

Second Business Roundtable with the Government of Tanzania

Implementing effective policy during the slowdown

November 5th-6th 2009, Kempinski, Dar es Salaam

Programme

Chairman: Richard Cockett, Africa Editor, The Economist

Tanzania is facing a difficult period of change. The global crisis has deflated credit markets and reduced levels of foreign direct investment and other capital inflows. At the same time, the government's drive to liberalise the economy is being undermined by lack of progress at grass roots level. Major challenges remain in developing core infrastructure, implementing government policy and ensuring effective governance and accountability. Will the global recession encourage the government to forge ahead with initiatives to create a competitive business environment, or could we see a rolling back of reform?

Day 1

- 8.00am **Registration**
- 9.00am **Chairman's welcome**
- 9.10am **Economist Intelligence Unit briefing on the economic and business outlook for Tanzania**
- Progress in key areas since the 2008 Roundtable: has the business environment improved?
 - Is the global downturn undermining Tanzania's growth and development?
 - What is government doing to help businesses navigate through the uncertain economic environment and credit crunch?
 - Entering an election year: what will this government's legacy be?
- 9.30am **Liberalising the economy: implementing the presidential vision**
Keynote address and discussion with Jakaya Kikwete, **President**
- Tanzania is not isolated from the credit crunch and is facing clear challenges in the wake of the global downturn. The government needs to manage growth and development as international credit dries up as well as deliver on promises to liberalise the economy.
- What are the government's stimulus plans?
 - Will the downturn facilitate a market economy mindset – or roll back liberalisation?
 - Creating clear policy procedures and guidelines for business
 - Delivering on election promises: direct investment opportunities and job creation
 - Is the government winning the fight against corruption?
 - How concrete are plans for the East African Community?
 - Questions and discussion

Panelists:

Khaled Muhtadi, Managing Director, Zain Tanzania

Babatunde Fashola, Governor of Lagos State, Nigeria

Frank Braeken, Executive Vice-president North Africa, Central Africa and Middle East, Unilever

11.00am **Break**

11.30am **Business leaders' panel: cutting through red tape**
Panel discussion with senior executives

Red tape remains one of the biggest issues for business in Tanzania. The President's vision is not filtering down; decision-making and implementation at the grass roots level are frustratingly sluggish. Bureaucracy is affecting the development of infrastructure and a reliable power supply – both crucial for business operations in Tanzania.

- Incentivising investors: making it easier to set up operations in Tanzania
- How will the government create a more reliable and cost-efficient energy supply?
- Checking the exclusive powers of the Tanzania Revenue Authority
- Have policies to reduce bureaucracy paid off? How successful is the Tanzanian Investment Centre in making the investment process simpler?
- Developing a skilled labour force
- Overhauling systematic failure in the judicial system
- What business wants from government: the top 10 for 2010
- Questions and discussion

Panellists:

*Alfonse Kioko, Chief Executive Officer, **Precisionair***

1.00pm Lunch

2.30pm **Prioritising policies in the wake of the credit crunch**

Off-the-record discussion with **Mustapha Mkulo, Minister of Finance, Planning, Economy and Empowerment**

With external assistance and FDI falling, and credit markets still sluggish, the government faces critical decisions on how to maintain the economic gains of the past decade.

- What measures are being taken to tackle corporate funding issues?
- Has there been progress in consolidating the banking sector?
- Which way for interest rates? Should Tanzania be following the Western model of lowering rates?
- Changing financial regulation to encourage interbank lending
- Accounting for all the money: how can transparency be increased and measured?
- Questions and discussion

Panellist:

*Nehemiah Kyando Mchechu, Chief Executive Officer, **Commercial Bank of Africa, Tanzania***

*Admassu Tadesse, Executive Vice-president International Division, **DBSA***

3.30pm Break

4.00pm **Meeting the infrastructure challenge**
Off-the-record discussion with **Shukuru Kawambwa, Minister of Infrastructure and Raphael Mollel, Chairman, Tanzania Port Authority**

Poor infrastructure continues to undermine economic development in Tanzania. Inefficient ports, bad roads and railways, and unreliable energy supplies raise operating costs and cause delays for businesses. What are the authorities doing to address these problems? This discussion will also follow up on specific issues raised at Economist Conferences' 2008 Roundtable.

- How effective is the government's drive to improve infrastructure?
- Has the waiting time for getting goods through Dar es Salaam Port been reduced?
- Matching demand: what investments are being made in the energy sector?
- Is the global crisis setting back infrastructure development?
- Will growing trade within the East African Community benefit infrastructure?

Panellist:

Brian Herlihy, Chief Executive Officer, Seacom

5.00pm **Day one closing remarks from the chairman**

Day 2

8.30am Late registration

9.00am **Chairman's welcome and summary of Day 1**

9.05am **Building competitive commercial hubs: a dialogue between East and West Africa**

Off-the-record conversation with **Adam Kimbisa, Mayor of Dar es Salaam, and Babatunde Fashola, Governor of Lagos State, Nigeria**

9.50am **A green revolution for Tanzania: real prospects for the agriculture sector**

Off-the-record discussion with Stephen Wassira, **Minister of Agriculture, Food Security and Cooperatives**

Over two-thirds of Tanzanians are dependent upon farming, generating some 40% of GDP. Will investment turn agriculture into a growth engine for Tanzania – or will the sector continue to undermine the country's overall economic growth?

- Increasing competitiveness in agriculture: progress and prospects
- Does the government have a clear agricultural policy which can be effectively implemented?
- Refinancing projects as international lending dries up: sisal, cotton, sugar
- Reducing the cost of operations: is it possible to use existing infrastructure more effectively?
- Are local banks fulfilling local financing needs? What are the challenges?
- How serious are prospects for a green revolution?
- Questions and discussion

Panellist:

Andy Watt, Head, Syngenta East Africa

10.50am Break

11.20am Natural resources: profiteering or development?

Off-the-record discussion with **William Ngeleja, Minister of Energy and Mineral Resources**

Tanzania should not be a poor country. Bad management, graft and slow decision-making have prevented it from benefiting fully from its natural resources. Recent finds in the oil and gas sector provide clear examples of how inefficient government creates bottlenecks and stops progress.

- What are the government's plans to commercialise gas finds?
- What are the obstacles faced by exploration companies?
- Will gas finds help meet Tanzania's power needs?
- Reviewing mining sector legislation: outcomes and benefits for investors
- Will accusations of exploitation stop foreign energy companies investing in Tanzania?
- Questions and discussion

Panellist:

*Christopher Ford, **Managing Director, Songas***

12.20pm Chairman's closing remarks

12.30pm Farewell lunch