

Business

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Arusha more business friendly

● Power, roads, corruption and water main investment

By Guardian Reporter

THE fourth annual report of a survey of business leaders in Tanzania has revealed that power, roads, corruption and water continue to be barriers to business in the country.

The report entitled 'Business Leader Perceptions of the Investment Climate in Tanzania'-2011 (BLPICT), indicates that Arusha is more business friendly than the country's de facto commercial capital, Dar es Salaam.

The report said power has consistently been the biggest problem followed by roads, while corruption, which had fallen in 2010, appeared to rear its ugly

head once again.

According to the report, commissioned by BEST AC, which is expected to be released today, water which was not cited as a particular problem until 2010 has now seemingly worsened while access to finance has eased a bit.

The majority of respondents - at least 75 per cent considered water, power and roads as important elements in doing business, while another 95 per cent added telecoms and security to the list as important factors of a better business environment in the country.

The findings highlighted Non Tariff Barriers (NTBs) which make business difficult in Arusha and Dar es Salaam as quality and export, weighbridges, police roadblocks, immigration and

customs procedures.

The report however noted that while NTBs may only affect a small number of businesses, they can prove to be a headache for them and create a knock-on effect.

It said the barriers can be those which impede road distribution or add to the bureaucracy of exporting.

The report noted differences in perceptions between Arusha and Dar es Salaam, where by the general business environment in Dar appeared the most problematic compared to the one in Arusha.

The report indicated Arusha to have more problems such as immigration procedures which complicate business in the region, but was optimistic that they could be solved.

The report also said that while the government was making a difference in some factors, there were still some factors that the government had to address to make business hurdles less.

On power provision, the report said there was a clear belief that making no effort to improve power supply had been little change related to corruption views that the government was making little effort to improve.

The results of the survey showed that perceptions of the investment climate have not changed much from 2009 to 2011, according to the annual assessment of the Doing Business Index.

It said while the government had suggested that power

Call to fast-track launch of commodity exchange

By Felix Andrew

THE government has been urged to fast track establishment of the long awaited Tanzania commodity exchange which would benefit farmers and improve the country's economy.

Speaking to The Guardian

percent of the GDP and 75 percent of the rural livelihood's income.

The agricultural sector contributes 30 percent of the total exports and 65 percent of the raw materials requirements for the country.

He added that the exchange provides three basic functions namely price discovery, price transparency and price

