TANZANIA PRIVATE SECTOR FEDERATION

TPSF Reflections on the Presidential Dialogue between H.E. Dr. Samia Suluhu Hassan, President of the United Republic of Tanzania and the Private Sector

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Background: DIRA 2050 and the Central Role of the Private Sector

The implementation of the Tanzania Development Vision 2050, which commenced on 1 July 2026, marks a new phase in Tanzania's development journey. The Vision aims to transform Tanzania into a strong, competitive and inclusive economy by advancing productivity, industrialization, innovation and investment aspiring to be a Trillion Dollar Economy by 2050.

The Fourth Five-Year Development Plan (FYDP IV) translates this vision into measurable development outcomes over the next five years. The Plan targets achieving the nominal GDP of USD 118.052 billion, real GDP growth of 10.5 percent and per capita GDP of USD 1,638 by 2031 supported by accelerated GDP real growth in key productive sectors, including manufacturing (10.8 percent), mining (9.0 percent), construction (8.5 percent) and agriculture (10.0 percent). It also prioritizes strengthening the financial sector by expanding private sector credit to 25 percent of GDP. On the other note, The Government targets to increase the domestic revenue to GDP ratio from 14.9 percent in 2024/25 to 20 percent by 2030/31, while the tax revenue-to-GDP ratio is expected to increase from 13.1 percent to 18 percent over the same period.

Delivering these ambitions will require an estimated TZS 477 trillion in investment, of which over 70 percent (approximately TZS 334 trillion) is expected to be mobilized by the private sector. This emphasizes the central role of the private sector to drive industrial transformation, mineral value addition, agricultural commercialization, financial deepening and innovation across the economy.

Against this backdrop, the Presidential Dialogue between H.E. Dr. Samia Suluhu Hassan, the President of the United Republic of Tanzania and the Private Sector represents an important milestone in advancing the implementation of DIRA 2050. More importantly, it strengthened collaboration between the Public and Private Sectors towards achieving a strong, inclusive and competitive economy.

The Presidential Dialogue: A Milestone for DIRA 2050 Implementation

Milestone	Strategic Significance
A Joint Declaration between the Private and the Public Sector.	Establishes mutual accountability between Government and the private sector.
Launch of 4 implementation instruments namely; Long Term Perspective Plan 2026/27- 2050/51, The Fourth Five - Year Development Plan (FYDP IV0 2026/27 – 2030/31, The National Framework for Delivery and Performance Management of Development Plans and DIRA 2050 Communication Strategy	Moves DIRA 2050 from aspiration to execution.
Government commitment to improving the business environment.	Reinforces Private Sector confidence and policy predictability.
Commitment to continued dialogue.	Strengthens institutional mechanisms for policy reforms.

Private Sector Perspective: Priorities for Delivering DIRA 2050

The private sector appreciates the leadership of H.E. Dr. Samia Suluhu Hassan, President of the United Republic of Tanzania, in convening the Presidential Dialogue with the private sector. The Dialogue also highlighted priority areas requiring continued action to improve competitiveness, attract investment, enhance productivity and ensure inclusive participation in Tanzania's economic transformation.

a. Accelerating Implementation of Tax and Regulatory Reforms: While several longstanding constraints affecting the business environment were highlighted, the immediate priority is to accelerate implementation of reforms that have already been identified. In particular, implementing the 284 recommendations by the Presidential Commission on Tax Reforms aimed at modernizing the tax system, improving revenue administration and strengthening Tanzania's investment climate.
b. Creating an Enabling Environment to Mobilize Private Investment: Mobilizing TZS 334 trillion in private investment over the next five years will require reforms that improve policy predictability, reduce regulatory and compliance costs, expand access to affordable finance, strengthen logistics and trade facilitation, accelerate preparation of bankable Public–Private Partnership (PPP) projects and develop industry-relevant skills.
c. Expanding Participation of Local Enterprises in Economic Opportunities: The Dialogue also underscored the importance of broadening participation in economic opportunities. For example, approximately 2 percent of foreign contractors account for more than 70 percent of the total value of public construction contracts, highlighting the need to strengthen the capacity, competitiveness and market access of domestic contractors and other local enterprises.
d. Accelerating Digital Transformation and AI Adoption for Competitiveness: Accelerating the adoption of Artificial Intelligence (AI), digital technologies and innovation will be critical to improving productivity, reducing operational costs and enabling businesses, particularly MSMEs, to compete effectively in an increasingly digital global economy.
e. Strengthening Implementation, Monitoring and Accountability: Implementation should be supported by a robust monitoring framework. Institutionalizing regular Public–Private Dialogue (PPD) through the Tanzania National Business Council (TNBC), Ministerial Dialogues and Regional and District Business Councils, while systematically tracking progress against agreed reforms, will strengthen accountability, sustain investor confidence and ensure that commitments translate into tangible economic outcomes.

Early Quick Wins from the Presidential Dialogue

The Dialogue generated several immediate policy signals as responded by Dr. Samia Suluhu Hassan, the President of the United Republic of Tanzania that could accelerate the implementation of DIRA 2050:

i. Greater Opportunities for Local Contractors: H.E. the President indicated that recent policy reforms will increase the award of public contracts to local firms, while foreign contractors will be encouraged to enter Joint Ventures with Tanzanian companies. Local contractors should also continue strengthening their competitiveness.

ii. Private Sector Participation in Airport Infrastructure: H.E. the President encouraged the private sector to invest in airport infrastructure, signaling the Government's commitment to expanding private sector participation in strategic infrastructure under DIRA 2050.

iii. Establishment of an International Mineral Market: H.E. the President acknowledged the proposal to establish an international mineral market and said the Government would explore its feasibility as a means of expanding market access and promoting value addition in the mining sector.

Conclusion

TPSF remains committed to supporting structured dialogue, coordinating private sector priorities and working with the Government and stakeholders to create an enabling environment for investment, competitiveness and sustainable economic growth as we look into implementing DIRA 2050.