



Overall performance

Tanzania's is a global top performer in infrastructure activity. This is underpinned by the highest values of financial stability and infrastructure deals with foreign equity among Low Income Countries. To increase efficiency further for foreign and domestic investors, the Tanzanian government should seek to publish an infrastructure plan and project pipeline, as well as conduct environmental impact analysis to better balance environmental and infrastructure outcomes.

Drivers	Rank (7/6)	Rank change (2017-20)	Score (/100)	Emerging	Aspiring	Contender	Top performer	Global leader
Governance	57	↓7	47	Light Blue	Light Blue	Light Blue	Grey	Grey
Regulatory frameworks	66	↓8	48	Green	Green	Green	Grey	Grey
Permits	73	—	29	Blue	Blue	Grey	Grey	Grey
Planning	73	↓1	13	Grey	Grey	Grey	Grey	Grey
Procurement	45	↓1	72	Light Green	Light Green	Light Green	Light Green	Grey
Activity	4	↓1	71	Teal	Teal	Teal	Teal	Grey
Funding capacity	58	↑2	23	Orange	Orange	Grey	Grey	Grey
Financial markets	71	↑2	19	Yellow	Grey	Grey	Grey	Grey

Tanzania at a glance

\$1,105
GDP per capita
(USD, 2019)

56.3 million
Population
(2019)

10.6% of GDP
Infrastructure investment
(2019 estimate)

5.6% of GDP
Infrastructure gap
(2019 estimate)

44.9
Infrastructure quality
(0-100, 100 is best, 2019)

\$469 million
Private infrastructure investment
(5-year average, USD, 2019)

Top performing metrics



100/100

Infrastructure investment

At 10%, Tanzania has the third highest value of infrastructure investment as a share of GDP of all InfraCompass 2020 countries, behind only Ethiopia and Angola. It is unclear if the COVID-19 pandemic will impact these efforts.



86.5/100

Value of closed infrastructure deals with foreign equity sponsorship

Among the Low Income Countries, Tanzania has the highest value of closed infrastructure deals with foreign equity sponsorship at 0.38% of GDP. A high value may reflect favourable trade conditions and lower barriers to foreign investment. However, the COVID-19 pandemic may impact international capital flows.



82.7/100

Financial stability

Tanzania ranks among the most financially stable Low Income Countries in InfraCompass 2020. The stability of the financial system facilitates the smooth flow of funds between parties, improving the supply of capital for projects. The COVID-19 pandemic may impact this.

Opportunities to grow



No

Published project pipeline

Tanzania does not currently publish an infrastructure pipeline of projects. The addition of an infrastructure pipeline could help provide infrastructure participants with a clear indication of prospective and confirmed infrastructure activity.



No

Published infrastructure plan

Tanzania does not have a national or sub-national infrastructure plan. The addition of an infrastructure plan could highlight infrastructure challenges and opportunities for investment, as well as detail the government's planned responses.



No

Market sounding and/or assessment

According to the World Bank, there is no formal requirement for a market sounding process in the Tanzania. Adding one could allow the government to determine if there is an interest from investors and lenders to provide commercial financing for projects.

For guidance on how to improve these metrics, please see the [Tanzania Country Page](#) on the InfraCompass website.



ECONOMY OVERVIEW

GDP (\$US billion, 2019)	62.2	Population (million, 2019)	56.3	Unemployment rate (2019)	1.9%
GDP per capita (\$US, 2019)	1,105	Urbanisation ratio (2018)	34.0%	Inflation rate (2019)	3.6%
GDP growth rate (annual, 2019)	5.2%	Gross Government Debt (% of GDP, 2019)	38.0%	Digital Adoption Index (0-1 best, 2016)	0.34
GDP per capita growth rate (annual, 2019)	6.3%	Sovereign risk rating (2019)	NA	Gini coefficient (0-100 worst, 2011)	37.8

METRIC SCORES

The below metrics are normalised so that they all range from 0 to 100. For original metrics and data sources, please see <https://infracompass.github.org/>

GOVERNANCE		REGULATORY FRAMEWORKS		PERMITS	
Post-completion reviews?	Yes -	Effect of taxation on incentives to invest	32.9 ↓	Cost to start a business	18.5 ↑
Infrastructure or PPP unit/agency?	Yes -	Prevalence of foreign ownership	49.9 ↓	Dealing with construction permits	41.7 ↑
Recovery rate	20.4 ↓	Product market regulation, network sectors	35.2 [^] -	Quality of land administration	25 -
Rule of law	38.9 ↓	Regulatory (including competition) quality	37.7 ↓	Registering property	40.2 -
Shareholder governance	30 -	Strength of insolvency framework	56.2 -	Time required to start a business	34.8 ↓
Political stability and absence of violence	40.7 ↓	Investment promotion agency?	Yes -		
PLANNING		PROCUREMENT		ACTIVITY	
Published project pipeline?	No -	Average procurement duration – transaction RFP	63.6 [^] ↑	Infrastructure investment	100 ↑
Published infrastructure plan?	No -	Degree of transparency in public procurement	50 -	Private infrastructure investment	55.7 ↓
Preparation of PPPs	50 -	Published procurement guidelines?	Yes -	Value of closed PPP infrastructure deals	42.5 [^] ↓
Economic analysis assessment?	Yes -	Procurement of PPPs	68 -	Value of closed infrastructure deals with foreign equity sponsorship	86.5 ↓
Market sounding and/or assessment?	No -	PPP contract management	46 -		
Environmental impact analysis?	No -				
FUNDING CAPACITY		FINANCIAL MARKETS		Drawing on data from: International Monetary Fund, Organisation for Economic Co-operation and Development, World Bank, World Economic Forum, IJ Global, CEPIL, Oxford Economics, Trading Economics, and Deloitte.	
GDP per capita	1.4 ↑	Domestic credit to private sector	6.3 ↓		
Gross government debt	70.5 ↓	Financing through local equity market	43.8 ↑		
Long term GDP growth trend	61.6 ↑	Stocks traded	0 [^] -		
Summary credit rating	32.5 [^] ↑	Financial depth	21.8 ↑		
		Financial stability	82.7 ↓		

Metric key:

↑ Increase from InfraCompass 2017 ↓ Decrease from InfraCompass 2017 - No change from InfraCompass 2017

Note:

'Top performing metrics' are the metrics with the highest score out of 100.

'Opportunities to grow' are the metrics with the lowest weighted score out of 100. These metrics would have the greatest impact on the overall score.

[^]Denotes interpolated metric data. See Technical Appendix for further explanation on the interpolation techniques.