Tanzania and the EU

An overview of relations between Tanzania and the European Union

The United Republic of Tanzania and the European Union (EU) have a long standing partnership aimed at promoting sustainable and inclusive development of the country. Political and sectoral policy dialogues underpin development assistance and provide venues for discussing respective policy priorities and reform agendas.

EU-Tanzania relations have evolved around historical links and decades-long traditions of development cooperation, but are dynamically expanding into areas of trade and investment, as well as in the regional political and security agenda. Peace and stability along the shores of the Indian Ocean and in the African Great Lakes region are shared foreign policy priorities.

The EU's main objectives concerning Tanzania are:

- To support Tanzania's further political and social democratisation;
- To advocate a pro-poor growth agenda and better economic governance and business climate;
- To encourage Tanzania's continued involvement in regional economic integration processes as well as political and security initiatives that contribute to the consolidation of peace and democracy in the region.

The National Indicative Programme agreed between the EU and Tanzania for the 2014-2020 period foresees funding worth EUR 606 million supporting good governance and development, energy and sustainable agriculture, with an additional EUR 5 million allocated to gender.

- Partnership in Action: 40 years of Partnership between EU and Tanzania

EU Relations with the East African Community (EAC)

The Delegation of the European Union to Tanzania is also accredited to represent the EU in the East African Community (EAC). The EAC is a regional intergovernmental organisation composed of Burundi (2007), Kenya (2000), Rwanda (2007), South Sudan (2016), Tanzania (2000) and Uganda (2000) with headquarters in Arusha, Tanzania. It is one of eight regional economic communities recognised by the African Union (AU) as building blocks of the envisaged African Economic Community, and the only one pursuing the ultimate goal of political federation. The first regional integration milestone was laid in 2005 with the establishment of a Customs Union. This was followed by the creation of a Common Market in 2010 and the East African Monetary Union Protocol in 2013.
EAC-EU relationship has a long history dated back to the 1969 Arusha Agreement between Tanzania, Uganda, Kenya and the EU. It is in keeping with its commitment to support the forging of greater regional integration on the African continent that the EU is now cooperating closely with the EAC. An Economic Partnership Agreement (EPA) was agreed between the EU and the EAC in October 2015 and is open to signature and ratification.

- **EU-EAC Trade Cooperation**

**Political relations**

The United Republic of Tanzania is located in East Africa, borders on the Indian Ocean and has land borders with eight countries. Tanzania was born from the unification of Tanganyika, which is on the mainland, and Republic of Zanzibar, in the isles, in 1964. The country has attained a high recognition in the continent during the decolonization period, when its first president, Julius Nyerere played an important role in the Pan-African Movement.

“Tanzania and European countries have had historical relations for the past centuries. It was not until 4th December, 1975, Tanzania and the European Union (European Commission at the time) entered into a cooperation agreement. Ever since, the relations between Tanzania and the European Union have grown from strength to strength,” H.E. Jakaya Kikwete, Former President of Tanzania (2005-2015).

Cooperation between Tanzania and the EU is legally underpinned by the [Cotonou Agreement](#) (2000-2020). This agreement between African, Caribbean and Pacific (ACP) states and the EU has three pillars: political dialogue, development cooperation and trade. Since 2007, cooperation and political dialogue between Africa and the EU have also been governed by the [Joint Africa-EU Strategy](#).

In keeping with Tanzania’s own development agenda, EU-Tanzania cooperation has three main objectives: to reduce poverty, promote sustainable development and support integration of the ACP countries into the world economy. At the same time, the main principles of the partnership are shared values (respect of human rights, good governance and the rule of law), equality of partners, ownership of local development processes and participative approaches.

**Human Rights**

The EU is strongly committed to the promotion and protection of human rights in its work with partner countries. Tanzania complies with most international human rights conventions and formal democracy standards. However, in recent years concerns about respect of human rights have grown, notably regarding freedom of expression, political space, civil society and LGBTI's rights. EU and its Member States have a joined-up approach in Tanzania that aims at combining dialogue, advocacy and technical interventions within three focus areas: i) support to a more inclusive political system with particular attention to women and to freedom of expression; ii) increased and improved accountability and fight against corruption; and iii) promotion of peace and political stability.

One of the ways in which the EU supports human rights in Tanzania is through launch of local calls for proposals under the European Instrument for Democracy and Human Rights (EIDHR). These specifically take into account human rights priorities in Tanzania, which are defined together with local civil society. In 2018, four projects of an overall funding of EUR 2.2 million focus on reinforcing the capacity of civil society to promote human rights and protect vulnerable groups from harmful
practices and support the fight against gender-based violence (female genital mutilation and child marriage), women empowerment and children's rights. The EU furthermore supports Human Right Defenders and provides small grants for legal support and protection through the Emergency Facility of the EIDHR.

- EU Guidelines on Human Rights Defenders
- EU Engagement with HRDs in Tanzania

**Engagement with Civil Society**

Civil society has always been a major focus of attention and recipient of EU aid in Tanzania. The EU Delegation interacts regularly with a variety of civil society actors. Various supports have been undertaken by the EU to support Civil Society Organisations (CSOs). This includes promoting dialogue with the government, providing direct support to civil society actors and promoting an open dialogue with civil society.

In 2014, the EU launched the “EU Country Roadmap for Engagement with Civil Society”. Within this context, the needs and priorities of CSOs, development partners, in particular EU Member States, as well as the government were assessed. The Roadmap has provided a strategic framework for EU engagement with civil society in Tanzania over the period 2014-2017 and will be updated in 2018.

Besides the support to CSOs provided at sectoral level in agriculture, energy and environment, in 2018, nine projects of an overall funding of EUR 7.7 million focus on enhancing CSO's contribution to accountability and fight against corruption, promoting inclusive participation of women and youth in political system, as well as youth and women economic empowerment. Additional EUR 460.000 have been allocated to support civil society organisations in Zanzibar.

- EU Country Roadmap for Engagement with Civil Society 2014-2017
- EU Engagement with Civil Society in Tanzania

**Development Cooperation**

Over the past 40 years, Tanzania has received more than EUR 3 billion to implement an extensive range of projects and programmes. These all have one overarching aim: to reduce poverty; be it through improving roads, provision of energy services, agricultural development, healthcare and sanitation, community education or good governance.

Most of EU funding to Tanzania originates from the European Development Fund (EDF). The EDF is financed by EU Member States and supports cooperation activities in the fields of economic, social and human development, as well as regional cooperation and integration. The total financial resources of the 11th EDF worldwide amount to EUR 30.5 billion for 2014-2020.

According to the 11th EDF National Indicative Programme (NIP) for Tanzania (EUR 611), the EU will promote pro-poor, inclusive and sustainable growth, in line with the EU Agenda for Change and with the country national development strategies. The NIP is focused on three sectors: good governance and development, energy, and sustainable agriculture.
European Union Support to Tanzania

Good Governance and Development

The EU promotes good governance through interventions in areas as diverse as the rule of law, democratisation, public finance management, transparency of extractive industries, human rights and capacity development of civil society organisations. In all interventions, particular attention is paid to the promotion of gender equality and women empowerment, as well as child-rights.

The EU supports the Government's reforms and systems in public finance management, including domestic revenue mobilisation, the national budget process, and expenditure management. Dedicated technical assistance is provided to the oversight institutions, such as the internal auditor general, the controller auditor general and certain parliamentary committees.

Furthermore, the EU has a long-standing tradition in supporting credible, transparent and inclusive elections in Tanzania and is also actively promoting legal sector reforms and capacity development, as well as policy and regulatory reforms for civil society organisations in Zanzibar.

Energy

For almost a decade now, the EU has joined forces with Tanzania to improve people's access to energy. It has promoted the introduction of innovative approaches for decentralized solutions to energy supply based on renewable sources, as well as grid development and new connections in rural areas. Support has also entailed activities to strengthen capacities of key stakeholders in the sector, in rural electrification planning and policy, as well as regulatory reforms. The EU is scaling up its engagement under the 11th EDF with a focus on broader energy sector reforms, energy efficiency and renewable energy, and access to electricity in rural areas.

EU's support to energy efficiency will ensure access to affordable, reliable, and modern energy by improving efficiency supply and consumption of energy. Likewise, it will make the sector more sustainable, gender inclusive and climate smart by strengthening the legal, regulatory and institutional framework. Rural electrification is promoted by supporting the Rural Energy Agency to improve access to reliable electricity through the extension of the transmission and distribution network.

Investment in electricity needs to be prioritised by focusing on its economic benefits and its potential to create jobs. Most energy projects that have received EU grant funding, such as small scale hydro power projects in the Southern Highlands or solar-hybrid mini-grids in Lake Victoria, aim to spur productive use of energy for job creation. Job creation is also promoted, particularly among women, through capacity building and training of professional Energy Auditors and Energy Management Specialists.

Access to modern cooking solutions is another area that receives support under the 11th EDF. While there is a significant market in Tanzania, dissemination is hampered by policy and market challenges including low affordability and lack of potential investors for establishing and up-scaling sustainable cooking fuel and improved cook stoves production. There is a need to demonstrate that through cross sectoral cooperation, private sector engagement and marketing of clean cooking technologies, measurable results can be achieved and dependency on charcoal reduced. The new programme will be complemented by sustainable forest management.

Sustainable Agriculture

The agriculture sector in Tanzania is the key driver for poverty eradication, sustainable development
and employment generation. Agriculture is characterised by smallholder farming and has a high potential for further expansion in production, local value addition and export. Also, changing demographics will imply a surge in food demand and need for economies of scale in production and value chain, with implications for the job market. Firstly, 70% of the population depends on agriculture for livelihood and as primary source of income. Secondly, agriculture provides 30% of total exports and 65% of raw materials for Tanzanian industries. The private sector is gradually investing in production, storage, processing, distribution and retailing.

The EU is a longstanding partner of Tanzania in sustainable agriculture, food and nutrition security. Cooperation over the last decade has focused on key commodities which offer opportunities for pro-poor trade at national, regional and continental level. The sector has been supported by the EU through several programmes and instruments, such as the “Trade and Agriculture Support Programme I and II”, the “Southern Agricultural Growth Corridor of Tanzania” (SAGCOT) initiative, the “EU Global Climate Change Alliance” initiative and the “Accompanying Measures for Sugar Protocol”.

Sustainable agriculture features as one of the three focal sectors of intervention in the current 11th EDF, with an indicative envelope of EUR 140 million. Within this framework, the EU supports development of different value chains, the commercial aquaculture sector in Lake Victoria and ways to tackle malnutrition. The National Bureau of Statistics also receives support (through the World Bank) to carry out the National Agriculture Sample Census, along with National Panel Surveys and Integrated Labour Force Survey.

In addition, the major new programme "Agri-Connect: Supporting value chains for shared prosperity" (EUR 100 million) will start in 2018. It will focus on tea, coffee and horticultural value chains. Its objective is to contribute to inclusive economic growth, increase food and nutrition security and promote private sector development and job creation in the agricultural sector and to in Tanzania.

The Regional Programme EU-EAC Market Access Upgrade Programme (MARKUP), implemented in Burundi, Kenya, Rwanda, Tanzania, Uganda, targets the same value chains from a regional perspective addressing both supply side and market access constraints, focusing mainly on the steps post-harvest to export, covering quality assurance and certification - including on voluntary sustainability standards, value addition, trade facilitation and business promotion.

**Climate Change and Environment**

Tanzania is highly vulnerable to the impacts of climate change, with - according to the new Agriculture Sector Development Plan II - 75-80% of the population relying on agriculture for their livelihoods, mostly rain-fed and hence climate sensitive. Strengthening resilience is therefore crucial to ensuring sustainable socio-economic development and food and nutrition security.

A major vehicle to support climate change actions is “Global Climate Change Alliance” (GCCA) programme, established by the EU in 2007 to strengthen dialogue and cooperation on adaptation and mitigation, with emphasis on emission reduction from deforestation and forest degradation and disaster risk reduction. The GCCA started its work in four pilot countries, including Tanzania, and has evolved today into a EUR 300 million programme implemented in 38 countries.

The EU promotes climate action through a wide range of initiatives, from policy and institutional development to community-based projects. This includes promoting innovative approaches in agriculture, livestock, water, energy and natural resource management in selected villages, such as agroforestry, rainwater harvesting, and fuel-efficient cooking stoves.

The EU has been at the forefront of wildlife conservation and in the fight against illegal wildlife trade,
both domestically and globally, over the past decade. Since 2001, the EU has been the main financial supporter of Monitoring the Illegal Killing of Elephants (MIKE) Programme, which in Tanzania has worked in four sites: Selous/Mikumi, Ruaha/Rungwa, Katavi/Rukwa, Tarangire/Manyara.

EU is further working on decentralised and community-based natural resource management for wildlife, forest and marine ecosystems. Through a range of initiatives, the EU supports two Wildlife Management Areas (WMAs) in Western Serengeti and two in Kilombero and Lower Rufiji wetlands, participatory forest management in Kilimanjaro, Manyara and Morogoro regions and fisheries co-management in the coastal belt from Dar es Salaam to Mtwara.

**Infrastructure**

The EU is a key partner in providing support for Infrastructure in Tanzania, in particular in the areas of energy, water and sanitation and transport.

In energy, a focal sector under the 11th EDF, support ranges from improving rural energy access through mini-hydro projects, biogas digesters and solar systems, to the development of transmission and distribution infrastructure, along with support to the Tanzania Electricity Supply Industry Reform Strategy and Roadmap. The EU is also supporting the development of capacities and skills in the extractive sector (oil and gas) and is one of the main contributors to the Extractive Industry Transparency Initiative (T-EITI).

In the areas of water and sanitation, the main objective of the EU engagement is to help achieve access to safe drinking water and basic sanitation, while improving water governance and the management of water resources and infrastructures. The impact of these interventions has directly improved the living conditions of 8% of the population. Projects have been concentrated in Mwanza, Mbeya, Iringa, Lindi, Kigoma, Sumbawanga and Dar es Salaam, as well as in several rural areas.

In the transport sector, the EU recognises that the availability of efficient and affordable transport is a crucial condition for economic development and poverty reduction. The EU is therefore supporting the development of transport infrastructure, especially rural roads and regional transport corridors, and is strengthening the technical and institutional capacity of authorities to define and implement effective and sustainable policies and maintenance strategies.

**Trade**

The EU is an attractive market to do business with:

- 500 million consumers looking for quality goods;
- The world’s largest single market with transparent rules and regulations;
- A secure legal investment framework;
- The most open market to developing countries in the world.

Trade flows between the Eastern African Community (EAC) and the EU totals EUR 6.3 billion, exports to the EU being dominated by flowers, coffee, vegetables, fish and tobacco. The EU mainly exports machinery, chemicals and transport equipment to the EAC.

"The EU is the world’s largest exporter and importer of goods and services taken together, the largest foreign direct investor and the most important destination for foreign direct investment (FDI). This scale makes the EU the
largest trading partner of about 80 countries and the second most important partner for another 40. The EU should use this strength to benefit both its own citizens and those in other parts of the world, particularly those in the world’s poorest countries.” EU's Trade for All - Towards a more responsible trade and investment policy, 2015.

Development is a fundamental tenet of the EU trade strategy which aims to support the gradual integration of developing countries in the world economy and the multilateral trading system. Historically, the EU and Tanzania have had a strong economic relationship, including with regards to investment and trade. As a bloc, the EU is Tanzania's fourth export destination and its fifth largest trading partner. Roughly 7.3% of Tanzania’s global exports are destined for the EU's 28 Member States. According to EU statistics, total trade between the EU and Tanzania amounted to €1.6 billion in 2015 representing 8.2% of Tanzanian total trade.

**Total goods: EU Trade flows and balance, annual data 2006 - 2016**

The EU is the first source of Foreign Direct Investment. EU businesses have made very significant investments in agro processing, tourism, extractive industries, telecoms, ports and construction.

**EU Trade Helpdesk**

The EU Trade Helpdesk is an online service to facilitate market access, in particular for developing countries, to the EU. This free and user friendly online service for exporters, importers, trade associations and governments, provides information on:

- EU and Member States' import requirements and internal taxes applicable to products;
- Import tariffs and other import measures;
- EU preferential import regimes benefiting developing countries;
- Trade data for the EU and its individual Member States.
Private Sector Development

Bolstering private sector performance and improving job creation is central to the goal of achieving shared prosperity and eradicating extreme poverty in Tanzania. The Government of Tanzania recognises the role of the private sector as an actor of development in its development plans.

Tanzania's second Five Year Development Plan (FYDP II) for the period 2016/2021, targets strategic priority interventions to move Tanzania to a higher economic growth trajectory coupled with a shift from an agriculture-based to an industry-based economy through the development of agro-industry value chains. Employment creation, particularly for youth and women, is a particular crosscutting target of the FYDP II. Another objective is to ensure a conducive environment for business and enterprise development.

The EU in Tanzania has a set of programmes targeting specific value chains with a high potential of involvement with private sector in order to promote jobs for youth, improve livelihoods and generate economic growth. EU's support will ensure added value and additionality with national development strategies. Policy dialogue addressing the regulatory framework is an essential component of EU support to Tanzania's national development strategies. Interventions in energy and agriculture (from production to market access) allows EU to tackle concrete challenges in terms of business environment, sector policies, budget allocation, action plans, financial constraints and regulatory gaps. These interventions are equally in line with the European Consensus for Development and the Sustainable Development Goals (SDGs).

The EU also looks at deepening and continuing with a detailed European Economic Diplomacy (EED) agenda, which allows defining targets and milestones for a wider policy dialogue. Within this framework, the EU has partnered with the EU Business Group (EUBG), a fully independent platform for network and advocacy of the European business community operating in the country. The EUBG represents, for the EU, a new way of engagement with Tanzanian authorities and foreshadows the progressive building up of the EED. The EUBG aims at promoting and increasing business between Tanzania and the EU, to promote EU business interests in Tanzania for the benefits of its members and overall to improve the ease of doing business in Tanzania.

The EU and the European Investment Bank (EIB), which provides several credit lines to commercial banks for loans to local small and medium-sized enterprises (SMEs), are equally looking into maximizing synergies between their respective instruments in support of the private sector. This partnership is expected to expand within the framework of the European External Investment Plan (EIP).

Regional Cooperation with the EAC

The EU is a long standing partner of the EAC. This includes support to economic, political and security integration, as well as enhanced cooperation in the management of natural resources.

EU support focuses on sustainable economic development in the region through the promotion of more integrated markets, and the development of investment and productive capacities. Under the 11th EDF, the EAC Trade Related Facility (TRF) is to act as a mechanism to provide financial and
technical support to EAC Partner States and to implement EAC trade-related agreements.

The development of regional infrastructure projects is crucial to the development of a competitive regional economic integration process. Current inefficiencies in this area are being addressed by a series of actions to reduce transport costs and boost intra-African trade; reduce energy costs and increase access, ensure water and food security and increase global connectivity.

To ensure peace, security and stability in the region, the EU supports the strengthening of electoral governance mechanisms, ensuring the smooth and safe running of elections in EAC partner states and building the capacities of national judiciaries, intelligence, law enforcement and border security agencies to combat and prevent terrorism and fight cross-border/transnational crime.

To improve the quality of inland water quality in the EAC region, support under the 11th EDF focuses on construction of wastewater treatment facilities and improvement of sanitation and water supply, as well as enforcement and monitoring of regional aquaculture and water release policies.

**Humanitarian aid**

The EU's humanitarian assistance in Tanzania is part of a regional programme intended to assist refugees, returnees and asylum seekers in the Great Lakes Region. The EU continues to help refugees in camps in north-western Tanzania by providing basic needs and protection services. Since 2002, the EU has provided more than EUR 60 million for repatriation and resettlement interventions in north-western Tanzania and in neighboring Burundi.

In response to the 2015 election crisis, the EU released EUR 45.5 million in humanitarian funding to assist Burundian refugees in the region including those who have entered Tanzania (approximately 244,000 as of August 2017). Aid in the Tanzanian camps is channeled towards the construction of weather-proof shelters and classrooms, the creation of children-friendly spaces, the provision of safe water and sanitation as well as assistance to and protection of vulnerable people and those with special needs such as the elderly, single parents, survivors of sexual violence, and people with a disabilities, chronic medical conditions or albinism.

Assistance is also provided as necessary for emergencies such as flooding and out breaks of diseases.

**Documents**

[Tanzania - EU Country Roadmap for Engagement with Civil Society 2014-2017](#)
[National indicative programme Tanzania 2014-2020](#)

**See also**

The Tanzania Government Portal
European Development Fund
European Union Business Group
EU, Trade in goods with Tanzania
European Commission: Humanitarian Aid and Civil Protection in Tanzania
www.eeas.europa.eu

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