

Private sector censure govt over how it reacts to challenges they face

By Lydia Shekighenda

BUSINESSES in the country have challenged the government's responses on the adverse reports relating to doing business saying they often result in minimal and short-lived improvement.

The challenge was made in Dar es Salaam at the weekend by Confederation of Tanzania Industries (CTI) executive director Christine Kilindu at the launch of the Business Leaders' Perceptions Report and awarding of cartoon winners whose works have been used in the report.

The report commissioned by BEST-AC pointed out to the difficulty of doing business, highlighting power, roads, water and corruption as hindrances to easing doing business, among other challenges.

"What we in the private sector have observed is that whenever adverse reports are sighted, the government forms teams (committees and task forces) to propose improvement measures. Unfortunately, after a while, the teams disappear and it is business as usual, little change is made. Actual improvement on the ground is minimal and short-lived," Kilindu said.

Kilindu cited the National Steering Committee on the Implementation of the Roadmap for Improving the Investment and Business Environment in Tanzania that was established in 2010 as the case in point.

She said at the beginning, the Committee which comprised very senior government officials made a number of decisions that led to some improvements, particularly at the Dar es Salaam port. In October 2011, some private sector associations, including CTI and TCT were co-opted into the committee, she added.

"What the private sector observed was that reports submitted to the Steering Committee differed substantially from what the businesses were experiencing," she said.

She added: "We pointed out what the reality on the ground was and we were all upbeat about our involvement. Unfortunately, we have not been invited to subsequent meetings, if any have been convened."

Delays at the port of Dar es Salaam have returned such that some shipping lines are avoiding the port altogether while others are imposing extra charges for calling, she said.

The private sector needs to be serviced by sound economic infrastructure in order to do business efficiently at affordable cost and contribute to wealth creation, she said.

Such infrastructure includes reliable power, all weather roads and sufficient water, adding that an enabling legal and regulatory framework was also essential. Kilindu said.

She urged for more public and private sector involvement and investment

in the development of power, water and transport infrastructure, saying that although there were ongoing projects, there was still a long way to go and the pace was slow.

She however noted that businesses grow and develop if they are governed and monitored by an enabling legal and regulatory framework.

The lack of strict enforcement of properly established laws and regulations accounts for a lot of corruption in Tanzania, she pointed out.

"There is too much discretion for influential and powerful people to get exemptions (protection) from the law that are granted by high people in office, usually politicians and very senior civil servants," Kilindu said.

Politicians and civil servants have too much power to flout the law. The practice is rampant in Tanzania and is contributing to huge losses of government revenue.

She said the practice causes injustice because it shields latent common criminals. Not only that, corruption is a cost to businesses and brings about a distorted playing field that is tilted in favour of those who benefit from such malpractices.

Among the cartoonists who were awarded was Abdul Kingo of The Guardian Limited, who emerged the overall winner and his cartoon was printed on the front cover of the Business Leaders' Perceptions Report.



Hajj campaign in which two ar es Salaam at the weekend. Muslim Council of Tanzania

o Mecca

NBC has facilitated for the hment of Islamic banking s. Islamic banks charge no on borrowing. The bank has successful 45 year run, two of offering Islamic Banking s to its customers.

campaign has been in effect ly 5th and will culminate in a raw to select the winners on the September later this year.

District

se their locally made es..." he urged.

encouraged other government and private organisations to suit and support youth ment programmes.

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