



THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF WORKS, TRANSPORT
AND COMMUNICATION
TANZANIA COMMUNICATIONS
REGULATORY AUTHORITY



ISO 9001:2015 CERTIFIED

TCRA RESPONSE TO QUESTIONS ASKED BY ONE PROSPECTIVE
APPLICANT FOR QUALIFICATION ON ESTABLISHMENT AND
OPERATION OF SMART PHONE ASSEMBLING FACTORY UNDER PUBLIC
PRIVATE PARTNERSHIP (PPP) ARRANGEMENTS
(TENDER NO. NO AE020/HQ/2020-21/PPP/01)

No	Question/Enquiry	TCRA Response
1	Clear plan for increase duty for import CBU(Complete Built Unit) no lower than 20%, while put 0% duty for SKD(Semi Knock Down), with a duty gap no less than 20% will be important to make made in Tanzania competetive from economical point of view.	Noted, further consultation will be done with relevant authorities
2	Threat from cross border sales through connecting countries: Kenya-DRC-Zambia-Mozambique/Malawi-Uganda-Rwanda and etc with "0" or low duty in these countries.	The Government has no intention to ban importation of smart phones into the country. However, it protects local manufacturing through taxation, control of smuggling and other measures.
3	Other policy to protect foreign investment on local manufacturing	
	a) Land: Any subsidize policy on land?	Generally, there is no subsidized policy on land for foreign investment but the Government can facilitate availability of Land to investors. For this particular project, the Government through TCRA has Land ready available for the project at Plot No. 413 Block 'A', Nyamhongolo Ward, Ilemela Municipality, Mwanza Region, Tanzania. The land measures 21,493 sq m2.

	b) Infrastructure: Electric-Highway-Harbour-Customs Clearance	Harbour or Custom clearances have been improved quite significantly during the current 5 th Government. There are no incentives on infrastructure but special attention can be considered for strategic investments
	c) Taxation Benefits: Company Tax-Profit Tax- VAT-Duty(CBU vs SKD)	Currently there is no company tax or profit tax benefits granted to investors. However, further consultation will be done with relevant authorities
	d) Foreign currency: USD/CNY access in Tanzania	Foreign currency exchange (USD/CNY) is available in Tanzania instantly through private Bureau de change and Commercial banks. However, you may be required to give prior notice for exchanging big amount
4	Suggested Local Partners on this PPP project.	The Government is encouraging foreign investors to have local partner in the project. That is why it is provided in the Request for Qualification document that a margin of preference of 10% shall be given for (having) a local PPP investor. We have no objection to the local partner you suggested
5	Incentive or benefits for local manufacturing: on Common Market's policy.	There is incentive or benefit for local manufacturer to access EAC and SADC markets free of duty. This is based on value addition i.e. at least 30% for East African Community Market and 45% for SADC

DIRECTOR GENERAL

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