Introduction

There has been a sustained effort on the part of Government of Tanzania to create essential transport infrastructure and services to improve access to jobs, education and health facilities and also to facilitate domestic and international trade as well as strengthen regional integration and attract foreign investment. This socio-economic developmental scenario underscores the fact that transportation is pivotal to the overall development of Tanzania. Indeed, it is a key infrastructure sector that acts as a stimulus to socio-economic growth and also accounts for a large proportion of public investment.

It is important to emphasize that to be economically and financially sustainable transportation must be cost-effective and continuously responsive to changing demands through the creation of a more competitive transport sector. Therefore, the availability of proper transport infrastructure and efficient transport services are crucial determinants for socio-economic development and industrial development.

In the past five years, the transport sector in Tanzania has helped to integrate market, strengthening competition, increase access to farming techniques, promote trade, tourism, and foreign investment, and has contributed to the government revenue. This was made possible through the implementation of development and maintenance programmes and reforms aimed at enhancing the provision of an efficient, cost-effective and safe transport system in the country.

Allocation of funds to the transport sector has increased consistently over the past decade from around 170 billion in 2001/2002 to over 1,100 billion in 2010/2011.

Despite the progress made, transport in Tanzania is characterized by the following:

- Inadequate transport network length leading to inadequate accessibility to economically potential areas;
- High transport costs;
- Long travel times;
- Poor urban mobility especially in large cities like Dar es Salaam, Mwanza and Arusha.
Performance of the sector

Transport services grew by 6.0% in 2009 compared to 6.9% the previous year. This was as a direct result of a lack of transportation means (such as planes and railway carriages) for passengers and cargo. This particularly affected the state-run Air Tanzania Corporation (ATC) and Tanzania Railways Corporation (TRC). However, the subsector’s contribution to GDP grew from 4.2% in 2008 to 5.2% in 2009.

Management

The Ministry of Infrastructure Development foresees the development of the transport sector in the country. It facilitates provision of an economic, safe and reliable transport industry that meets the needs of the public through development and implementation of appropriate sector policies, strategies and standards.

Institutional Sector Reforms

The Government has made a notable progress in the transport sector. In order to support economic growth, several reforms have been realized. Among the reforms is the transforming into semi-autonomous agencies whose functions are of operational or service delivery nature. Operational Agencies are Tanzania National Roads Agency (TANROADS), Tanzania Airports Authority (TAA), Tanzania Meteorological Agency (TMA), Tanzania Government Flight Agency (TGFA), and Tanzania Electrical, Mechanical and Electronic Services Agency (TEMESA). Reforms have also resulted into the establishment of transport regulatory authorities that include Surface and Marine Transport Regulatory Authority (SUMATRA) and the Tanzania Civil Aviation Authority (TCAA).

The reforms include increasing Private Sector Participation in the Transport Sector through management contracts and/or outright sale of parastatals. Furthermore, a strategy for the operations of TAZARA as well as the other revenue units of Tanzania Ports Authority (TPA) and those of the Marine Services Company (MSC) is being finalized. The establishment of Roads Fund Board has shown positive impacts as road maintenance has been improved.

Transport Sector Investment Programme (TSIP)

Tanzania has put in place a Transport Sector Investment Programme (TSIP) for developing the transport sector in an effective manner. The main objective of the programme is to ensure the development in a way that enables the sector to contribute effectively to the growth of the national economy by helping other sectors to attain their aspirations and to eventually achieve the eradication of poverty. TSIP is being implemented in two five-year phases. The first phase commenced in 2007/08 and is scheduled to end in 2011/12 while the second phase is due to take off in 2012/13 and end in 2016/17. Over 60% of the financial requirements for the TSIP is earmarked for roads development.

In 2010/2011 Financial Year, The Ministry of Infrastructure Development will receive TZS 1.1 trillion to implement a number of projects. The money will be spent on the construction of roads, a new station for container services, a special yard for motor vehicles at Dar es Salaam Port, the construction of a cargo centre (CTS) at Kisanjwe, the expansion of Mtwara Port, the rehabilitation of Kigoma Port and development of Mwanza harbour and the rehabilitation of railways.
Road
The geography of Tanzania, its size, diversity and dispersion give roads a special position in integration of the national economy. In particular roads serve rural areas (where the majority of the people live) more effectively than any other mode of transport. Road transport is the dominant mode in Tanzania and carries over 80% passengers and over 75% of freight traffic.

The total classified road network is estimated to be 86,472 km of which about 7% is paved. The Ministry of Infrastructure Development through the Tanzania National Roads Agency (TANROADS) is managing the National road network of about 29,847 km comprising 10,601 km of trunk and 19,246 km of regional roads. The remaining network of about 56,625 km of urban, district and feeder roads is under the responsibility of the Prime Minister's Office Regional Administration and Local Government (PMO-RALG).

In the past five years, the conditions of trunk and regional roads have steadily improved, helping to reduce infrastructure problems that people in many parts of the country were facing. The overall road condition assessment at the end of December 2009 indicated that 73% were good, 23% were fair and 4% were poor compared to 25% good, 40% fair and 35% poor in December 2001.

Between June 2000 and June 2009 a total of 912 km of trunk and regional Roads were upgraded/rehabilitated to bitumen standard.

The road construction budget is increased every year through the Road Fund. Consequently, tonnage freight volume and passenger number have declined in 2009. Tanzania Railways Limited (TRL) carried a total of 237,000 tonnes of cargo compared to 429,000 tonnes in 2008, representing a decline of 44.8%. A total of 285,000 passengers were transported compared to 392,000 in 2008. Decrease in the number of passenger and cargo transportation was caused by insufficient number of cabins, poor infrastructure and poor performance caused by workers' occasional strikes. The floods that occurred in Kilosa, Morogoro region in January 2010 destroyed the central railway system, halting train services between Dar es Salaam and Dodoma.

Rail
The railways system boasts a total track length of 3,676 km, which are operated by two railway systems: the Tanzania Railway Limited (TRL)-2,706km and Tanzania-Zambia Railway Authority (TAZARA)-970 km.

The two systems interface at Kidatu and at Dar es Salaam port. Together, the railways serve 14 of the 21 regions of Mainland Tanzania. They also serve neighbouring countries of Zambia, DRC, Burundi, Rwanda, Uganda and Malawi.

The Railway system is in very poor condition, particularly the TRL network. It has faced several important infrastructural problems, as well as stiff competition from road transport. This has led to a deterioration of its network assets and its capability to provide a reliable and constant service.

In 2009/10 financial year, Tanzania Road Fund collected about TZS 284 billion compared to TZS 73 billion in 2005/2006.

Despite the efforts, the road national network remains inadequate, as it is faced with lack of sufficient funds for rehabilitation, upgrading and for routine maintenance, combined with increased traffic.
The same year, TAZARA carried 333,000 tonnes of cargo compared to 525,000 tonnes in 2008, representing a decline of 36.6%. Passengers that used TAZARA in 2009 were 923,000, compared to 1.2 million in 2008, equal to 21.6% decrease due to insufficient funds available to run the company profitably.

At the beginning of 2010, government decided to terminate its contract with RITES of India on the running of TRL. After restoring the services particularly to places which were abandoned by the outgoing Indian investor, the government will decide whether to find another investor or continue the venture on its own.

**Air**

There are 125 airports in Tanzania including airstrips serving domestic and international traffic. 62 out of that total of airports are owned and managed by the government. Tanzania has four international airports located in Dar es Salaam (JNIA), Zanzibar (ZIA), Kilimanjaro (KIA), and Mwanza (MWZ).

Generally, the conditions of basic airport infrastructures, such as runways, aprons and taxiways remain poor for most of the airports in Tanzania. During the last five years, however, the government through the Tanzania Airways Authority (TAA) and Tanzania Civil Aviation Authority (TCAA), has implemented a number of development projects which are designed to further modernize the airports.

Airport infrastructure and services are currently being upgraded to international standards, in particular JNIA, KIA and ZIA. Domestic airports earmarked for infrastructure improvements include Tabora, Bukoba, Dodoma, Kigoma, Mafia and Songwe. In October 2009, TAA announced the arrival of self-service check-in, baggage reconciliation, sophisticated flight information displays and other major improvements to services for the passengers who use the country’s three major airports.

During the year under review aviation industry providers increased to 63, compared to 46 in 2008. The total number of international passengers went down to 988,637 compared to 1,089,346 in 2008. Such a situation was caused by Air Tanzania Corporation Limited (ATCL) decision to halt its services outside the country, and reduce number of domestic flights. Other reasons included world economic crisis and fewer tourists who visited the country.

**Marine transport**

Both sea and inland waterways ports in Tanzania are managed and operated by the Tanzania Ports Authority (TPA).

The TPA’s main Indian Ocean ports are Dar es Salaam, Mtwara, and Tanga; minor seaports serving coastal traffic include Lindi, Kilwa Masoko, Mafia Island, Bagamoyo, Pangani and Kwale. The Port of Zanzibar is administered separately by the Zanzibar Port Corporation.

The port of Dar es Salaam is one of the key entry points
into the East Coast of Africa with an annual throughput of 7 million tons handling about 93% of Tanzania’s port traffic. It is also an important outlet for neighbouring land-locked countries. It has a rated capacity of 4.1 million (dwt) dry cargo and 6.0 million (dwt) bulk liquid cargo.

Cargo volumes handled at the port have expanded by 15% per year since 2004, leading to congestion. Despite that, Tanzania has tremendously improved its capacity to efficiently move goods and handle other trade logistics over the last two years. During 2009, port operations in Dar es Salaam improved significantly. Dwell time has dropped from an average of 20 days in January 2009 to between 11 and 13 days for transit and domestic goods respectively. A ship now waits for only 3.8 days at the outer anchorage compared to an average of 12.7 days in January 2009. The turnaround time has improved to 6.7 days from 18.9 days in January 2009. The special operation on decongesting the port also saw 37,765 containers being transferred to Inland Container Depots (ICDs) without additional costs between January and December 2009, creating extra space at the port’s container terminal. This is in contrast to 10,504 containers that were at the container terminal in 2009. Customs clearance procedures have also eased, due to extended working hours at the customs department, among other improvements.

Dares Salaam port’s container terminal which was leased to Tanzania International Container Terminal Services (TICTS) for 10 years in 2000, a contract that was later extended for another 15 years in September 2005 has increased the number of containers being handled from 100,000 to over 320,000 at present. TPA recently announced an investment of US $60 million from the private sector investors Hutchison Ports Holdings, Wai Chau and TICTS, to facilitate its port operations in easing congestion at its ports. TPA also announced that the Dar es Salaam port would build a second container terminal in an expansion programme valued at USD400-630m in a project due to be completed by 2013/2014.

Lake Transport

The major inland waterways ports are Mwanza, Kemondo Bay, Bukoba and Musoma on Lake Victoria; Itungi on Lake Nyasa; and Kigoma on Lake Tanganyika.

Those lake ports are used to transport cargo and passengers inland as well as between neighbouring countries. They are presently 16 operating vessels on the lakes.

Pipeline

The pipeline system consists of 1,750 km used to transport crude oil products from Dar es Salaam to Ndola refinery in Zambia, and 232 km used to transport natural gas from Songo Songo to Dar es Salaam.

Conclusion

The government in Tanzania realizes that an improved transport sector is critical to opening up the development of its economy, strengthening competition, increasing access to farming implements and products, promoting trade, tourism, and foreign investment apart from contributing immensely to the government revenues. With this in mind, efforts are being made to ensure sufficient budget allocations especially to the roads sector, which is essential for opening up remote rural areas which are Tanzania’s bread baskets.