

Sources of information (access sources by clicking blue links)

Tanzania

[Tanzania Country Report \(FINPRO\)](#)
[Tanzania Country Update \(Rabobank\)](#)
[Country Transformation Level \(BTI Group\)](#)
[Economic Outlook – Tanzania \(AfDB, UN, OECD\)](#)
[Country Risk Classification \(Finnvera\)](#)
[Doing Business in Tanzania \(World Bank\)](#)
[Finnish Embassy in Tanzania, Dar es Salaam](#)
[Tanzania Chamber of Commerce, Industry & Agriculture](#)
[Ministry of Community Development](#)
[Tanzania Government](#)
[Tanzania National Business Council](#)

Energy sector

[IEA Energy Balances](#)
[Energy Profile Tanzania - Clean Energy Info Portal](#)
[IRENA – Tanzania Renewable Energy Country Profile](#)
[Tanzania: Energy Resources](#)
[The Ministry of Energy and Minerals](#)
[The Ministry of Industries and Trade](#)
[Rural Energy Agency \(REA\)](#)
[The Energy and Water Utilities Regulatory Authority \(EWURA\)](#)
[The National Energy Policy \(2003\)](#)
[The Rural Energy Act \(2005\)](#)
[Country Energy Information - Tanzania](#)
[Renewable Energy Technologies in Tanzania](#)
[Visions, Scenarios and Action Plans towards Next Generation Tanzania Power System](#)

Projects

[Tanzania Programs \(Open Energy Info\)](#)

Connect

Co-creation of network modes for market entry in developing countries – Finnish renewable energy SME's

Homepage: <http://www.laurea.fi/en/connect/>

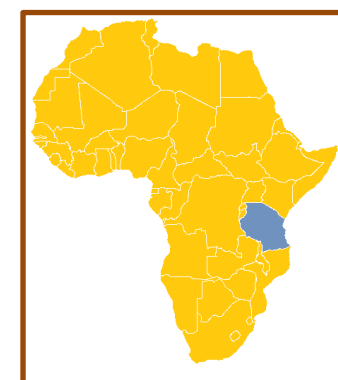
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TANZANIA & RENEWABLE ENERGY

Country at-a-glance



United Republic of Tanzania

Independence	1961 from UK 1964 Tanganyika & Zanzibar merged
Area	947 300 km ² ; 26 regions
Population	46,22 million (2011); Growth: 3 % (2011) Density: 49 people/km ² (2010)
Language	Official: English, Swahili Other: Arabic, many local languages
Literacy rate	73 % (2010 est.)
Sectors (% of GDP)	27 % agriculture, 27 % industry, 46 % services
Major cities	Dodoma - capital Dar es Salaam (3,2 mil), Mwanza (1,2 mil)

Source: World Bank, CIA, Rabobank

Business Environment

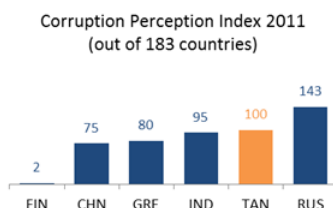
GDP (current US\$): 23,71 billion (2011)	One of the poorest countries in terms of GDP
GNI per capita (PPP): \$1 510 (2011)	High inflation rate (12 %); rising food prices
GDP growth (annual): 6 % (2011)	Almost 40 % of population is living in poverty
Agriculture employing 80 % of population	Over 40 % of higher education inst. in the capital

Source: World Bank, CIA, Rabobank

- Despite the broad political stability, anti-government sentiment is mounting, fuelled by a high unemployment rate as well as public discontent with rising inflation, a weak shilling, power cuts and authorities' oppressing methods. Political tensions are increasing since the opposition is pushing for constitutional reforms. Political risks are now considerable.
- Real GDP growth is expected to slow as electricity shortages and poor rains restrict overall output. Poor energy and transport infrastructure will keep growth below potential. Tanzania has a poor infrastructure, with just 10% of the population having access to electricity.
- Gold production has been growing significantly in the past decade. Tanzania is Africa's third largest gold producer after South Africa and Ghana.

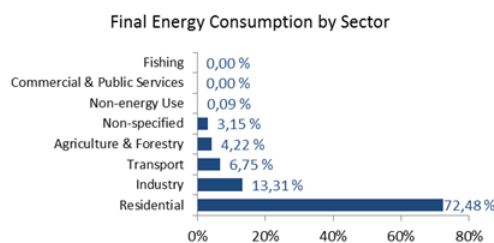
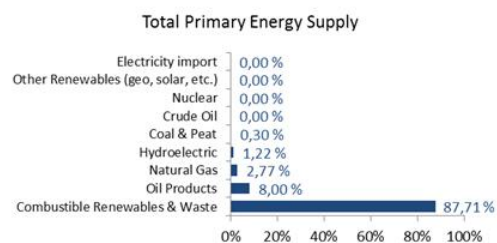
Tanzania and Finland

- Finland and Tanzania have long-standing relations in development cooperation, but trade happens on a very small scale. Bilateral development cooperation has many projects in forestry related issues so investment opportunities could be found via these connections, even though the sector is small in Tanzania. There is also some cooperation in ICT and energy.



State of Energy sector (supply/demand)

Major sources of commercial energy in Tanzania are petroleum, hydropower and coal. 90 % of population use traditional solid fuels in residential sector. 14 % of the population had access to electricity in 2009. Only 2% of rural people and 39% of urban people have access to electricity. Especially northern and southern areas lack easy grid access. Power cuts are common due to low water levels in the hydro-electric dams. Energy import is only 8 % of energy consumption in Tanzania consisting mainly of oil import.



Renewable energy in Tanzania

Electricity generation (2009)

Hydroelectric	2 756 mil. kWh	Solar, Tide and Wave	0
Geothermal	0	Biomass and Waste	0
Wind	0		0

Source: US Energy Information Administration

Renewable Energy Policy

The National Energy Policy (2003) focusses on market mechanisms and means to reach the objective, and achieve an efficient energy sector with a balance between national and commercial interests. The overall aim of the policy is to:

- have affordable and reliable energy supplies in the whole country
- reform the market for energy services to facilitate investment - Tanzania approved feed-in Tariffs for renewables in 2009
- enhance the development and utilization of indigenous and renewable energy sources and technologies
- adequately take into account environmental considerations for all energy activities
- increase energy efficiency and conservation in all sectors
- increase energy education and build gender-balanced capacity in energy planning, implementation and monitoring

The 2009 Electricity Act opened the Tanzanian electricity sector for private companies and ended 40 year monopoly held by TANESCO in the national power sector. Independent power producers (IPP) penetration so far has been limited, but is steadily increasing.

The Rural Energy Act of 2005 established the Rural Energy Board, Fund and Agency responsible for promotion of improved access to modern energy in rural areas.

Renewable energy resources

Solar energy:

Potential for solar PV technology is good with an average daily solar insolation of 4.6 kWh/m².

Wind energy:

Tanzania has large areas with average wind speeds of 5-7m/s. There is, therefore, a technical potential for electricity generation from wind energy. There are about 7 potential wind sites located for electricity generation.

Biomass energy:

Crop residues are available for use as fuel. The estimated theoretical co-generation potential in Tanzania is over 395 MW. Currently, the country has an installed capacity of 33 MW.

Geothermal energy: Rift Valley is potential area for geothermal exploitation. At least 15 thermal areas with hot spring activity occur in Tanzania. Potential geothermal sites could contribute up to 650 MW to the country's energy mix, however the potential is still under investigation, and geothermal power is still a long-term option for the country.

Hydropower:

With hydroelectric power potential estimated to be 3,800 MW, of which only roughly 382 MW has been exploited, Tanzania has a high potential for investment in its hydropower sector.