

Tanzania Tourism Investment Forum

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Title: Land for Tourism Development

***Presented by Hon. Gideon Cheyo, (M.P.). Minister of Lands and Human
Settlements Development***

Hosted by:

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LAND FOR TOURISM DEVELOPMENT IN TANZANIA

1. INTRODUCTION.

Tanzania Mainland has an area of 942,800 square kilometres. The land area is 881,300 sq. km and the water area is 61,500 km. The Indian Ocean coastal belt is 810 km long. Most of the country forms a plateau lying at 1020 to 1650 metres above sea level except for the Northern and Southern Mountain areas of Kilimanjaro and Poroto which have an altitude of above 2000 metres.

The country enjoys a relatively constant temperature throughout the year with the average daily maximum temperature ranging between 22 degrees centigrade in July and 28 degrees in February on the plateau, an ideal range by any standards. The temperature along the coast is also relatively constant throughout the year, but warmer with average maximum daily temperatures varying by no more than 3.5 degrees centigrade between the coolest month in July and warmest month in March.

The seasonal pattern and intensity of rainfall is divided into the wet and dry seasons. The main wet season is from March to May with a less pronounced wet period in November and December, with higher levels of rainfall along the coast. In so far as beach tourism is concerned, the sun shines for 60% of the time during daylight hours and this rises to 74% in October. Even in April, when the main rains fall, the sun shines for more than 40% of the time.

According to a Land Use Survey carried out by Government in 1994, there are eight major land use types in Tanzania, namely forests, woodlands, bushland, grassland, cultivated land, open land, water features and others. In total, forests and woodlands occupy 42.5%, cultivated land 10.6% equivalent to 10 million hectares, bushlands and grasslands occupy 38.8%

and water features 7.8%. The protected areas such as forest reserves, game reserves, national parks, conservation areas occupy 28% of the whole country and contribute significantly to the promotion of the tourism industry. The wildlife areas alone occupy 25% of the country.

The Tanzania coastal belt has an area of some 57,225 square kilometres representing about 6% of the total area. In the context of tourism the areas of most interest are those along the coast where tourism activities exist, or where the beach, marine and immediate coastal hinterland are conducive to their development.

2. **LAND TENURE AND ACQUISITION OF LAND FOR TOURISM**

2.1 **Land Tenure:**

All land in Tanzania is public land vested in the President as trustee on behalf of all citizens to be held for the use and common benefit of the people. There are granted and deemed Rights of Occupancy for the use of land. So far granted rights cover 3% of the lands, 61% is customary (village) land and 36% is for conservation and water catchment.

There is a definite term for the occupation and use of granted land. It usually ranges from 33 to 99 years, renewable. The deemed customary rights of occupancy are of indefinite period. They mostly cover village lands. Development conditions are imposed on the holders of granted lands. There are no conditions for deemed rights. The holder of a granted right of occupancy has to pay annual land rent to the Government.

The President may revoke a granted Right of Occupancy for good cause including breach of development conditions or may acquire the land in the public interest. Under the constitution land is property. Full, prompt and fair compensation is payable for bare and unexhausted improvements on acquisition or revocation. Land can be leased or mortgaged as a collateral to secure loans.

The new Land Act No. 4 of 1999 Section 20 provides that "**land for investment purposes shall be identified, gazetted and allocated to the Tanzania Investment Centre (TIC) which shall create derivative rights to the investors.** However, TIC has the primary responsibility under Section 6 of the TIC Act No. 26 of 1997 to discharge the basic function of identifying sites, estates or land together with associated facilities for purposes of investors and investment in general in consultation with Government institutions and agencies. In this context TIC shall provide, develop, construct, alter, adapt, maintain and administer investment sites, estates or land. It is the primary responsibility of TIC to provide land for investors in consultation with the respective sectoral Ministries, Local Government Authorities and Village Councils. This is a shared responsibility, but it is TIC that leads the way including the mobilization of financial and other resources to realize the objectives of the investment law.

Currently TIC in consultation with the Ministry of Lands and other sectoral Ministries like Natural Resources and Tourism, Agriculture, Local Government, Finance, Planning and Privatisation is creating a Land Bank for Investors to facilitate ready availability of land for investors on demand. With the operationalisation of the Land Bank potential investors can be granted land by TIC on the spot.

2.2 **The New Tanzania Land Acts:**

2.2.1 **Land Act No. 4 And Village land Act No. 5 of 1999:**

One of the fundamental principles of the new land Laws is that an interest in land has value and that value has to be taken into consideration in any transaction affecting that interest. Another principle is to pay full, fair and prompt compensation to any person whose right of occupancy or customary use of land is revoked or interfered with to their detriment. In assessing the amount of compensation the market

value of the real property is taken into account, loss of profits or accommodation, transport and disturbance allowances are payable and interest at market value is chargeable on delayed compensation payment. In case of land disputes on independent expeditions and fast system for the adjudication of disputes to hear and determine cases without undue delay has been established under the Land Disputes Courts and (Tribunals) Act No. 2 of 2002 at village, Ward, District and national levels. There is a Land Division of the High Court which has jurisdiction on all real property disputes whose value exceeds shs. 50 million or USD. 50,0000.

2.2.2. **Equity and Mortgages**

Citizens of Tanzania can use the value of Land in joint ventures with local entrepreneurs and foreign investors in various sectors of the economy including tourism. A Right of Occupancy, lease and sublease over land can be mortgaged to secure bank loans. Hence, potential tourism foreign investors are invited to enter into joint ventures with Tanzanians holding titles to land plots or sites to provide hotel accommodation for tourists visiting Tanzania. It is our responsibility to ensure that tourists enjoy Tanzanians unique wildlife, beaches and culture.

3. **LAND FOR TOURISM ACCOMMODATION.**

Tanzania has always provided land to build hotel accommodation for its local and foreign travelers in towns and in areas of special tourist interest, for example in and around the national parks. In the 1960's, 1970's a number of tourist hotels were built in Dar es Salaam for example, the Kilimanjaro Hotel, the New Africa Hotel, Bahari Beach Hotel, Kunduchi Beach Hotel, Africana Hotel, Lake Manyara Hotel, Mount Meru Hotel, Ngorongoro Wildlife Lodge and Crater Lodge. However, it was after the National Investment (Promotion and protection) Act No. 10 of 1990 was passed by Parliament and with the

approval of the new Tourism policy in 1990 that defined the contribution of the Tourism Sector to the social and economic development of the country in terms of employment, foreign exchange earnings, infrastructure development, cultural development and the private sector development that the Government of Tanzania set out to identify, designate, survey and allocate land for construction of hotels, resorts and camp sites to accommodate the expected influx of tourism as a result of liberalisation of the economy.

One of the objectives of the 1990 new Tourism Policy was to increase the number of foreign tourists visiting the country from 139,337 in 1987 to 500,000 by 1992 and increase the foreign exchange earnings from US\$ 31 million to 500 million over the period of five years. To achieve this it was necessary to increase the number of days of stay of tourists from 6 to 12 days. It was realized that in order to accommodate this increase of tourists the existing hotels/ resort capacity had to be expanded by building of new hotels as well as provision of new recreational, entertainment and restaurants facilities. For example, between 1990 and year 2000 more than 35 new hotel plots were surveyed and allocated in Dar es Salaam alone.

3.1. **Provision of New Hotel Sites and Plots.**

To respond to increased demand for land for tourism development, the Government vigorously designated many hotel plots in towns and cities and sites along the Indian Ocean beach and in the Southern and Northern Tourist Circuits in and around national parks and game reserves. The Northern Tourist Circuit includes Serengeti, Lake Manyara, Tarangire, Kilimanjaro and Arusha National Parks, Ngorongoro Conservation Area, Usambara Mountains, Nkomazi Game Reserve and the Coastal areas of Tanga and Pangani. The Southern Tourist circuit includes the beach areas of Dar es Salaam, Bagamoyo, Mafia, Kitwa, Saadani and the wildlife areas of Mikumi Selous, Ruaha and Udzungwa.

3.2. **Dar es Salaam City Area:**

- 3.2.1. Dar es Salaam City Centre Plots included Civic Centre, Berlin's Site, Hotel plot near Gymkhana Club and Fisherman's Grill. The Berlin site is now developed as an Integrated Fish Market and the Civic Centre is still vacant. Sheraton (Royal Palm Hotel) area 3.112ha, is built near the Dar es Salaam Gymkhana Club Plot No. 1076 allocated in 1993 as a golf course with an area of 46.4 ha. The existing Kilimanjaro hotel plot with 5.2 acres can be redeveloped together with Kivukoni waterfront promenade providing for shopping outdoor cafes and nightlife.
- 3.2.2. Dar es Salaam North-at Ununio 8 plots, Jangwani Beach 4 plots, Tegeta 4 plots, Msasani Peninsula 4 plots. The popular White Sands Hotel at Jangwani Beach, the Sea Cliff Hotel in Msasani Peninsula, and the Golden Tulip (Indian Ocean) Hotel at Masaki are new tourist class beach hotels built in the 1990s.
- 3.2.3. Dar es Salaam South 38 hotel plots: Mjimwema 10 plots, Mwongozo 6 plots, Gezaulole 9 plots, Ras Koronjo 2 plots, Ras Dege 2 plots, Amani Gomvu 3 plots, Magogoni 2 plots, Kigamboni 1 plot, Kibugumo 1 plot, Buyuni 1 plot, Kimbiji 1 plot.

Currently there are more than 92 hotel plots in Dar es Salaam City. A recent inspection of development of hotel plots in Dar es Salaam indicates that out of 87 hotel plots inspected only 15 sites are developed. The rest i.e. 72 plots are still vacant.

In Mtwara Region out of 15 beach hotel plots, 9 plots are undeveloped.

There are 80 beach hotel plots in the Coast region. Bagamoyo district alone has 63 hotel plots. Out of 60 hotel plots

inspected recently, only 14 plots are developed. There are 5 existing tourist class beach hotels - Paradise Holiday Resort (68 rooms), Livingstone Club, Gogo Hotel, Travelers Lodge etc.

The tourism attractions in Bagamoyo include the history of Swahili and Arab culture at Kaele, German colonial history of Tanganyika, history of slave trade, the beach, the Ruvu and Wami River deltas mangroves, Tanzania College of Arts and Saadani Game Reserves where the bush meets the beach.

Tanga Region has 34 hotel plots. Pangani District alone has 19 hotel plots and Tanga Municipality 10 plots.

In the Northern Tourist Circuit and around Northern National Parks and Game Reserves there are 22 hotel plots and camp sites - 7 in Serengeti all developed, 4 sites in and around Ngorongoro Conservation Area and 4 in and around Tarangire National Park all developed. In and around Manyara National Park there are 7 hotel plots, two remain undeveloped.

There are 10 new hotels, lodges etc. in the countryside and in villages on the slopes of Mount Kilimanjaro including Protea Hotel Lake Challa (100 rooms), Protea Hotel Aishi (30 rooms), Kilimanjaro Mountain Lodge (40 rooms), Mountain Inn (70 beds), Capricorn Hotel (57 rooms). Others are Kilimanjaro Crane Hotel (30 beds), Lutheran Uhuru Hostel (65 rooms), Nakara Hotel, Midlands Hotel, Ashanti Hotel, Babylon Hotel and Hamboni Lodge and Camping Site in Rombo District. Cultural tourism is flourishing in Marangu and Mamba villages in Kilimanjaro. Other areas of attraction for cultural tourism in Tanzania are Magu Sukuma Cultural Centre in Mwanza.

Overall there are currently 495 designated hotel plots and sites in the country. It is estimated that only 20-30% of the plots/sites are developed - the rest are still vacant. See Table No.1.

The development of the Southern Tourist Circuit depends on development of good infrastructure adequate and affordable transport links to Selous, Udzungwa, Ruaha and Mikumi, air transport and development of accommodation facilities - hotels, Lodges, beach resorts and reputable guest houses. Time, finance and aggressive marketing are required. In all these areas, land is readily available in Iringa, Ifakara, Mikumi, Kilwa, Kilindoni towns and in and around the national parks and game reserves for development of hotels, lodges and camps.

There are two international Airports in Tanzania. Dar es Salaam International Airport (DIA) has an area of 862.89 ha., Kilimanjaro International (KIA) has 11,085 ha. KIA has been privatized since 1998 to a British firm. Oldonyo Muruak area with 1,850 ha. in Hai District is set aside for Maasai Traditional Worship. This piece of land has been allocated to the Antiquities Division since 1995 and is a potential tourism attraction.

TABLE NO. 1:

Designed Hotel Plots by Region

1	Dar es Salaam	163
2.	Coast Region	80
3.	Tanga	34
4.	Mtwara	18
5.	Lindi	
6.	Arusha	50
7.	Morogoro	6
8.	Mwanza	33
9.	Mara	27
10	Kilimanjaro	18
11.	Dodoma	3
12.	Singida	2
13.	Mbeya	11
14.	Iringa	5
15.	Kigoma	3

16.	Tabora	1
17.	Shinyanga	14
18.	Kagera	4
19.	Rukwa	12
20.	Ruvuma	9
21.	Manyara	5
	TOTAL	495

4. **DEVELOPMENT OPPORTUNITIES.**

Sites for priority Tourism Development Zones have been identified in Tanzania and it is in and around these zones that new investment in accommodation facilities has to be made. The zones are:

- (a) Further enhancement and diversification of the Northern wildlife areas of Serengeti, Lake Manyara, Tarangire, Ngorongoro Conservation Area, Kilimanjaro and Arusha National Parks and gateway service of Kilimanjaro International Airport (KIA). The emphasis here is on product diversity and integration - wildlife, nature, cultural heritage and community based tourism.
- (b) Extension of the Northern Wildlife Area eastwards through the Usambara Mountains, Mkomanzi and North coast area of Tanga and Pangani .
- (c) Development of a Strong Southern Circuit comprising the wildlife areas of Selous Game Reserve, Mikumi, Udzungwa and Ruaha National Parks.
- (d) Development of the Coastal Zone involving beach resort tourism along the coast, including Mafia and other off shone islands and encompassing the historical towns of Bagamoyo and Kilwa, Msimbati Bay, Mtwara and Sadani Game Reserve.
- (e) Enhancement of Dar es Salaam and environs, with emphasis on urban waterfront at Ununio, Mjimwema, Amani Gomvu and offshore islands of Mbudya, Bongoyo, Pangavini, Mwakatumbé, Kendwa and Sinda.
- (f) Long term development of the link corridor between the Northern and Southern Areas through the Kondoa

Historical and Cultural Area and the Gateway Service of Dar es Salaam International Airport (DIA).

In the Northern Circuit tourist accommodation facilities are primarily based on existing and new hotels around Arusha and Kilimanjaro, lodges and tented camps in and around the national parks. There are two hotel plots near Lake Manyara National Parks Farm Na. 383 with 20 ha and Farm Na. 245 with 79.23 ha at Chemchem Village in Karatu District which have remained undeveloped since 1991 and 1986 respectively. Mountain climbing, trekking and nature reserves can be promoted on the Usambara Mountains at Amani; visits to coffee and tea farms, walking safaris along the Rift Valley, Enguruka historical site, establishment of a shopping mall and cafes in Arusha Municipality, late evening shopping (shops to stay open late), etc.

The Serengeti National Park, Selous Game Reserve, Udzungwa and Ruaha National Parks can still accommodate more hotel plots and camps sites in and around them. Resorts can be built in and around Udzungwa Mountains, Ruaha and along rivers Rufiji, Pangani, Kilombero, Ruaha, etc.

In and around Bagamoyo and Saadani there are 63 hotel plots, Mafia Island has 5 hotel plots, Mkuranga 3 plots and Rufiji 5 plots, Mtwara has 7 undeveloped hotel plots. The warm sea, white sandy beaches and coconut trees can be developed as special products. The Indian Ocean beach areas at Vanga and Mwa in Tanga, Saadani, Shungubweni, Kijusu, Mbwani, Kisiju and Mbwera in Coast Region, Mitema, Ras Bura, Ngonde, Mchinga, Somanga, Sangarugu Haven, Kiswere and Sudi Bay in Lindi Region, Mnazi Bay and Msimbati in Mtwara range from good, very good to excellent in terms of land quality for tourism development.

Dar es Salaam has at least 72 hotel plots which are undeveloped and 14 hotel plots are immediately available for

allocation to would-be- investors through the Tanzania Investment Centre (TIC) as follows:

Table 2 Dar es Salaam Hotel Plots Available for Immediate Allocation:

S/N	Plot No.	Location	Area	CT No.	Date of Revocation/ Surrender
1.	10	Ununio	8.09 ha	34728	15/3/1995
2.	15	Amani Gomvu	33.1 ha	42442	6/6/2001
3.	5	Ununio	7.7 ha	34729	15/3/1995
4.	2	Ununio	5.39 ha	32933	15/3/1995
5.	151	Bahari Beach	0.45 ha	37943	20/12/2000
6.	203	Kunduchi Beach	1.59 ha	36477	28/9/98
7.	168	Jangwani Beach	7,212m ²	33345	4/5/1991
8.	13	Ilala	36,430 sq.ft	16507	15/3/1990
9.	479/H	Mbezi	1.4 ha	32411	9/6/19994
10.	1	Ununio	6.319 ha	31178	15/3/19995
11.	150	Mbezi Beach	2,200 m ²	37409	21/12/1995
12.	2370/28	Kilimanjaro Hotel	5.2 acres	-	-
13.	2455/18	Fishermans Grill, Kivukoni	1,887m ²	-	-
14.	-	Kendwa Island	22.22 ha	35939	9/11/93
15.	Hotel Plot	Mjimwema	20.651 ha	28505	13//1/1987
16.	Hotel Plot	Mjimwema	107 acres	23353	27/8/1991

	Mbeya/Kyela/Malawi Zonal	130	-
	Itungi Port	<u>-</u>	<u>1</u>
		<u>131</u>	<u>1</u>
(7)	<u>Mtwara</u>		
	Mtwara Town	6	-
	Mtwara Rural	2	-
	Masasi	<u>1</u>	<u>-</u>
		<u>9</u>	<u>0</u>
(8)	<u>Lindi</u>		
	Lindi Rural	-	10
	Kilwa	<u>-</u>	<u>6</u>
		<u>0</u>	<u>16</u>

In all there are 191 existing hotel plots and 37 sites in the 8 Regions listed above as follows:

<u>No.</u>	<u>Regions</u>	<u>Hotel Plots</u>	<u>Hotel Sites</u>
(1)	Arusha	12	-
(2)	Kilimanjaro	18	1
(3)	Tanga	0	17
(4)	Morogoro	14	1
(5)	Iringa	7	1
(6)	Mbeya	131	1
(7)	Mtwara	9	0
(8)	Lindi	<u>0</u>	<u>16</u>
	<u>Grand Total</u>	<u>191</u>	<u>37</u>

5. **CONCLUSION:**

Many of these destination areas and sites will require upgrading and physical improvements in terms of infrastructure. Tourism experiences should respect the integrity of the resource and it's necessary for the visitor to better understand the areas wildlife, cultural heritage and natural attributes. Certain principles are important in guiding investment in product development. The following are some essential principles to maintain the quality of experience :

- (a) The areas/sites should be designed and developed to offer a quality experience.
- (b) Integrity of the resource must be maintained through site treatment.
- (c) The visitor must be provided with good service and good facilities.
- (d) Development on the site must meet internationally accepted practices and standards to create the unique experience.
- (e) Local communities must benefit from the visits to wildlife areas, heritage and nature sites by promoting ecotourism (biodiversity).
- (f) Zone, prepare area specific tourism site plans and revise and update existing Tourism Area and Action Plans.

In short, there are ample land opportunities for development of tourism accommodation in Tanzania. Investors are all welcome to participate in the exciting development of the unique Tanzania tourism experience.