a global landscape defined by complex and multifaceted transformations. Key challenges such as economic fragility, widening inequalities, climate change, demographic shifts, rapid urbanisation, disruptive technologies, and geopolitical tensions will play a crucial role in shaping the nation's trajectory.

Economic vulnerabilities threaten global stability, while escalating inequalities deepen socio-economic divides, necessitating strategies for inclusive growth. Climate change disproportionately affects vulnerable populations, requiring Tanzania to prioritise mitigation and resilience. In contrast, demographic transitions present a dual challenge: on the one hand, ageing populations in some regions create workforce shortages, on the other hand, youth-dominated populations face heightened unemployment risks. These dynamics underscore the country's emphasis on the need for proactive workforce development. Tanzania recognises its youthful population as a critical driver for socio-economic transformation.

Urbanisation and technological advancements are reshaping societies, demanding innovative approaches to skills development, sustainable urban planning, and the ethical integration of technologies. Geopolitical instability, fuelled by nationalism and competition for resources, highlights the urgency of advocating for new international peace and cooperation frameworks. Enhancing relationships, including North-South, South-South, and other emerging collaborations such as BRICS alliance.

Concurrently, the rise of cybersecurity threats, artificial intelligence, and misinformation adds new layers of complexity, requiring adaptive strategies to safeguard national interests while harnessing the transformative potential of new technologies. Despite these volatile and challenging conditions for socio-economic transformation, there are opportunities to leapfrog old ways of working, to embrace new green technologies and establish new competitive businesses and industries. Through resilience, forward-thinking strategies, a radical mindset shift, as well as a more flexible and responsive government, Tanzania can overcome these challenges and capitalise on emerging opportunities for sustainable and inclusive progress. Achieving this vision requires integrated strategies grounded in resilience, equity, and sustainability. Moreover, Tanzania will strategically harness the potential of its growing youth population and abundant natural resources, advancing national prosperity while contributing meaningfully to global sustainability goals.

2. THE VISION

A Prosperous, Just, Inclusive and Self-Reliant Nation

Tanzania Development Vision 2050 sets out an ambitious roadmap for the nation's transformation by mid-century, envisioning a thriving, inclusive, and self-reliant 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. By 2050, Tanzania aspires to become a leading industrial hub in the region, driven by a dynamic and competitive economy, a highly skilled and diverse workforce, and a society committed to environmental stewardship. The Vision seeks to foster shared prosperity, social justice, inclusivity, and enduring self-reliance.

Building on decades of progress, *Dira 2050* is rooted in Tanzania's historical journey and the achievements under Vision 2025, drawing key lessons from the fight against poverty, disease, and ignorance. By capitalising on its legacy of peace and stability, strategic geographic location, rich natural resource base, and advancements in science and disruptive technologies, *Dira 2050* seeks to accelerate the country's Gross National Income (GNI). This will be realised through transformative strategies that focus on cultivating globally competitive capabilities in strategic economic sectors. This bold growth trajectory aspires to position Tanzania as an industrialised, knowledge-driven, upper-middle-income country with a one trillion US dollar economy and a per capita income of US dollar 7,000 by mid-century.

Furthermore, *Dira 2050* envisions a harmonious society where citizens enjoy peace and justice and are empowered with the 21st century 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, promoting sustainable development, and protecting the environment. Tanzania's urbanisation, happening at an unprecedented rapid pace and in many emerging small towns throughout the country, can be a major source of growth and improved quality of life. To realise this potential, urban expansion must be strategically planned, with deliberate linkages to rural areas, productive sectors, and sustainable environmental management.

A commitment to gender equality, equity, and empowerment of women, youth, people with disabilities and older persons is integral to *Dira 2050*, reflecting Tanzania's constitutional values. The Vision reaffirms Tanzania's alignment with regional and international protocols, ensuring the nation remains an active and responsible member of the global community. By embracing regional and global agendas, *Dira 2050* presents a comprehensive, futuristic, and people-centred approach where its citizens are the central participants and beneficiaries of Tanzania's development journey.

2.1. Guiding Principles

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

1. Democracy, Rights, and Freedoms

The enjoyment of rights and protections for every person, upheld through the constitution, judicial independence, political pluralism, the rule of law, and inclusive decision-making that promotes equal participation for women, youth, and people with disabilities.

2. Dignity

Every person is respected, valued, and cared for, and to enjoy the highest standard of privacy and protection.

3. Peace and Unity

Every person shall uphold peace, unity, and solidarity as the cornerstone of national development, while safeguarding the sovereignty of the United Republic, where all people respect one another and contribute towards achieving shared national goals.

4. Natural Wealth and Resources

The right to exercise sovereignty over the nation's natural wealth and resources as invaluable assets for the benefit of its citizens and future generations.

5. Culture and National Ethos

A nation that preserves, promotes, and safeguards the country's positive cultural heritage and national ethos reinforcing national identity and unity for the benefit of current and future generations.

2.2. Goals and Targets

Dira 2050 sets to achieve the following goals and targets:

GOAL 1: A diversified, resilient, inclusive and competitive upper middle-income economy

Targets

1. An industrialised, knowledge-based, upper-middle-income country with a one trillion US dollar economy and a per capita income of US dollar 7,000.
2. Extreme poverty eradicated, with a focus on women and persons with disabilities.
3. A leading food basket in Africa and among the top ten globally.

GOAL 2: High quality of life and well-being for all

Targets

1. A Tanzanian lives an average of 75 years, enjoying a good quality of life marked by good health and social well-being
2. All girls and boys are holistically nurtured and thriving, with at least 90 per cent of all children developmentally on track by the age of five.
3. Elimination of maternal, newborn and child mortality.
4. Universal health coverage.
5. A high quality and inclusive education and training system at all levels.
6. All girls and boys have equitable access to quality early childhood development, care, and pre-primary education.
7. All girls and boys have access to inclusive, equitable, and high-quality basic education, with at least 25 per cent attaining higher education and acquiring relevant, market-driven skills.
8. Universal access to comprehensive and inclusive social protection.
9. Universal access to safe and clean water and sanitation, affordable clean energy and decent housing.
10. At least 50 per cent of Tanzanians hold decent jobs in the formal sector.
11. Total electricity consumption of at least 3,000 kWh per capita.
12. Tanzania leads Africa, and ranks among the top ten countries globally in reducing the gender gap by at least 85 per cent.

GOAL 3: A nation that conserves and sustainably, efficiently and optimally utilises natural resources, maintains environmental integrity, and is climate change resilient

Target

1. Enhanced environmental performance and climate adaptation indices ranking among top ten countries in Africa.

GOAL 4: A digitally empowered society that embraces innovation, drives the country's productivity and competitiveness

Targets

1. At least 70 per cent of citizens demonstrate digital literacy, enabling them to participate effectively in the digital economy and society.
2. Over 80 per cent of government services are accessed through secure, inclusive, and user-friendly digital platforms.

2.3 The Framework

Dira 2050 is built on the foundation of good governance, peace, security, and stability, with a strong governance framework centred on constitutionalism, the rule of law, and human rights. It emphasises the importance of building people's trust in their government, national unity, social cohesion, inclusive participation, and patriotism. Tanzania is committed to improving democratic institutions, combating corruption, and ensuring integrity and accountability in all spheres, including the private and public sectors, thereby creating the stability required to attract investment and sustain long-term progress.

The Vision rests on three key pillars, which are the enablers of the effective functioning of Tanzania's core developmental priorities, ensuring the attainment of the *Dira 2050* goals and the country's future prosperity.

The first pillar, a Strong, Inclusive, and Competitive Economy, aims to position Tanzania as a top economic performer in Africa. This will be achieved through enhanced macroeconomic stability, fiscal sustainability, financial diversification, and a predictable investment environment. Additional initiatives include nurturing indigenous entrepreneurship, promoting radical transformation in the business environment, enhancing the capacity of business players, and promoting greater regional and global engagement.

The second pillar, Human Capabilities and Social Development, focuses on developing a healthy, educated, cohesive and socially protected society. It prioritises quality education and skills development, especially in Science, Technology, Engineering, and Mathematics (STEM), universal health coverage,

access to clean and safe water and sanitation, and energy. This pillar places a strong emphasis on inclusivity, particularly for vulnerable groups, while fostering national unity and ethical values.

The third pillar, Environmental Integrity and Climate Change Resilience focuses on sustainably managing Tanzania's abundant natural resources. It addresses the threats of environmental degradation and climate change, emphasising biodiversity, wetlands and water conservation, pollution management, land management and climate resilience. Ultimately, it aligns with global sustainability goals and strengthens Tanzania's leadership in advocating environmental protection.

Dira 2050 identifies five catalytic drivers to support its implementation. The drivers aim to accelerate progress, foster innovation, and improve productivity across sectors. These drivers are Integrated Logistics, Science and Technology, Energy, Research and Development, and Digital Transformation.

- Internal and Regional Integrated Logistics will establish Tanzania as a regional trade hub by upgrading infrastructure such as railways, ports, and road networks to ensure the efficient movement of goods, services, and people. This will be supported by streamlined tax and regulatory systems and improved professionalism in service delivery.
- Energy will catalyse socio-economic growth by providing reliable, affordable, and sustainable solutions, advancing industrial growth, enhancing productivity, and positioning Tanzania as a regional energy leader.
- Science and Technology, particularly disruptive technologies, will address local challenges, drive productivity, and foster socio-economic transformation by focusing on innovation in key sectors such as agriculture, healthcare, and manufacturing.
- Research and Development will support innovation and evidence-based policies, driving collaboration between academia, industry, and government, and strengthening Tanzania's position as a leader in regional innovation.
- Digital Transformation will harness technology to enhance productivity and efficiency, reduce costs, improve service delivery, governance, and economic growth while upholding a digitally inclusive society.

Dira 2050 further recognises the importance of transformative sectors in driving economic transformation. These sectors will be prioritised based on their potential to generate jobs, boost exports, and drive structural transformation, contributing to local and global markets. Some of the sectors with the potential to drive transformative change towards 2050 include Agriculture, Tourism, Industry, Construction and Real Estate, Mining, the Blue Economy, Sports and Creative Industries, Financial Services, and Customer Service.



Tanzania Development Vision 2050 Framework

3. THE FOUNDATION

Governance, Peace, Security and Stability

At the heart of Tanzania's *Dira 2050* lies the foundational importance of governance, peace, security, and stability. The Foundation plays a pivotal role in holding together and reinforcing the pillars, drivers, and transformative sectors essential to the country's transformation into a prosperous, just, and inclusive society.

Governance is the cornerstone of a prosperous, just, and inclusive society. It promotes transparency, accountability and the efficient use of public resources, while upholding the rule of law, personal freedoms and justice. Strong institutions, effective local governance and a responsible public service ensure alignment between national priorities and community needs, improve service delivery and build public trust. Local governments play a vital role in fostering inclusivity, unity and participatory decision-making. Combating corruption and enhancing transparency are crucial to achieving the inclusive development goals of *Dira 2050*.

Peace, security, and stability are essential for sustainable development. A stable society is nurtured through strong families, cohesive communities and a united national identity. Tanzania's commitment to peace is demonstrated through its active engagement in regional and international peacekeeping and mediation efforts.

In essence, the Foundation is the glue that binds *Dira 2050*'s goals together, ensuring that governance, peace, security, and stability are not merely supporting structures but integral components that drive the country's long-term development. By strengthening governance frameworks, promoting inclusive participation and safeguarding peace, Tanzania is paving the way towards a stable, prosperous and equitable future.

3.1. Attributes

3.1.1 Good Governance and Justice

Good governance is the cornerstone of a stable, inclusive, and prosperous society. It ensures efficient and transparent management of public resources and fosters an environment where citizens can thrive socially, economically, politically, and culturally. A society committed to good governance emphasises accountability, combats corruption, protects fundamental freedoms, and creates equitable access to opportunities for all, regardless of gender, disability, or socio-economic status. Free and independent media serve as a vital platform for information, communication, and accountability. Equally important is civil society, which plays a vital role in advancing democracy, protecting human rights and addressing social service gaps.

Justice, closely intertwined with good governance, focuses on the fair distribution of resources, opportunities, and privileges within society. It upholds the rights of vulnerable populations, promotes equality, and ensures that every citizen enjoys dignity and security. Achieving justice requires comprehensive reforms, political as well as an active and informed citizenry capable of holding leaders accountable. Together, good governance and justice create the conditions for a fair, equitable, and thriving society.

Tanzania has made significant strides in improving governance, democracy, and the rule of law. Key reforms aimed at enhancing political transparency, accountability, and the independence of the judiciary have been implemented, as well as fostering multiparty democracy through regular and transparent elections. Efforts to combat corruption at various levels of government have been made, along with initiatives to improve human rights protections.

Despite its successes, Tanzania continues to face considerable governance bottlenecks. Law enforcement institutions are inefficient and often face undue political influence. The abuse of power by public officials acting beyond or contrary to their legal mandates remains pervasive and normalised. Furthermore, the participation of women, youth, and people with disabilities in decision-making processes remains significantly limited. Gender-based violence and violence against children remain widespread, including in politics. Freedom of expression remains constrained and has yet to meet societal expectations. The media space is limited, and professional and structural issues hinder open discourse. Civil society organisations still depend on foreign aid and face inadequate capacity and financial instability. Although the government has undertaken various efforts, corruption remains a persistent barrier hindering the realisation of social justice and inclusive development. These issues underscore the necessity for comprehensive reforms that bolster institutions and ensure continued progress.

Aspirations

- a) A vibrant and democratic nation where the government upholds the rule of law, protects human rights, and ensures social justice.
- b) A governance system that embraces integrity and actively combats corruption as the foundation for an accountable, transparent, and just society.
- c) Strong, resilient and independent institutions that foster the principles of equity and fairness, instilling trust and confidence among all citizens.
- d) Visionary and accountable leadership that actively engages society, including women, youth, people with disabilities and older persons, in the nation's political, economic, and social spheres.

- e) A robust constitutional and legal framework that reflects broad national consensus, guaranteeing justice, equality, and long-term sustainability.
- f) A vibrant media that serves as a vehicle for accountability and a platform for the expression of people's views, underpinning a thriving democratic society.
- g) A capable civil society that plays a vital role in strengthening democracy, amplifying citizens' voice, and ensuring accountability in the nation's best interest.
- h) A harmonious society free from gender-based violence and violence against children, where all individuals, including people with disabilities and older persons, are happy, safe, respected and empowered.

3.1.2 Strong and Effective Local Governance

Strong and effective local governance forms the cornerstone of achieving the Vision's overarching goals by fostering inclusivity, democracy, and people's participation. It ensures that the voices of communities shape the nation's development path. In this context, local governments are vital to a country's development, as they ensure decision-making, resource mobilisation, and allocation are aligned with the needs of local communities. They are crucial in cultivating national unity by bridging the gap between the central government and grassroots communities. Local governance helps align national policies with local needs and drives inclusive, sustainable development that addresses diverse challenges faced by citizens. Empowering local authorities enhances resource mobilisation, strengthens taxation systems, promotes community participation, improves service delivery, and fosters accountability, thereby creating a governance system that is responsive to citizens' needs while reinforcing both community and national unity.

Tanzania's local governance has evolved significantly over the years. Following independence in 1961, the government abolished native authorities in 1962 to foster national unity. In 1972, a decentralisation system was introduced through de-concentration. Under this plan, central government control was delegated to the regional and district offices, which strengthened their roles as an extension of the central government. However, this structure lacked local representation, which hindered effective decision-making at the local level. To address this, urban authorities were reintroduced in 1978, followed by the restoration of local authorities in 1982, aiming to enhance public participation and improve service delivery.

The decentralisation reforms of 1996 marked a significant shift towards strengthening local governance, with a focus on public participation, accountability, and better financing. Despite these efforts, Tanzania's local governance system has been characterised by policy instability, resulting in a lack of continuity and progress. Local authorities continue to face challenges such as limited autonomy, capacity

and capability, financial dependence and persistent corruption, all of which hinder effective governance and service delivery. In their efforts to raise revenues, they have undermined the local business and investment environment, further reducing their effectiveness.

Aspirations

- a) A devolved, inclusive, and accountable governance system that empowers local communities, combats corruption, and reduces financial dependence.
- b) A transparent and equitable partnership between central and local governments that guarantees sustainable resource allocation and efficient service delivery.
- c) Local governments that nurture social cohesion and create, and maintain conducive environments for business and investment.
- d) Inclusive growth and equitable resource distribution to foster prosperity, social cohesion, and effectively address communities' evolving needs.
- e) A local government service framework built on high integrity, ensuring merit-based recruitment and promotion to foster professionalism, accountability, and efficiency in service delivery.

3.1.3 Responsible and Accountable Public Service

The quality of public service is at the heart of effective governance, directly shaping policy implementation, service delivery, and the management of state affairs. A well-functioning public service is essential not only for the efficient execution of government programmes but also for ensuring that the needs and aspirations of citizens are met in a timely, equitable, and transparent manner. It reflects the state's commitment to fostering public trust, social justice, and inclusive development.

In recognition of the critical role that public service plays in nation-building, Tanzania has embarked on a series of reforms aimed at enhancing efficiency, professionalism, and accountability. These reforms have included the introduction of performance-based management systems, comprehensive capacity-building initiatives, and the adoption of digital technologies to streamline administrative processes and improve the delivery of services to citizens. Through these steps, the government has sought to foster a public service that is responsive, transparent, and oriented towards meeting the population's diverse needs.

Despite these positive strides, there are still notable obstacles in the public service. Issues such as inadequate staffing, skills shortages, and insufficient professional standards continue to undermine the potential of the public sector. Recruitment processes often lack the transparency and merit-based principles necessary to

build trust in public institutions. Furthermore, corruption remains a challenge, undermining the integrity of the public service and hindering the effective delivery of essential services to the population. These challenges not only limit the effectiveness of government programmes but also undermine citizens' confidence in the state's ability to meet its obligations.

As Tanzania progresses towards 2050, a transformed and accountable public service will drive progress and ensure that government actions lead to tangible improvements in the lives of Tanzanians.

Aspirations

- a) An efficient, accountable, and transparent public service that upholds integrity, professionalism, and the rule of law, combats corruption, fosters public trust, and ensures fair and effective use of resources.
- b) A merit-based public service where recruitment, recognition, and promotion are grounded in the principles of performance, competence, and equity.

3.1.4 Peace, Security and Stability

Peace, security, and stability form the bedrock of a prosperous and unified nation, safeguarding the state's integrity, driving economic growth, and enabling societal cohesion. A peaceful society begins with the family, the primary institution that fosters a culture of peace and instils essential values such as morality, respect, wisdom, conflict avoidance, and cooperation. When these values are nurtured within the family, they extend into the wider community, strengthening social cohesion and resilience. Communities rooted in these principles are better equipped to manage conflicts peacefully, preventing violence and unrest. Ultimately, strong families are the foundation of a stable, safe, and peaceful nation.

Tanzania has long recognised the importance of peace, security, and stability, both as a means of fostering national unity and as a force for regional and global cooperation. Domestically, the country has committed itself to inclusive governance, respect for human rights, and unwavering adherence to the rule of law, creating an environment conducive to peace and progress. Regionally, Tanzania has steadfastly advocated for peace by playing a critical role in mediation efforts, peacekeeping missions, and promoting dialogue and reconciliation in the East Africa and Great Lakes regions. Globally, Tanzania's contribution to international peacekeeping operations underscores its commitment to promoting global peace and stability.

Nevertheless, Tanzania faces persistent challenges that threaten its peace, security, and stability. Socio-economic inequality, land disputes, youth unemployment, and extremist threats continue to pose risks. Moreover, the shifting dynamics of

global geopolitics, trade tensions, and the erosion of the rules-based international order add complexity to Tanzania's national security landscape. To remain secure and stable, Tanzania must stay vigilant, safeguarding its robust and modern defence infrastructure while actively engaging in diplomacy, conflict prevention, peacebuilding, and regional reconciliation efforts.

Aspirations

- a) A strong and stable union that fosters national unity, peace, stability, and shared prosperity for its citizens, embracing the culture of peacebuilding beginning at the family level, extending to communities and ultimately to the entire nation.
- b) A proactive and anticipatory nation, capable of safeguarding its sovereignty and national interests, enhancing diplomatic relations, and building resilience against both internal and external challenges.
- c) A nation that values and protects all its people, including people with disabilities, older persons, and women.
- d) A beacon of peace and harmony, demonstrated through its active contribution to regional stability via collaborative efforts and mediation, while advocating for peaceful conflict resolution regionally and globally.

4. THE PILLARS

Dira 2050 is built on three key pillars, which are crucial for Tanzania's transformation into a prosperous, just, inclusive and sustainable nation. These pillars address the country's core developmental priorities, establishing the necessary framework to achieve the ambitious goals set out in the Vision. Each pillar plays a critical role in shaping Tanzania's future. The first pillar aims to build a strong, inclusive, and competitive economy by creating opportunities for all. It seeks to enhance economic diversification, foster entrepreneurship, and attract investment to drive sustainable growth. The second pillar centres on developing human capabilities and advancing social development, ensuring every citizen is equipped to contribute meaningfully to the nation's progress and their well-being, while also prioritising inclusivity for all, including women, youth, older persons and people with disabilities. The third pillar is dedicated to the sustainable conservation of Tanzania's natural resources. It addresses environmental challenges, and the enhancement of resilience to climate change, ensuring long-term sustainability.

Together, these pillars form a dynamic and interconnected system which is crucial to achieving the Vision's goals and targets. The pillars are seamlessly integrated with the Vision's drivers and foundation, supporting transformative sectors. This interaction forms an integrated system that will unlock the nation's full potential, which is essential for achieving socio-economic development, environmental sustainability, and social inclusivity. The following sections present each pillar, outlining its strategic attributes and aspirations.

Pillar One

Strong, Inclusive and
Competitive Economy



4.1. Pillar One: Strong, Inclusive and Competitive Economy

A strong, inclusive, and competitive economy is the foundation of a prosperous nation. It drives the creation of opportunities, poverty reduction, and overall improvements in citizens' quality of life. Sustainable economic progress ensures that growth is not only stable but also beneficial to all segments of society.

Over the past two decades, Tanzania has consistently maintained a stable economic growth rate, averaging 6.2 per cent annually. While this growth is commendable, it remains below the country's resource potential and the 8 per cent annual growth target set in Vision 2025. As a result, the economy has not generated the momentum needed to significantly reduce poverty levels and create wealth for the nation and its people.

Tanzania's economic performance has been hindered by several structural challenges, including limited diversification, low productivity, weak domestic market integration, and slow export growth. Economic activity remains concentrated in a few sectors, limiting resilience and expansion. Many industries operate below their potential, restricting economic output and efficiency. Poor connectivity and market linkages hinder economic coordination, while limited value addition and trade expansion have constrained the country's participation in global markets. These challenges have made it difficult to create enough jobs, increase foreign exchange earnings, and build resilience against both domestic and global shocks.

Furthermore, economic development has not been sufficiently inclusive. Key sectors have failed to generate enough quality employment, leaving many people, particularly women, youth and persons with disabilities, dependent on the informal sector. Unplanned urbanisation has contributed to an expansion of low-paid labour, informal trading, and a survival-based economy that is unsustainable. Additionally, while labour and resources have shifted away from agriculture, they have not transitioned into high-productivity sectors such as manufacturing and modern services.

To achieve the Vision's goals, Tanzania aspires to build a diversified, inclusive, and globally competitive economy. This transformation will be supported by a conducive policy and regulatory framework that promotes business growth and fiscal sustainability, producing stronger local participation to ensure economic benefits are widely shared, and attracting substantial local and foreign investment to drive industrialisation and innovation. Through these efforts, the economy will harness its full potential, create more opportunities, and ensure long-term, sustainable development for all Tanzanians.

Attributes

4.1.1 Macroeconomic Stability and Predictability

Macroeconomic stability and predictability are essential for a strong, sustainable economy. Stability occurs when key economic factors, such as domestic demand, output, balance of payments, fiscal revenues, and savings are balanced. Tanzania has effectively managed inflation and exchange rates, maintaining single-digit inflation and a stable currency for over a decade.

Predictability refers to the ability to foresee future economic conditions based on reliable indicators, shaped by sound macroeconomic policies and frameworks. Unpredictable policies or interventions can disrupt market dynamics, erode confidence, and hinder investment and business growth.

Tanzania faces significant challenges related to both stability and predictability, including high commodity price volatility, policy inconsistency, currency depreciation, and high public debt, coupled with a weak savings culture, limited economic diversification, and underdeveloped financial institutions. External shocks, such as global downturns further complicate economic planning and investment forecasting. Additionally, household consumption, which plays a key role in economic investment and long-term sustainability, is often overlooked.

Aspirations

- a) A stable macroeconomic environment achieved through the alignment of domestic demand and output, balance of payments, fiscal revenues and expenditures, savings, and investment.
- b) Predictable and transparent macro and microeconomic policies, alongside robust legal, regulatory, monetary, and fiscal frameworks, to attract sustainable growth in both local and foreign investment.

4.1.2 Enhanced Fiscal Sustainability

Fiscal sustainability is a government's ability to maintain its spending, tax, and debt policies without compromising financial stability or risking debt default. It is an essential attribute for a strong economy, requiring a balance between fiscal capacity and expenditure management to foster growth and stability.

Over the past 25 years, Tanzania has made significant reforms to improve fiscal capacity and expenditure management. These reforms include expanding the tax base, enhancing revenue collection, using digital technologies, increasing transparency, and strengthening planning, budgeting, and auditing processes.

However, challenges persist. Tanzania's tax base remains narrow, with a tax-to-GDP ratio of 11.9% in 2022/23, below the Sub-Saharan Africa average of 15.1%. The focus on revenue collection over strategic fiscal policies has hindered economic growth. Inefficiencies in tax administration have also strained the business environment and eroded taxpayers' trust.

Furthermore, increasing public spending has driven up debt, limiting private-sector access to credit. While public expenditure management has improved oversight, it has not prioritised strategic spending or efficiency. The preference for public investment over recurrent expenditure overlooks its role in stimulating growth, particularly during periods of high unemployment.

Effective public debt management is crucial for fiscal sustainability. Tanzania's public debt is sustainable, but continued vigilance is necessary to maintain fiscal health and long-term economic stability.

Aspirations

- a) A fair and efficient tax system that drives sustainable growth, economic expansion, and long-term prosperity by boosting the tax-to-GDP ratio and supporting development.
- b) A predictable, transparent, and competitive tax framework that broadens the tax base, encourages business compliance and formalisation, and supports their growth as engines of employment and economic development.
- c) Efficient public debt management that maintains debt sustainability while ensuring effective allocation of resources to priority development areas.
- d) Responsible fiscal spending, with increased prioritisation and value for money in government expenditure.
- e) Balanced government spending that invests in future growth while recognising the essential role of recurrent expenditure in driving current economic progress.

4.1.3 Innovative and Diversified Financing

Tanzania's development financing has traditionally depended on tax revenues, borrowing, Foreign Direct Investment (FDI), and Official Development Assistance (ODA). However, there is a growing need to explore innovative financing mechanisms, such as leveraging financial markets, expanding public-private partnerships (PPPs), and promoting philanthropy, private equity, and venture capital.

Tanzania has made notable progress in diversifying financing sources, including establishing capital markets with support from the Capital Market and Securities Authority (CMSA) and the Dar es Salaam Stock Exchange (DSE). The government has developed frameworks to promote PPPs and collaboration between the public and private sectors. The Bank of Tanzania (BoT) has contributed by improving financial infrastructure, enacting supportive legislation, and encouraging mobile money usage. Tax incentives have also boosted market participation.

Despite this progress, challenges remain. The understanding and execution of PPPs are limited, capital markets are underdeveloped, and the money market is risk-averse. Key sectors like agriculture, SMEs, renewable energy, tourism and real estate struggle to secure financing due to financial institutions prioritising low-risk government instruments.

To overcome these challenges, strengthening money and capital markets and improving PPP implementation is essential. Continued reforms and new strategies will help enhance Tanzania's development financing framework, support economic growth, and foster long-term prosperity.

Aspirations

- a) A nation that effectively leverages PPPs as a transformative tool to accelerate socio-economic development and drive sustainable progress.
- b) A transparent and efficient money market, free from distortion, offering equitable access and supported by robust regulatory frameworks.
- c) A vibrant and transparent capital market that provides innovative and alternative financing sources, ensuring equitable access to reliable and high-quality information for all participants.
- d) Innovative solutions that drive growth and resilience, enabling productive sectors to easily access commercial credit and fully realise their potential.
- e) A robust financial inclusion system that empowers all citizens, with a special focus on women, youth and people with disabilities, through targeted policies and strategies.
- f) A thriving entrepreneurial community that embraces risk-taking, demonstrates strong leadership and effective management, and ensures the generational transfer of wealth for sustainable business growth.
- g) A dynamic ecosystem integrating angel investors, venture capital, and private equity with a vibrant community of innovators and start-ups, aimed at driving the digital transformation of the economy.

4.1.4 Enabling Business Environment and Investment Climate

A strong and sustainable economy depends on a business-friendly environment. Recognising this, Tanzania launched the Blueprint for Regulatory Reforms to Improve the Tanzanian Business Environment in 2018. This initiative aims to enhance the efficiency of legislative frameworks, simplify business regulatory processes, and improve transparency and responsiveness. Key priorities include the review of laws and regulations, reduction of inefficient and regressive taxes and fees, and streamlining the roles of regulatory bodies to shift focus from revenue collection to promoting sectoral growth.

However, the expected improvements have not fully materialised. Businesses continue to face high compliance costs, both in terms of time and money, when establishing and operating. Multiple pre-approval procedures create opportunities for rent-seeking behaviour and reinforce inefficient bureaucratic processes.

Overregulation remains a critical challenge, particularly in high-value sectors where control and revenue-raising motives dominate. Insufficient harmonisation of policies, laws, and regulations exacerbates this issue, as does the overlap of responsibilities among regulatory bodies. This results in duplicative approvals and costly delays. Furthermore, businesses struggle with excessive taxes, levies, fees, and penalties, in addition to the burden of obtaining multiple licenses, certificates and permits, often tied to regulatory bodies whose focus remains on revenue generation rather than business facilitation.

Addressing these challenges is essential for creating a business-friendly environment that drives sustainable economic growth and attracts investment. Reforms must focus on streamlining processes, reducing regulatory burdens, eliminating nuisance charges and aligning policies and institutions to establish a dynamic and competitive business and investment climate.

Aspirations

- a) A leading investment destination, ranking among the top three in Africa for ease of doing business, offering a competitive and investor-friendly environment that drives economic growth.
- b) A stable and transparent policy framework that reduces over-regulation, fosters a conducive business environment, supports the growth of domestic firms, and attracts sustainable local and foreign investment.
- c) A dynamic digital ecosystem that nurtures domestic start-ups through comprehensive fiscal, financial, and regulatory incentives that accelerate growth, create jobs, and promote sustainable development.

- d) A society that embraces a culture of saving, investment, and wealth creation, prioritising generational wealth transfer to ensure long-term business sustainability and economic resilience.
- e) A transformed public service that effectively and efficiently enables and supports business and investment.

4.1.5 A Robust Private Sector

A dynamic and resilient private sector is fundamental to Tanzania's economic transformation. Thriving enterprises, small, medium, or large, serve as engines of innovation, productivity, and job creation. A well-balanced ecosystem of businesses of varying scales enhances operational efficiency, facilitates integration into global markets, and strengthens economic adaptability. Such a structure fosters innovation, stability, and resilience, laying a solid foundation for sustainable and inclusive growth.

State-Owned Enterprises (SOEs) have historically played a vital role in Tanzania's economic development, particularly in strategic sectors such as energy, transportation, infrastructure, and manufacturing. However, inefficiencies, low productivity, and financial mismanagement have often impeded their effectiveness. Despite reforms in the mid-1980s that aimed to liberalise the economy, privatise underperforming SOEs, and foster private sector growth, several structural challenges remain, such as unclear investment boundaries, market distortions and weak governance. To address these limitations, SOEs should be repositioned to focus on clearly defined strategic sectors. Their role must shift towards enabling and catalysing private sector investment, enhancing market efficiency, and embracing comprehensive governance reforms that align with international best practices.

Despite notable progress, Tanzania's formal local private sector remains largely concentrated on the hands of a narrow segment of the population, thereby limiting broad-based participation in economic development. The sector continues to face multiple constraints, including a cumbersome regulatory environment, policy unpredictability, and overlapping regulatory roles, that inflate the cost of doing business and undermine investor confidence. Inadequately implemented local content policies further restrict the growth of Tanzanian-owned enterprises. Access to finance remains a critical barrier, constrained by prohibitively high interest rates, stringent collateral requirements, and underdeveloped capital markets. Infrastructure deficits, particularly in transport, energy, and digital connectivity, combined with a shortage of job-ready skills, a complex tax regime, and the large footprint of the informal sector, continue to erode productivity and competitiveness. Addressing these barriers is essential to unlocking the full potential of Tanzania's private sector and positioning it as a key driver of inclusive and transformative economic growth.

Aspirations

- a) A clearly defined scope of investment and business activities between SOEs and the private sector, promoting collaboration and balance for sustainable economic growth.
- b) A government that actively champions private sector development by cultivating a business-friendly environment where private enterprises thrive and significantly contribute to national growth.
- c) A competitive, assertive, responsible and inclusive private sector that leads socio-economic development, and that is underpinned by comprehensive citizen empowerment programmes and attractive, supportive policies and strategies for mobilising FDI.
- d) Commercially oriented SOEs that operate transparently, profitably and autonomously, while attracting diverse investments and working synergistically with the private sector to drive economic progress.
- e) A modernised and formalised SME sector, alongside a robust network of dynamic, globally competitive enterprises, driving national socio-economic growth.

4.1.6 Strategic Regional and Global Engagement

Tanzania has long been a key regional actor, supporting liberation movements and promoting peace in the Great Lakes Region. While international focus has recently centred on economic diplomacy, a broader strategy that integrates economic, political, and cultural dimensions is essential to fully leverage Tanzania's unique strengths and secure global influence.

Tanzania will strengthen its position and influence within partnerships with friendly nations, across various regional communities such as the East African Community, the Southern African Development Community, the Indian Ocean Rim Association, the Great Lakes countries, and the African Union. The goal is to ensure that regional policies reflect and safeguard the country's economic interests, promote trade and investment, and enhance its contribution to regional peace and stability.

These achievements will build upon Tanzania's established reputation for promoting peace and reconciliation, while also leveraging its unique geographical advantages, being strategically located, and diverse natural resources, including minerals, biodiversity, vast freshwater sources, livestock, and forests. In this context, Tanzania will continue to serve as a vital link between Eastern, Central, and Southern African nations, while also effectively integrating with emerging markets in Asia and South America, thereby creating opportunities for FDI, technology transfer and export growth.

Enhancing cultural diplomacy through its heritage, growing creative arts sector, its national language Kiswahili and competitive sports can further elevate Tanzania's global profile, attract tourism, foster exchanges and increase FDI.

Moreover, improving proficiency in English and other foreign languages will enhance Tanzania's global mobility, negotiation skills and competitiveness. By combining these strengths within a comprehensive diplomatic and development strategy, Tanzania can solidify its position as a regional leader and dynamic global player, thus driving future prosperity and resilience. The growing diaspora also represents a valuable asset, contributing capital, advanced technology, and specialised skills.

Aspirations

- a) A nation that embraces its historical legacy while adapting to evolving global dynamics, and strengthening its diplomatic influence.
- b) A global leader in advancing security and stability through peace-building, mediation, and proactive diplomacy, while driving economic integration, and trade expansion, and championing Africa's interests on the world stage by advocating human rights, climate change, economic justice, and sustainable development.
- c) Solid strategic partnerships with high-growth and developing economies, leveraging economic and diplomatic ties, and the diaspora to attract investment and facilitate technology transfer.
- d) Enhanced cultural and linguistic influence through the promotion of Kiswahili as a global language, a tool of diplomacy, and a language with economic value in bilateral, regional, and international cooperation.
- e) A society proficient in English and other global languages, that actively participates in international diplomacy, trade and innovation, and contributes to the nation's prosperous future.

Pillar two

Human Capabilities and Social Development



4.2. Pillar Two: Human Capabilities and Social Development

Human capabilities and social development are crucial for driving Tanzania's socio-economic transformation and achieving the goals of *Dira 2050*. Human capabilities encompass the skills, living conditions and opportunities that enable individuals to lead meaningful and fulfilling lives while contributing to national development. Central to this is a focus on developmentally appropriate early childhood development initiatives and learning opportunities, quality and relevant education and training, accessible health services, as well as safe and clean water and sanitation and clean energy. A healthy and well-educated population forms the foundation for innovation and economic growth. Additionally, robust social protection systems, decent housing and settlements, and a cohesive and responsible citizenry are essential for achieving sustainable development.

The Vision aspires to strengthen human capabilities and societal well-being, underpinned by a firm commitment to gender equality and inclusivity. Achieving this requires a holistic approach that supports individuals from early childhood, through adolescence and adulthood, while cultivating ethical values, self-confidence and lifelong learning behaviour. Equally important is building a stable and inclusive society by promoting social cohesion, addressing regional and social inequalities, and ensuring that marginalised and vulnerable groups have access to essential services and opportunities.

By making strategic investments in human capabilities and prioritising the development of its growing population of children and youth, and empowering women, youth and people with disabilities, Tanzania can create an environment where all citizens thrive. This approach establishes an inclusive and ethical framework, nurtures an empowered and motivated workforce, and fosters a socially engaged, culturally vibrant and equitable society.

Attributes

4.2.1 A Well-Educated, Skilled and Learning Society

Quality education, including technical and vocational education and training, is essential for producing well-rounded individuals with strong academic qualifications, critical thinking, and life skills. High-quality Early Childhood Care and Development (ECCD) for children aged 0-8 is crucial in establishing the foundation for these competencies, as 90% of brain development occurs during this period, particularly before the age of five. This formative period nurtures social, emotional, cognitive, and analytical skills, such as critical thinking, problem solving as well as creativity and innovation in approaching complex challenges. Early investment in ECCD not only nurtures these abilities but also has the potential to break cycles of poverty, promote inclusivity and increase women's participation in economic activities and leadership, while fostering gender equity to support future intellectual and professional development.

Preparing children and youth for the global economy and fast evolving disruptive technologies requires prioritising STEM skills, alongside digital and financial literacy, extending beyond basic foundational knowledge. Certainly, broader application of STEM and digital literacy would bridge the skills gaps. Moreover, essential soft skills are vital for thriving in an ever-changing world. Addressing skills gaps and gender disparities, particularly in STEM, calls for nurturing adaptability, entrepreneurship, and financial literacy. By adopting quality education and training and a lifelong learning approach, Tanzania's education and training systems can cultivate a resilient, versatile workforce that will, in turn, drive socio-economic development and sustainable growth. Tanzania envisions an inclusive education system that equips its citizens with the skills and knowledge needed for a dynamic global economy.

The education sector in the country has made significant progress, marked by investment in teaching and learning infrastructure, teacher training, improvement of education and training policies, and curriculum development. Despite these achievements, it is important to continue strengthening the teaching and learning infrastructure in line with the increasing number of students. Moreover, it is essential to keep improving the education and training system to align with changing times, in order to prepare graduates to face the challenges of an increasingly competitive and rapidly evolving world.

Dira 2050 envisions enhanced quality of education across all levels, from pre-school to tertiary education, by focusing on improving learning outcomes, increasing access to education, and ensuring the development of highly skilled graduates to support the country's socio-economic development. A lifelong learning mindset is indispensable as industries and roles continue to evolve. Curiosity, commitment to acquiring new knowledge, skills upgrading, re-tooling and upskilling to adapt and keep pace with evolving socio-economic needs will promote Tanzania's competitiveness in a dynamic world.

Aspirations

- a) A nation where every child is holistically nurtured, protected, and given the foundation to thrive through equitable access to quality healthcare and early childhood development opportunities, and a well-structured, independent pre-primary education system.
- b) An inclusive, resilient, globally respected, and technology-driven education and training system that develops cognitive skills, identifies and nurtures diverse talents, and equips young people with the knowledge and skills needed to realise their full potential and succeed in life, with competent and motivated teachers and instructors as the system's drivers.

- c) Safe and inclusive schools and educational institutions that prioritise well-being and equal opportunities for all children and youth.
- d) A generation of empowered graduates equipped with relevant skills to thrive and compete in a dynamic global labour market.
- e) A knowledge-driven, innovative society where creativity and resilience fuel socio-economic progress.
- f) A financially literate society, where individuals are empowered to make sound financial decisions, manage resources effectively, and contribute to broader economic growth.
- g) A learning society that embraces a lifelong learning culture, with adaptability and continuous growth are the hallmarks of every citizen.

4.2.2 A Healthy Society

A healthy society is crucial for creating a productive and prosperous nation. It is a result of adequate and inclusive access to quality and affordable healthcare services, as well as a supportive environment that encourages healthy living and lifestyles. Furthermore, adequate nutritious food is vital for human development, especially in early life, profoundly influencing physical, cognitive, and emotional well-being.

Tanzania's healthcare system has made significant progress over the years. Investments in healthcare infrastructure have expanded access, particularly in underserved rural areas. The quality of healthcare facilities and services has improved, alongside better availability of essential medicines and equipment, enhancing the country's healthcare delivery. Efforts to strengthen healthcare financing have involved increased public funding and the exploration of social health insurance schemes, such as universal health insurance, to provide financial security for all citizens.

As a result, Tanzania's Universal Health Coverage (UHC) service index rose from 38 in 2015 to 43 in 2022, marking significant progress in the country's healthcare system. Ongoing disease prevention and control programmes, addressing both communicable and non-communicable diseases as well as pandemics, and the use of a One Health approach further demonstrate the country's commitment to enhancing public health outcomes.

Amidst the notable improvements in health care delivery in the country, Tanzania's rapidly growing population, widespread poverty, escalating and lingering impacts of climate change and the rising prevalence of non-communicable diseases and pandemics are placing immense strain on the healthcare system. These challenges are further exacerbated by limited access to healthcare, particularly in rural areas, and the low quality of primary healthcare services, compounded by persistent

shortages of healthcare professionals and medical supplies. Furthermore, there is limited access to quality sexual and reproductive health education and services, especially for young people, women, and people with disabilities. This hampers progress in maternal, child and adolescent health, which in turn prompts unsustainable population growth and fertility rates.

At the same time, digital transformation, driven by disruptive technologies, is profoundly reshaping healthcare delivery by integrating advanced solutions. These innovations are transforming the delivery of care, improving diagnostic accuracy, treatment processes and patient outcomes, while overcoming barriers of time, space and distance. The Vision aspires to achieve optimal health outcomes for all Tanzanians, with a particular focus on women, children, persons with disabilities, and older persons.

Achieving this requires a holistic approach that addresses the interconnected challenges of healthcare access, quality and affordability. By investing in infrastructure, adopting cutting-edge technologies and prioritising inclusivity, Tanzania can build a resilient and equitable healthcare system. Crucially, sustainable domestic financing will be essential in supporting these efforts, ensuring that investments in health infrastructure, technology and personnel are adequately funded.

Aspirations

- a) Universal healthcare coverage with strong financing mechanisms, prioritising women, children, persons with disabilities, and older persons.
- b) A nation of resilient individuals and communities committed to health promotion, disease prevention and the maintenance of healthy lifestyles, with the capacity to mitigate the impact of pandemics and environmental and climate-related health risks.
- c) A healthy society where every individual, especially children, women, people with disabilities, and older persons, enjoys affordable, comprehensive, and equitable access to quality healthcare.
- d) A society where all individuals, especially children, thrive on nutritious foods and are protected from harmful substances.
- e) A regional hub for the manufacturing of healthcare and food products, ensuring equitable access to high-quality but affordable healthcare goods and nutritional commodities.
- f) A leading hub for super-specialised medical services, that meet national needs and attract medical tourism.

- g) A healthy society that leverages modern technologies, including artificial intelligence, to predict and manage disease patterns effectively.
- h) Universal access to quality sexual and reproductive health education and services, empowering individuals to make informed choices.
- i) A nation where no woman loses her life during childbirth, and every child survives and thrives.

4.2.3 A Socially Protected and Inclusive Society

Social protection is a cornerstone of human development efforts, designed to shield individuals and communities from vulnerabilities such as poverty, ill health, risks and uncertainties. Social protection systems play a critical role in fostering equitable socio-economic progress by addressing structural disparities and enhancing quality of life. Tanzania's social protection framework integrates, both government and non-government initiatives to prevent, manage, and mitigate risks that threaten the security and well-being of individuals, households, and communities. Building on the country's traditional reliance on community and kinship networks, there is a unique opportunity to complement and co-exist with modern systems. By blending the resilience of these communal bonds with structured social protection mechanisms, Tanzania can establish a more inclusive and sustainable safety net while preserving cultural traditions of solidarity and care.

Tanzania has made notable progress in social protection, inclusion, and gender equality through targeted initiatives to alleviate poverty and enhance the well-being of vulnerable groups, including older persons and people with disabilities. The country's social protection framework is diverse, featuring non-contributory social assistance schemes that provide essential support to people with disabilities, older persons, unsupported parents, and children in need. Mandatory schemes financed through employer and employee contributions, ensure income security during retirement or economic inactivity. Additionally, voluntary savings and insurance mechanisms empower individuals to plan for retirement and effectively mitigate financial risks. The government has also taken several initiatives to include the informal sector in the social protection system. These initiatives aim at extending social security benefits to workers who are not traditionally covered by formal employment schemes.

While progress has been made in advancing social protection, several issues persist. A significant portion of the population, especially in informal sectors and rural areas, still lacks access to social protection coverage. Financial constraints hinder the sustainability of non-contributory schemes, while inefficiencies in governance and low public awareness undermine their effectiveness. Additionally, gaps in resources and uneven distribution of services exacerbate these problems.

Nevertheless, emerging opportunities such as digital technology, public-private partnerships and awareness campaigns offer potential solutions to overcome these challenges.

Dira 2050 aims to establish an inclusive, technology-driven social protection system that delivers effective and efficient services. Expanding safety nets will ensure targeted support for vulnerable groups, such as children, older persons and people with disabilities. Legal frameworks will be strengthened to eliminate child labour, violence and discrimination, while promoting universal systems that uphold dignity and equity. By integrating digital tools and PPPs, Tanzania envisions creating a social protection framework that is inclusive, scalable, and resilient.

Aspirations

- a) A nation where all individuals, particularly women, people with disabilities and older persons benefit from equitable, comprehensive, and sustainable social protection that upholds dignity and promotes well-being.
- b) A society free from child labour, all forms of violence and discrimination, where every child thrives in a safe, nurturing and empowering environment.
- c) A nation that fully safeguards the rights and interests of people with disabilities, ensuring equitable access to infrastructure, services, and economic opportunities.
- d) A nation where vulnerable groups, including persons with disabilities, older persons and rural communities, are safeguarded through targeted programmes that provide income security and pathways to economic empowerment.
- e) Strong and cohesive families where collective responsibility and shared values create resilient communities that support the well-being of every member.

4.2.4 Affordable Housing and Human Settlements

Affordable and decent housing and human settlements are crucial for building a productive and prosperous society. They encompass a wide range of factors that directly and indirectly influence individuals' well-being, health, education and productivity. By raising settlement standards, societies enhance the quality of life for their citizens and contribute significantly to long-term economic growth and sustainable development. Central to this is the integration of key elements such as clean energy, clean and safe water, sanitation and hygiene services, easy mobility, and efficient transportation.

Urban settlements in Tanzania are expanding rapidly due to population growth, rural-to-urban migration, and economic development. The urban population is projected to exceed 50 per cent of the total population by 2050. Unplanned urban settlements are a widespread phenomenon, thereby threatening efficient access to clean and safe water, sanitation, and adequate housing. Vehicular traffic congestion and underdeveloped public transport systems strain urban life, while pollution and resource depletion raise concerns about environmental sustainability. In contrast, rural areas remain heavily reliant on traditional housing, with most dwellings made from mud, poles, or mud bricks, and a smaller proportion constructed from concrete or stone. Access to water, sanitation and hygiene (WASH) services have improved, but challenges remain. A significant proportion of both rural and urban populations still lack access to clean and safe WASH services due to insufficient investment, depleting water sources, and dilapidated infrastructure. Furthermore, a growing population increases pressure on the country's resources, public services and social systems.

Dira 2050 aspires to the creation of urban environments that are liveable, resilient, energy-efficient, and environmentally responsible. A holistic approach integrating economic growth, technological innovation, environmental sustainability, management of rapid population growth, and community well-being will pave the way for a prosperous and sustainable nation.

Aspirations

- a) A nation where every individual has access to affordable, safe, and decent housing and settlements, fostering vibrant and sustainable communities in both urban and rural areas.
- b) A nation with balanced urban-rural growth, ensuring inclusive development and reducing regional disparities.
- c) Sustainable, SMART and green cities and urban centres that promote prosperity and healthy decent livelihoods for all, including people with disabilities.
- d) Universal access to affordable, clean and safe, sustainable and resilient water supply, sanitation, and hygiene services that promote well-being and public health.
- e) A resilient and efficient network of energy infrastructure that drives a transition to clean and renewable energy sources, promoting environmental sustainability, reducing carbon emissions and enhancing energy security for all sectors of society.
- f) A nation with enhanced mobility and efficient, accessible transport systems that facilitate the seamless movement of people and goods.

4.2.5 A Capable and Motivated Workforce

A capable and motivated workforce is vital in transforming Tanzania into an upper middle-income country, with sustainable economic growth, inclusive development and global competitiveness. Achieving this ambitious vision requires a workforce equipped with the relevant skills needed to drive innovation and productivity. Motivation plays a critical role in ensuring that workers are engaged, committed and productive.

Tanzania has made steady investment in human capital development, focusing on quality education, skills enhancement, nutrition, healthcare and social protection. However, the country's Human Capital Index score of 0.39 is below the Sub-Saharan Africa average of 0.4, indicating that children born in Tanzania today will only achieve 39 per cent of their potential productivity as adults. Persistent challenges include a mismatch between workforce skills and labour market demands and high youth unemployment. More importantly, Tanzania's high fertility rates, recorded at 4.8 births per woman in 2022, contributes to a high dependency ratio, placing a considerable strain on the economy and social services. The increasing number of dependants strains education and healthcare systems, stretching resources and limiting access to quality services. This demographic trend delays the realisation of the window of opportunity for economic growth, commonly referred to as the demographic dividend.

Tanzania's future workforce will require a dynamic blend of technical expertise, cognitive and cultural agility, data competence, strong interpersonal and emotional intelligence, ethical integrity and resilience. Proficiency in emerging technologies, an entrepreneurial mindset, and a commitment to lifelong learning will be essential in adapting to a rapidly evolving technological landscape. Professionalism, adaptability, and a pursuit of excellence will be crucial in overcoming the many challenges. Moreover, strategic investments in reproductive health and education, particularly for youth, women and girls, are vital to ensuring sustainable development and improved living standards. By developing these capabilities, a resilient, versatile and innovative workforce can be developed, equipping individuals to thrive in an increasingly technology-driven world of work.

Aspirations

- a) A highly skilled, technologically savvy and adaptable workforce driving innovation and competitiveness in local, regional, and global markets.
- b) A nation that attracts, grows and retains the finest minds and talents among citizens which will facilitate the growth of the human capital base and speed up socio-economic development.

- c) Appropriate fertility and population growth rate levels leading to a productive population size that the economy can sustain, thereby ensuring decent living standards for all.
- d) A society that embraces openness, exposure, and competition in the labour market to enhance quality and productivity.
- e) A motivated, ethical and productive workforce, with the right mindset, that prospers in a broadly supportive and inclusive environment, driving sustained national development.

4.2.6 A Cohesive, Responsible and Engaging Society

Building a cohesive nation is essential for sustainable development, as it fosters unity, social trust, and collaboration across diverse communities, enabling collective action to tackle key challenges. This is intrinsically linked to the development of a responsible and engaged society, where individuals take ownership of their actions, uphold ethical standards, and actively participate in shaping the future. A responsible and engaged citizenry ensures that development is inclusive, equitable and sustainable, balancing economic growth with social equity and environmental protection.

Tanzania has deliberately prioritised nation-building, with Kiswahili playing a central role in building a cohesive and engaged citizenry. As the national language, Kiswahili has bridged linguistic divides among more than 120 ethnic groups, promoting unity and a shared national identity. It remains a cornerstone for facilitating social, political, and cultural development, and reinforces both national unity and regional influence.

In addition, Tanzania has implemented various initiatives to build a cohesive society, strengthen national identity and foster nationalism. These include providing civics education to instil a sense of responsibility and national pride, promoting community-based projects to promote ownership and encourage collaboration and instituting mandatory national service to unite citizens from diverse backgrounds. These pursuits provide opportunities for the younger generation to explore their passions and contribute to society through celebration and a shared sense of identity.

The overreliance on the government to address societal needs continues to undermine personal responsibility and community involvement. Additionally, there is growing concern about the lack of appreciation for the value of limited resources and assets, including time.

These challenges hinder the creation of a unified society, making it crucial to shift towards community-driven initiatives, resource conservation and strengthening national identity.

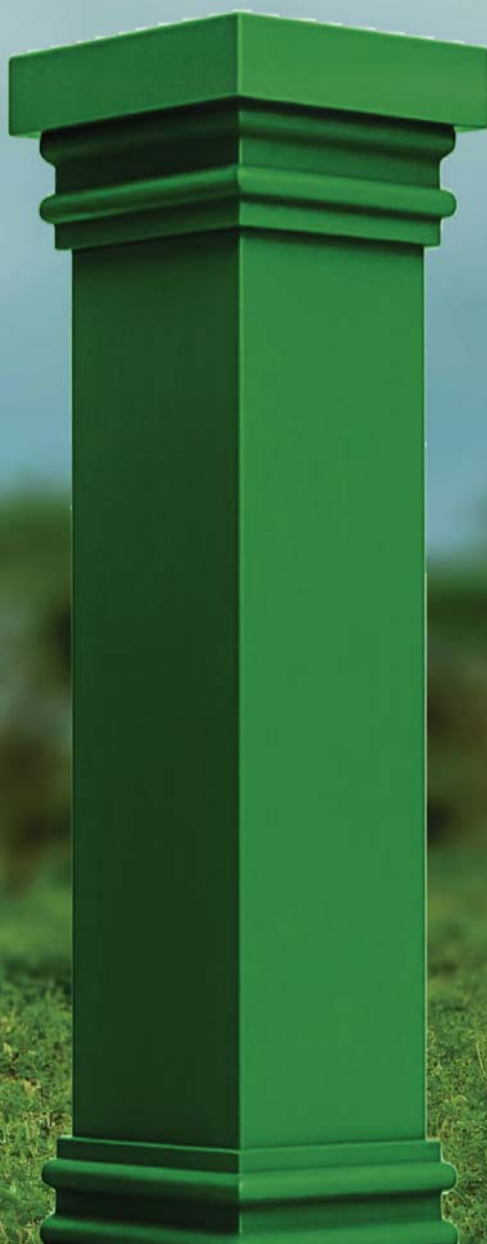
As the nation advances towards inclusive development, it is essential to promote greater equity in political participation across social groups, while embracing and building upon its cohesiveness and diversity.

Aspirations

- a) A nation that takes pride in its unity, celebrating its talents in arts, culture, sports and entertainment as core to its collective strength and identity.
- b) A patriotic and responsible citizenry, united by shared values, actively engaged in civic life, and committed to fostering social progress.
- c) A society that embraces a developmental mindset and strong work ethics, recognising time and resources as valuable and finite assets to be used responsibly and efficiently for personal and collective growth, benefiting both present and future generations.

Pillar Three

Environmental Integrity and
Climate Change Resilience



4.3 Pillar Three: Environmental Integrity and Climate Change Resilience

Environmental integrity and climate change resilience are essential to realising *Dira 2050*. Tanzania's abundant natural resources and diverse ecosystems, spanning savannahs, rainforests, coastal waters, fertile lands, vast freshwater lakes, and river systems, position the nation as a global biodiversity hotspot and a cornerstone of socio-economic development. These ecosystems sustain livelihoods, drive economic growth and provide vital ecosystem services, underscoring the importance of safeguarding their proper functioning for the prosperity and well-being of the present and future generations.

As Tanzania advances toward attaining upper-middle-income status by 2050, the responsible and sustainable management of its natural resources is critical. This entails protecting biodiversity, sustainably managing water resources and wetlands, preventing pollution and addressing land degradation. Such efforts are central to preserving the environmental integrity that underpins the nation's socio-economic stability and growth.

At the same time, climate change, characterised by global warming, erratic weather patterns, and increasingly frequent extreme climatic events, poses a profound threat to Tanzania's sustainable development trajectory. The adverse impacts of climate change disproportionately affect climate-sensitive sectors such as agriculture, wildlife, fisheries, forestry, and water resources, all of which are the backbone of Tanzania's economy. These vulnerabilities necessitate urgent action to strengthen climate change resilience by empowering communities, building adaptive capacities, and integrating sustainability.

This pillar envisions a Tanzania that treasures its environmental wealth, actively confronts the challenges of a changing climate and champions sustainability. By safeguarding ecosystems, fostering resilience and adopting forward-thinking strategies, Tanzania will ensure a thriving, equitable, and prosperous future for its people and natural heritage.

Attributes

4.3.1 Biodiversity Integrity

Tanzania's exceptional biodiversity is home to iconic species and numerous endemic plants and animals. This natural wealth is protected through an extensive network of conservation areas, including national parks, game reserves, forest reserves, marine parks and wildlife management areas that balance conservation with sustainable utilisation for national and community benefits. These protected areas cover approximately 32 per cent of the country's land, and are vital for biodiversity conservation, carbon sequestration, pollution control and the retention of soil fertility.

These natural resources are critical to the economy, with wildlife-based tourism contributing 25 per cent to Tanzania's export earnings. Forest resources also play a key role, accounting for 2.5 per cent of GDP and 5.9 per cent of foreign trade. However, these resources face significant threats from human activities such as poaching, illegal logging, agricultural encroachment, deforestation and urban expansion. Additionally, the illegal wildlife trade, especially in ivory and bushmeat, deforestation, alien invasive species, and land degradation further accelerate biodiversity loss, posing long-term risks to environmental sustainability.

Tanzania has established a range of legal and policy frameworks that prioritise community-based conservation initiatives, actively involving local communities in biodiversity stewardship and sustainable economic activities. The country also collaborates internationally and upholds global biodiversity agreements, reaffirming its commitment to protecting its natural heritage and contributing to global conservation efforts. Looking ahead, continued action is crucial to address emerging threats, strengthen conservation measures and ensure the long-term sustainability of biodiversity for future generations.

Aspirations

- a) A global leader in biodiversity conservation, preserving healthy natural ecosystems where diverse species thrive in their native habitats, ensuring their sustainable survival.
- b) An iconic nation that ensures the sustainable and optimal use of biodiversity, supporting livelihoods and driving economic development for present and future generations.
- c) A nation that appropriately values its biodiversity and natural wealth and integrates them into economic planning, contributing significantly to GDP and socio-economic growth.

4.3.2 Healthy Wetlands and Water Resources

Water and wetlands are vital resources for socio-economic development, impacting all aspects of human life. They influence the standard of living and contribute to enhanced productivity, thereby driving economic growth. Wetlands have the ability to store rainwater and release it gradually into river systems, helping to regulate the water cycle, reduce flooding, and ensure a steady water supply during dry periods. Additionally, they play a crucial role in preserving biodiversity and preventing soil erosion.

Tanzania's land is home to approximately 2.7 million hectares of permanent or seasonal freshwater swamps and floodplains, which are spread across nearly all major river systems in the country, including some transboundary water bodies. Millions of people, particularly local communities, rely on wetlands for their

livelihoods, while the nation’s economy, especially in agriculture, energy, and tourism, largely depends on these resources. For instance, hydroelectric power contributes between 37 and 45 per cent of the energy mix.

Despite their importance, these vital wetlands and water sources face intense pressure from encroachment and unsustainable human-induced activities. Wetlands are shrinking as agricultural and settlement areas expand to meet the growing demand for arable land. The drying of wetlands, as happened to the Ihefu wetlands, has significant ecological consequences. Areas affected include the Usangu Plain wetland and Ruaha River as well as the downstream ecosystems in the Rufiji River Basin, including the Ruaha National Park. The impacts extend to critical hydropower plants of Mtera, Kidatu, and Julius Nyerere, which rely on these water systems.

With regard to water, Tanzania is expected to face water stress by 2050 due to population growth, climate change, and increasing demands from its expanding economy. Although the annual per capita renewable fresh water availability in 2022 was 2,105m³, above the global water stress threshold of 1,700 m³, water resources are steadily declining. This is driven by hydrological changes, catchment area degradation, rising water demand and challenges in water management. Additionally, water quality is deteriorating due to pollution and insufficient investment in quality management. Despite adapting an integrated approach, water resources management remains largely fragmented and in conflict with other related sectors. In this context, effective water resources management should ensure water availability of sufficient quantity and good quality for socio-economic development and environmental sustainability.

Aspirations

- a) Healthy wetlands that sustainably support livelihoods, boost the economy, and provide vital ecological services.
- b) A water-secure nation that ensures sustainable socio-economic development and ecological integrity.
- c) A nation with an integrated, harmonised, and well-coordinated system for the sustainable management of wetlands, water, and related resources.

4.3.3 Pollution-Managed Environment

Environmental pollution in Tanzania is a growing concern, particularly in densely populated areas such as cities and other urban centres, significantly impacting public health, the environment, and the economy. Air pollution, mainly from vehicle emissions, industrial activities, and biomass burning, leads to respiratory and cardiovascular problems. Noise pollution, driven by urbanisation and

industrialisation, causes health issues such as stress and hearing loss. Soil pollution, caused by excessive use of chemical fertilisers, pesticides and poor waste disposal, threatens agricultural productivity and food security. Liquid waste spreads diseases and damages ecosystems.

Solid and liquid waste management faces considerable challenges due to rapid urbanisation, inadequate infrastructure and limited public awareness. In major cities, poor solid waste management practices have led to widespread littering, open dumping, and water contamination. The outdated sewage systems and untreated wastewater in urban areas are major concerns, with many households relying on septic tanks and pit latrines. Despite efforts to improve waste management services and infrastructure, the growing population continues to overwhelm the existing infrastructure.

Though Tanzania has implemented legislation, policies, and strategies to combat pollution and promote environmental sustainability challenges such as limited resources, unplanned urbanisation and pollution from industries still persist. Consequently, these pollution pressures, coupled with poor waste management, demand a sustained approach to control the effects of environmental pollution.

Aspirations

- a) A pollution-conscious society that promotes a healthy, enjoyable, and sustainable environment for all.
- b) Cities and urban centres with green infrastructure, smart industry, efficient waste management, and sustainable building practices.
- c) An iconic circular economy nation where the economic potential of waste materials is fully exploited.
- d) A nation with a resilient environment that sustainably manages natural resources while promoting green economic growth.

4.3.4 Effective Land Management

Tanzania's vast land resources are fundamental to its development. They offer significant opportunities for growth in agriculture, industry, settlements and other economic activities. Spanning nearly one million square kilometres, the country holds substantial potential for effective land management, which is essential for sustainable development. However, rapid population growth, urbanisation, agricultural expansion, mining and industrialisation have placed increasing pressure on land resources, resulting in soil degradation and rising conflicts between communities. Moreover, legal and cultural practices have exacerbated gender inequality, particularly for women, youth, and people with disabilities in land access and ownership. Issues such as undocumented land rights, inadequate land use planning, village boundary disputes, informal settlements, housing shortages, and

land use conflicts are intensifying, further complicating land management. These challenges are further exacerbated by limited financial and human resources, technological gaps and an uncoordinated institutional framework, hindering sustainable land management.

In its efforts to improve land management, the government has introduced policies to improve land management, including bolstering land tenure security, promoting sustainable land use, and engaging communities in natural resource management. Nevertheless, effective land management remains a critical challenge, shaped by socio-economic pressures and systemic barriers to sustainable use. Moving forward, concerted and deliberate efforts are crucial to balancing conservation goals and socio-economic development activities whilst ensuring that land resources can sustainably benefit both current and future generations.

Aspirations

- a) A nation with effective land use plans that balance various land uses, including agricultural, industrial, and urban growth, while safeguarding the environment.
- b) A conducive land use enforcement regime, underpinned by a stable and transparent real estate market, crucial for attracting land-based investments.
- c) A fair land allocation system in which every citizen enjoys secure land tenure and equitable access to land resources.
- d) A nation with clearly surveyed and reinforced international boundaries.

4.3.5 Climate Change Resilience

Tanzania is increasingly experiencing the impacts of climate change, characterised by rising temperatures and extreme rainfall events that have disrupted socio-economic activities and livelihoods over the past decade. These changes are largely driven by human-induced greenhouse gas emissions. Since 1980, land and sea temperatures have risen significantly, with projections forecasting increases of over 2°C in western and central regions and 1°C in the east by 2041. Rising temperatures threaten food security by reducing agricultural productivity and pose significant health risks, with a 1°C rise associated with a 15–29 per cent increase in cholera cases and a greater prevalence of waterborne diseases such as typhoid and diarrhoea.

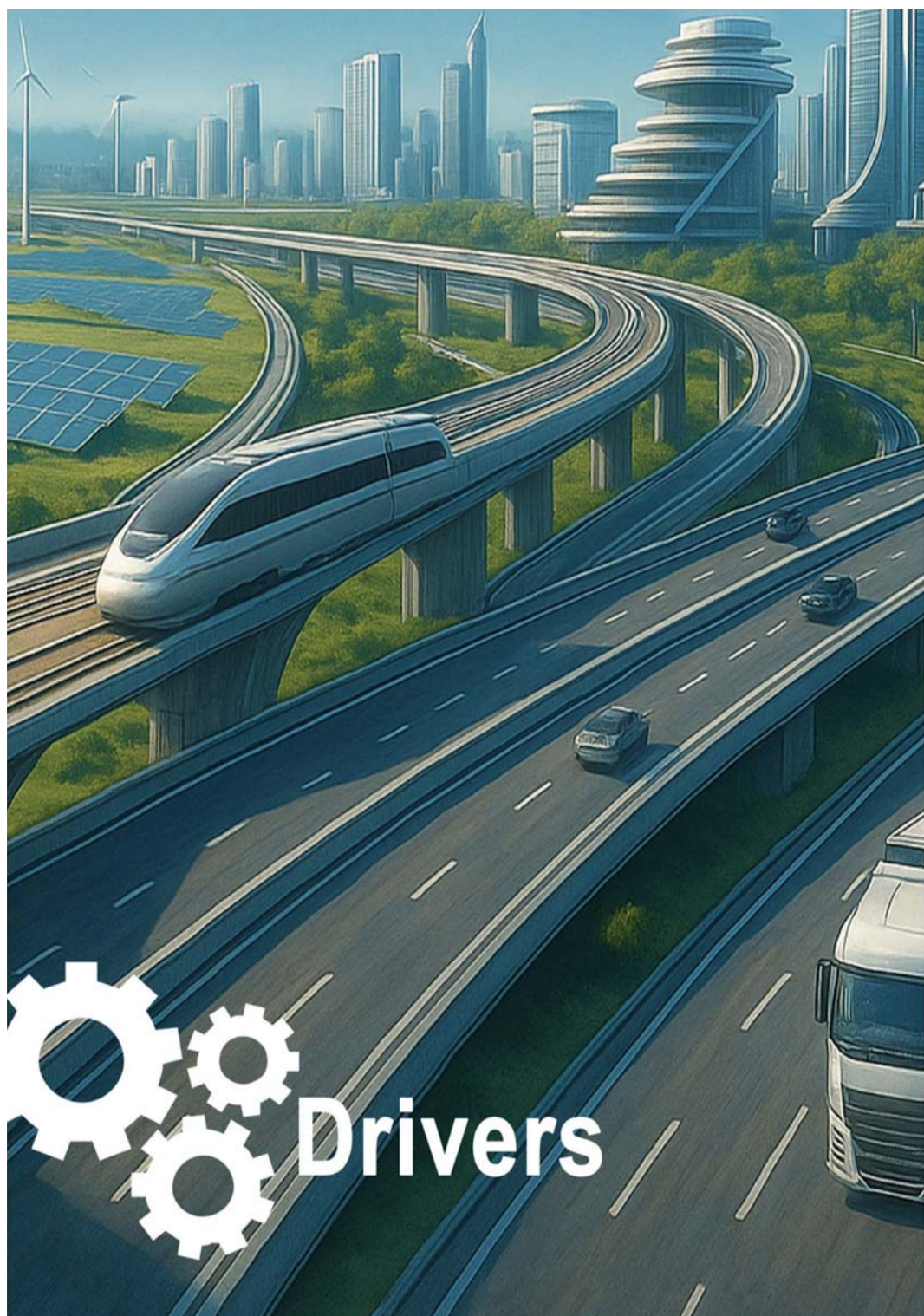
Shifts in precipitation patterns, evident since the 1970s, have caused water stress, increased flooding, bushfires, destruction of infrastructure, and the spread of invasive species, as well as the loss of coral reefs and biodiversity. These changes have also fuelled the spread of vector-borne diseases such as malaria and dengue fever. Climate change could shrink economic growth by up to 4 per cent, potentially

pushing 2.6 million Tanzanians into poverty, and leading to internal displacement of up to 13 million people by 2050.

To address and cope with climate change related challenges, Tanzania envisions a climate-resilient society that empowers women and youth as champions of environmental sustainability. Through targeted training in climate-smart agriculture, renewable energy and green skills, youth are being equipped to address pressing climate challenges.

Aspirations

- a) A sustainable and resilient nation, powered by affordable clean energy and effective management of greenhouse gas emissions for a low-carbon future.
- b) A climate-ready nation capable of safeguarding its people, infrastructure and property from natural and man-made disasters, with youth and women at the forefront of climate action.
- c) A leading nation in addressing climate change challenges, setting benchmarks for resilience, sustainability and adaptation.
- d) A nation that leverages its natural assets to become a leader in tapping global climate finance opportunities.



Drivers



5. THE DRIVERS

Realising the Tanzania Development *Dira 2050* hinges on five key drivers, among others: Integrated Logistics, Science and Technology, Research and Development (R&D), Digital Transformation, and Energy. 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 evidence-based solutions that address local challenges and enhance socio-economic growth. Digital transformation facilitates the adoption of disruptive technologies that lead to the improvement of service delivery through greater efficiency and operational effectiveness. Finally, energy drives industrialisation, fosters innovation and improves quality of life by powering economic diversification, unlocking the potential sectors of the economy, raising living standards, and empowering communities. 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 *Dira 2050*.



5.1. Integrated Logistics

Integrated logistics entails harmonising the movement of people, goods, services and information 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 internal and regional logistics system is paramount.

In recent years, Tanzania has made notable progress in enhancing 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. The revival of the national carrier, Air Tanzania, with an upgraded fleet and expanded routes, along with other privately owned airlines, further complements these initiatives. Additionally, increased electricity generation, transmission and distribution have reinforced these transformative initiatives. These advancements have not only strengthened domestic infrastructure but also enhanced cross-border connectivity, facilitating regional trade and economic integration. Moreover, the establishment of One-Stop Border Posts (OSBPs) has significantly streamlined cross-border trade, while the integration of digital technologies has improved 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, more work still needs to be done to reduce operational costs and delays. Currently, logistics account for 35–45 per cent of total import costs, including insurance and freight, which ranks Tanzania among the most costly globally. These elevated costs are partly due to prolonged waiting and offloading times caused by insufficient handling and storage facilities, together with the unreliable and inconsistent transport and logistics network. Additionally, the regulatory framework is overly complex, exacerbated by overregulation, conflicting local government by-laws, and multiple levies. Overcoming these challenges, including investing in training and capacity-building for personnel to improve efficiency and service delivery, is essential for enhancing logistical performance, maximising contributions to economic growth as well as job creation, and strengthening the country's regional and global competitiveness.

Aspirations

- a) A premier gateway for Eastern and Southern Africa, leveraging its strategic geographical location and maximising returns on heavy investments in trade infrastructure; enabling seamless cross-border trade, fostering collaborative partnerships, and maintaining efficient, sustainable systems.
- b) A thriving transit trade gateway that positions the nation as a leading logistics and trade hub for East and Central Africa.
- c) An integrated logistics network with a competitive multimodal transport system and modernised infrastructure, that aligns the country's economic corridors to support efficient domestic and international trade.
- d) High-quality and reliable logistics providers delivering world-class services at competitive prices by embracing advanced digital technologies to enhance efficiency and seamless information flow across the value chain.
- e) A transparent and efficient regulatory environment that streamlines customs, reduces bureaucracy and roadblocks, embraces logistical advancements and enforces compliance with international standards.
- f) An inclusive and accessible logistics network with infrastructure designed to support people with disabilities, ensuring equal participation and seamless mobility for domestic and international travel and trade.



5.2. Energy

Energy is fundamental to driving socio-economic growth and achieving national development goals. Its importance extends well beyond powering daily activities; it also serves as a vital catalyst for productivity across all sectors. It enables industrialisation, stimulates innovation and enhances quality of life. As the basis of progress, it drives economic diversification, elevates living standards and empowers communities to flourish. From education and healthcare to agriculture and infrastructure, energy underpins every aspect of development, making it an indispensable force for Tanzania's future prosperity. Evidence shows that electricity availability, alongside education and fertility rates, is a key factor in enabling societies to escape poverty.

Tanzania has undoubtedly made progress, with electricity consumption per capita currently at approximately 170 kWh. The aim is to significantly increase this figure to at least 3,000 kWh by 2050. Investments are being made in expanding hydropower, solar, wind, and geothermal capacity to ensure reliable and sustainable energy access. Notably, the completion of the Julius Nyerere Hydropower Project, with the capacity to generate 2,115 MW annually, has significantly enhanced the national grid's capacity. Also, efforts to reduce transmission losses from approximately 16 per cent to below 10 per cent, alongside improvements in distribution networks, will create a more efficient and robust energy landscape.

Tanzania faces several energy challenges, including limited access to electricity, particularly in rural areas, and a reliance on firewood and charcoal for cooking, which contributes to environmental degradation. The country also struggles with energy loss due to inadequate energy infrastructure, leading to frequent power outages and inefficiencies. Despite the many potential sources of energy, such as hydro, solar, nuclear and gas, there is insufficient investment in renewable energy projects. Regulatory complexities and limited access to affordable financing are major barriers to progress. Going forward, Tanzania envisions adequate investment to ensure sufficient energy supply, with significant funding directed towards hydropower, solar, wind, geothermal, and nuclear energy.

Aspirations

- a) A nation free from energy poverty, generating sufficient levels of energy to power both productive and social life, positioning Tanzania as a leading energy exporter in the region.
- b) A resilient and efficient clean energy system that ensures reliable and affordable access for all, fostering socio-economic transformation and improving quality of life.
- c) A robust energy infrastructure that supports industrialisation, nurtures innovation and enables economic diversification.



5.3. Science and Technology

In a rapidly changing global knowledge-based economy, science and technology serve as crucial drivers of productivity, efficiency and economic growth. Tanzania is striving to leverage these advancements across multiple sectors, backed by a wide range of disruptive technologies to enhance service delivery, boost production, increase efficiency, lower the cost of production or service delivery, and increase accessibility. This is particularly through investment in renewable energy technologies like solar power and biogas, addressing energy demands and promoting sustainability in rural regions. Biotechnology also needs to be extensively applied across sectors such as agriculture, tourism, mining, the livestock industry, education, health, and manufacturing. Its integration will optimise production processes, lower costs, building efficiencies, and enhance national economic competitiveness as well as quality of life.

The government is striving to play 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, there are challenges, including limited infrastructure, funding shortages, skills gaps, inadequate collaboration among stakeholders, improper technology transfer from industrialised countries and persisting regulatory issues. Additionally, gender disparities and restricted access to quality STEM education hinder equitable participation, compounded by low investment in early talent identification and development. There is already a concerted debate on how to balance developments in Artificial Intelligence (AI) and other similar disruptive technologies with moral and ethical issues that govern human endeavours.

Tanzania envisions becoming a technologically empowered, resilient and inclusive nation that drives sustainable growth, enhances human development and promotes good governance, thus paving the way for a prosperous and equitable future.

Aspirations

- a) Widespread adoption of disruptive technologies across all levels of production and service delivery to improve efficiency and drive change.
- b) World-class technology zones and innovation hubs that are singularly 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) A digitally inclusive society where advanced technologies are leveraged to create accessible solutions for people with disabilities, empowering them to fully participate in and contribute to all aspects of socio-economic development.

- d) A robust world-class institution established for technology information forecasting and assessment to equip the country for a sustainable and competitive economy.
- e) An inclusive STEM ecosystem that ensures equitable access and empowers women and girls to thrive in science and innovation.
- f) A robust, and inclusive investment in developing, managing and using emerging technologies to support industry and promote socio-economic development.



5.4. 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 the importance of R&D, the Government has taken steps to increase funding for research initiatives, build partnerships with academic and industry stakeholders and promote innovative technology commercialisation. These initiatives have spurred innovation, evidenced by the rise of start-ups, 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 can secure their creations and benefit from their commercialisation, thereby cultivating a culture of creativity and innovation.

Despite these advancements, there is limited funding, inadequate infrastructure, a shortage of skills and weak collaboration between stakeholders, all of which hinder effective innovation. Additionally, regulatory barriers, the 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 one per cent of GDP, and features 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 futures thinking and evidence-based decision-making, driven by cutting-edge scientific, social and action research to propel 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 ground-breaking 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 regional leader in innovation.



5.5. 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 solutions and decision-making, expanding financial inclusion, developing digital skills and digitisation services, and embracing emerging technologies, Tanzania can strengthen its competitiveness and ensure sustainable socio-economic development.

Tanzania has made some 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 money 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 start-up 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 creation of data centres.

However, digitisation and digital transformation in Tanzania are not without challenges - limited infrastructure, cybersecurity threats, high costs, a skills shortage, low penetration of smart devices to facilitate broadband usage and regulatory barriers that hinder widespread adoption and implementation. Moreover, disparities in access, data privacy concerns, rising unease about the

ethical use of these technologies, resistance to change and inadequate policy frameworks further impede progress and exacerbate inequalities. There is also a lack of appreciation, investment, and application of emerging technologies like artificial intelligence (AI), blockchain, and the Internet of Things (IoT). Addressing challenges such as accessibility and ethical considerations is crucial to ensuring these technologies deliver equitable benefits without undermining societal values or ethical foundations.

Aspirations

- a) A digitally savvy society that embraces digital literacy, secure digital practices and emerging technologies which are aligned with ethical principles and societal values.
- b) A regional hub for technology development that harnesses emerging technologies to drive innovation, promote socio-economic progress, enhance global competitiveness, and ensure ethical and accountable use.
- c) Nationwide access to reliable and affordable communication services and high-speed internet.
- d) A robust and integrated system for the management of statistics and information that ensures the availability of accurate, reliable, and timely data, while the nation maintains full sovereignty over the control, storage, and use of such information in accordance with national laws and interests.
- e) Widespread data commercialisation to maximise economic value, foster new business models and create jobs.
- f) A leading regional hub for the creation of applications and digital content, actively involving youth to foster innovation and entrepreneurship, catering to local use and export.
- g) A nation at the forefront of disruptive technology adoption, empowered by a future-ready workforce, driving exponential growth and establishing leadership in an AI-driven global economy.
- h) A fully digital government delivering exceptional, efficient and inclusive services to all citizens and businesses anytime, anywhere with a commitment to transparency and accessibility.

6. TRANSFORMATIVE SECTORS

As Tanzania works towards achieving its development vision, prioritising key sectors with high potential for economic, social, and environmental transformation is essential. These transformative sectors will drive long-term prosperity, and promote sustainable growth. To ensure that Tanzania fully harnesses its abundant resources effectively to improve quality of life and maintain enduring economic progress, *Dira 2050* provides a framework for identifying and prioritising sectors that can significantly contribute to Tanzania's socio-economic transformation. The framework presents a balanced approach, focusing on sectors that not only support diversified economic growth but also generate substantial employment opportunities. With adaptability as a core feature, this framework allows Tanzania to respond to emerging challenges and opportunities, ensuring ongoing relevance in a dynamic global landscape.



6.1. Sector Selection Criteria

Key to effective sector selection is a set of criteria, ensuring that priorities remain flexible and responsive to the evolving national and global contexts. The following criteria are essential in identifying sectors with the highest potential to drive economic transformation over the next 25 years:

i. Employment Multiplier Potential

A priority sector should have strong employment multiplier effects, where its growth can trigger job creation across multiple interconnected industries. This enhances the sector's broader impact on the national economy and encourages an inclusive labour market.

ii. Export Potential

Sectors with high export potential are crucial for Tanzania's economic growth. By producing goods and services aligned with international market demands and developing sustainable trade networks, these sectors will expand Tanzania's export base, enhance foreign exchange earnings, and strengthen the country's position in global value chains.

iii. Sector Linkages

Priority sectors should demonstrate strong forward and backward linkages, creating self-sustaining ecosystems that connect local suppliers with domestic and global markets. These linkages foster resilience and balanced development, supporting the overall economic growth.

iv. Value Addition

Priority must be given to sectors that focus on adding value to raw materials, which enhances productivity, competitiveness, and industrial growth. This not only increases productivity and competitiveness but also accelerates industrialisation, stimulates innovation, and supports economic diversification.

v. Revenue Generation

Sectors with the ability to generate substantial, diversified, and sustainable public revenues are critical for financing national development priorities. These sectors contribute significantly to domestic resource mobilisation, reduce dependency on external financing, and underpin fiscal sustainability.

Strategically prioritising key sectors with the potential for economic, social, and environmental transformation is fundamental. These sectors, however, will be systematically and periodically reviewed for their relevance and contribution to socio-economic transformation.

6.2. Potential Sectors Towards 2050

Based on the above selection criteria, the following sectors have been identified as transformative, with the potential to realise the goals and targets of *Dira 2050*:

- i) **The Agriculture** sector, which encompasses crops, livestock, fisheries, and forestry, remains a cornerstone of Tanzania's economy, contributing 26.5 per cent to the GDP, employing 65 per cent of the workforce, and generating 30 per cent of export earnings. This sector holds immense potential for job creation and income generation through the sale of value-added products. Its strong linkages with the manufacturing, transport, and trade sectors underscore its critical role in driving employment and broad-based economic growth.

Looking ahead, agriculture will continue to be a backbone of Tanzania's economy. It is envisioned that by 2050, the sector will have evolved into a highly productive, competitive, and sustainable industry, positioning Tanzania as a leading regional food hub. Strategic transformation will be required across all agricultural sub-sectors: the crops sub-sector will prioritise high-value market-oriented produce; livestock will be modernised through investment in efficient production systems to increase productivity and market value; fisheries will be enhanced through the development of sustainable fishing, aquaculture, and cold-chain logistics; and the forestry sub-sector will require robust strategies for conservation, sustainable use of forest resources, and the promotion of commercial forestry and forest-based enterprises.

Realising this transformation will require significant investment in modern technology, climate-resilient infrastructure, and innovative programmes that empower farmers to scale their agribusinesses. Additionally, the digitalisation of agricultural processes will connect producers to real-time market opportunities. Equally important will be investment in affordable energy, access to finance, expansion of market networks, and the promotion of environmentally sustainable farming practices. Together, these strategies will lay the foundation for a resilient, inclusive, and globally competitive agricultural sector, one that anchors Tanzania's long-term socio-economic prosperity for current and future generations.

- ii) **Tourism** sector can claim a lion's share as a key economic driver, contributing 25 per cent to Tanzania's export earnings. It strengthens the country's balance of payments and fuels overall GDP growth. With its high-income elasticity of demand, tourism remains a top foreign exchange earner, stimulating essential sectors both upstream and downstream - hospitality, transportation and retail.

By 2050, tourism is poised to become a leading source of both direct and indirect employment, with significant opportunities in hospitality, transport and local businesses. Expanding the sector to include cultural heritage, ecotourism, cruise ship tourism, sports hunting tourism, and Meetings, Incentives, Conferences, Exhibitions (MICE) tourism will attract both domestic and international visitors, further boosting foreign exchange earnings. This growth will be driven by strategic investments in infrastructure, targeted marketing, and active local community engagement. Equally crucial is fostering a strong service culture to enhance visitor experiences and maintain competitiveness. With these measures, Tanzania will position itself as Africa's leading tourism destination by 2050.

- iii) **The manufacturing** sector will be a cornerstone of Tanzania's economic growth and diversification by 2050. While agriculture has long been the backbone of the economy, the country's heavy reliance on it exposes it to risks such as climate change, price fluctuations and global market shifts. Expanding manufacturing will mitigate these vulnerabilities and enhance economic resilience. Currently contributing 8.1 per cent of GDP and growing annually by 8 per cent, the sector holds significant potential to create a multiplier effect across various industries, from agro-processing to construction materials, boost local value addition, reduce imports and improve export performance.

Tanzania aims to become a globally competitive manufacturing hub by leveraging population growth, technological advancements and its agricultural base. As the country's population grows, so does the demand for goods and services, creating a burgeoning domestic market. Advancements in technology and an expanding agricultural base will play a significant role in this transformation. To unlock the full potential, the country must address infrastructure gaps, regulatory complexities and limited access to finance. Strengthening policies and developing a skilled workforce will also be critical in attracting investment. Moving from raw material exports to finished goods production will further enhance Tanzania's position in regional and global markets.

- iv) **The construction and real estate** sectors will be vital to Tanzania's urbanisation, meeting the increasing demand for housing, infrastructure and public facilities while boosting job creation. By 2050, the sector will have generated millions of jobs in construction, architecture, engineering, and skilled trades, with strong ties to manufacturing and services such as property management and legal services. The sector will drive revenue and foster resilient, sustainable urban spaces. Strategic investments in modern infrastructure, affordable housing and sustainable construction will be key to ensuring continued sector growth and resilience.

- v) **Mining** sector, given Tanzania's vast mineral reserves, which include gold, diamonds, and tanzanite, alongside critical minerals such as graphite, lithium, uranium and rare earth elements. These minerals are becoming increasingly valuable in the global energy transition and technological advancements. Over the coming decades, mining is expected to be a major contributor to GDP and export earnings, driving growth in industries such as construction, manufacturing and energy. Adopting sustainable mining practices, transparent regulations and investment in technology will ensure long-term benefits. Furthermore, focusing on value addition through mineral processing and downstream industries will enhance job creation, boost export earnings, and facilitate technology transfer, thus strengthening the sector's contribution to GDP, currently standing at 9 per cent.
- vi) **The blue economy** sector, centred on the sustainable use of aquatic systems including marine and freshwater resources, will play an increasingly key role in Tanzania's growth. With its extensive coastline and lakes, Tanzania has vast potential to develop marine-based industries such as fisheries, coastal and lake tourism, marine transport and ocean-based renewable energy. These industries can generate jobs, increase revenues, and promote environmental sustainability. To unleash this potential, the country must invest in liquefied natural gas (LNG), marine conservation, sustainable fisheries and infrastructure development. Strategic initiatives in LNG, port development and hydropower expansion will form a comprehensive approach to harnessing Tanzania's blue economy potential.
- vii) **The sports and creative industry** sectors hold untapped potential for driving socio-economic growth. These sectors offer vast opportunities for economic growth, social cohesion and youth empowerment, providing diverse avenues for employment, skill development, and income generation. By 2050, Tanzania aims to become a leading cultural and sporting hub in Africa, with thriving industries in music, film, fashion and entertainment. Cultivating talent and establishing a supportive ecosystem is essential in unlocking the creative and entrepreneurial potential of the youth. Additionally, investments in infrastructure and intellectual property rights will be crucial to ensuring the sustainability and growth of these industries.
- viii) **Financial sector** will be essential in Tanzania's economic transformation by 2050. Tanzania aims to have an inclusive and efficient financial system that supports sustainable economic growth. With a growing population and increasing urbanisation, demand for banking, insurance, and investment services will rise significantly. A robust financial sector will improve access to credit, investment and savings, supporting

entrepreneurship and contributing to the formalisation of the economy. To fully realise this potential, however, policy, legal and regulatory reforms, improved digital infrastructure, and reduced lending costs are necessary.

- ix) **Service sector**, particularly in retail, hospitality and other service sectors, will play a critical role in Tanzania's development. The expanding middle class will drive demand for a diverse range of consumer goods and services, stimulating economic activities and job creation. The sector's growth will create opportunities for local businesses, enhance exports and generate substantial revenue through both domestic and international trade. To fully harness these opportunities, Tanzania must invest in infrastructure, digital platforms, and robust consumer protection regulations, ensuring a dynamic and competitive consumer market.



7. IMPLEMENTATION FRAMEWORK

To ensure the effective and smooth execution of *Dira 2050*, a strong implementation framework is needed, with a focus on clear goals and efficiency. This framework aims to eliminate inefficiency and demands responsible and dedicated leadership, along with rigorous follow-through. It emphasises practical, results-driven approaches to ensure measurable outcomes.

At the heart of this framework is a major and radical shift in mindset, one that prioritises action over words and tangible results over mere promises. Every institution, leader and stakeholder must be accountable for achieving the Vision's targets with precision and commitment. Strong institutions, effective accountability systems, and a strict focus on eliminating inefficiency will be the foundation of *Dira 2050*'s implementation.

Tanzania will not tolerate weak execution of its development plans. A well-structured governance system will ensure policy alignment, institutional strength, and seamless sectoral collaboration for efficiency. *Dira 2050* will be implemented with firm discipline, effectiveness, determination and expertise.

To reduce dependency on foreign aid, the implementation framework will prioritise strategic investment through PPPs, a strong savings culture, and efficient use of resources. Difficult but necessary decisions must be made to establish Tanzania as a self-reliant, investment-driven economy capable of sustaining its growth.

Accordingly, *Dira 2050* outlines key components needed for effective execution and lasting impact, including strategic prioritisation, phased implementation, strong institutional coordination, and data-driven systems to track progress at every stage.

7.1. Strategic Prioritisation

Given the limited resources available and the broad goals of *Dira 2050*, it is essential to set priorities. The Vision has established a structured approach to selecting key transformative sectors that will drive rapid socio-economic progress. The criteria for prioritising sectors include their potential in creating employment, increasing exports, sectoral linkages, revenue generation, and value-addition to maximise impact. This prioritisation strategy ensures a balance between rapid economic growth and long-term objectives of inclusivity, sustainability and economic resilience. Resources will be directed towards areas that deliver immediate results while maintaining long-term progress in a sustainable manner.

7.2. Phased Implementation

The implementation of *Dira 2050* will be guided by a 25-year Long-Term Perspective Plan (LTPP). This plan will serve as an overarching framework for developing annual and five-year development plans. This structured approach will ensure continuity in development efforts while adapting emerging challenges and opportunities.

7.3. Inclusive Engagement of Key Actors

For *Dira 2050* to be successfully implemented, collaboration among stakeholders will be crucial. PPPs will leverage government leadership, private sector innovation, civil society engagement and citizen participation to drive sustainable development. Strategic cooperation between policymakers, private sector, civil society, investors, and communities will align efforts towards shared national goals.

7.4. Coordination and Adaptive Oversight of Implementation

The effectiveness of *Dira 2050* depends on careful coordination and oversight to ensure strategic execution and responsiveness to challenges. The National Planning Commission (NPC) will play a pivotal role as the central coordinating body, ensuring seamless cross-sectoral integration, strategic alignment, and resource optimisation. In close collaboration with the Zanzibar Planning Commission (ZPC) and key stakeholders, the NPC will drive a unified approach to development.

To fully realise the aspirations of *Dira 2050*, it is imperative that sectoral development policies, strategies, and plans are systematically aligned with the Vision's long-term goals to promote consistency in planning and implementation, minimise duplication of efforts, and maximise developmental impact. Furthermore, political party manifestos must be anchored in the priorities of *Dira 2050* to ensure policy continuity, political accountability, and a shared national direction across political transitions. Embedding the Vision at the core of Tanzania's political, economic, and social agenda will strengthen national ownership and advance coherent and inclusive development outcomes.

7.5. Evidence-Driven Implementation and Accountability

For *Dira 2050* to achieve transformative change, evidence-driven strategies are crucial for informed decision-making, efficient resource allocation and accountability. A robust national data system, integrating sectoral and routine data will strengthen a data-driven framework. A rigorous analysis of population dynamics, economic trends, resource availability and regional disparities will shape plans and strategies.

A digital-first Monitoring, Evaluation, and Learning (MEL) framework will enable adaptive governance, ensuring proactive responses to economic shocks, climate change, and technological advancements. Evidence-driven decision-making, utilising emerging technologies such as AI, GIS, and real-time data analytics, will

enhance policy responsiveness, monitoring efficiency and resource allocation. Clear Key Performance Indicators (KPIs) will track progress. A reward and sanctions system will incentivise excellence and foster a results-driven culture.

8. FORWARD LOOKING

Building on the TDV 2025, the *Dira 2050* sets a bold and transformative path towards a prosperous, just, inclusive and self-reliant nation. Rooted in the voices of Tanzanian people and guided by the principles of equity, sustainability, resilience and innovation, it reaffirms the country's commitment to constitutional rights, human dignity, peace, unity, democracy, and optimal use and effective management of natural resources. *Dira 2050* embodies a forward-looking and developmental mindset. These enduring values will shape Tanzania's development journey, ensuring long-term well-being and prosperity for all.

Achieving *Dira 2050*'s goals requires unwavering dedication and collective action from all stakeholders, including the government, the private sector, civil society and citizens. This Vision belongs to everyone, and calls for unity and collaboration. Tanzania's youthful population and a skilled and motivated workforce with the right mindset are invaluable assets in navigating uncertainties and seizing opportunities in a rapidly evolving world shaped by technological advancements and demographic shifts. By unlocking the potential of women and youth, the majority of the population, the Vision will drive inclusive growth and transformative socio-economic progress.

As a living document, *Dira 2050* is designed to adapt to future challenges and opportunities. Strong PPPs will be crucial in unlocking the nation's full potential through collaboration and investment. Tanzania will achieve its ambitious goals through a shared purpose, strategic prioritisation, and rigorous accountability. This Vision inspires hope for a future where prosperity, equity and sustainability shape a thriving and united society for generations to come.



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