

# Business Leaders Perception Da Water adds on

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A NEW business perceptions report has decried erratic power, poor roads, corruption, unreliable water supply, multiple taxes and finance as the country's leading business impediments.

The "Business leader perceptions of the investment climate in Tanzania - 2011" was released in Dar es Salaam yesterday, highlighting water as a new problem joining the common list. Water, usually perceived as a common resource, has become a priority of businesses.

The survey reveals that the factors that impede business growth in order of severity are power, roads, corruption and water.

Business leaders and government officials have welcomed the report findings, expressing optimism to address the issues in the 2012/2013 financial year.

The 2012/13 fiscal budget, according to the Minister of Finance and Economic Affairs,

Dr William Mginwa, focuses on creating conducive environment for business in the country.

Dr Mginwa said in this year's priorities, the government has set aside 4.5trn/- as capital investments in energy, roads, water and infrastructure to stimulate the economy.

In the report, business leaders were asked about enabling environment factors that are important to their business, factors that make it difficult to do business, non-tariff barriers that are relevant to their business, non-tariff barriers that cause problems for their business and their perception of whether and, if so, how, the government addresses each factor.

Power came out as the biggest problem with roads coming second.

Corruption, which had fallen in 2010, is back while water which was not cited as a particular problem until 2010 is seemingly becoming a serious problem. Access to finance has dropped, though it gives no justification for policy makers

to become complacent.

Investment and Empowerment State minister Mary Nagu welcomed the findings, saying one of the greatest challenges that most potential businesspersons encounter in their quest to set up businesses is inaccessibility to credit facilities.

"We have prioritised the highlighted areas, but financial institutions should also broaden their reach in giving out credits to our brave entrepreneurs," she said

University of Dar es salaam economist Dr Lenny Kasonga praised the findings noting that it was prudent for 2012/2013 to focus on the areas highlighted as impediments to business growth.

"We don't exactly have the best roads and if roads and communication structures are in place, they can cut down on the cost of operations," he said, adding, "We should engage the private sector and our government to remove the barriers to provide good climate for business."

## Investors rush for treasury bills