Tanzania Private Sector Federation

The Role of the Private Sector in Advancing Tanzania's Housing and Infrastructure Agenda

28 July, 2025

TPSF OVERVIEW

About

Member based organization, established on 4th November 1998 as an Apex and Umbrella Organization for the Entire Private Sector in Tanzania with a resentation of over 450 Members, serving over 6 million Business Entities.

Vision and Mission

An effective apex private sector organization, providing focal point for private sector-led approaches;

To serve as the apex private sector organization in Tanzania, driving private sector development and economic growth promoting strategic engagement with the Government and other stakeholders on key development policies.

Core Values

- Commitments to Best Practices
- Value Addition
- Unity in Diversity
- Impeccable Integrity
- Fair Competition
- Service Before Self Commitment to Lifelong Learning

Core Functions

- Organize Effective Forums, B2B Linkage, Trade Forum.
- Building Entrepreneurial Culture. Skills and Capacity building.

- Advocate for Conducive Business and Investment Climate.
- Ensure Market Entry and Finance Access.
- Attract both local and foreign investment, fostering economic growth and development through active engagement with Government instituions/ Ministries
- Strengthening the private sector's competitiveness at the national, regional, and global levels. Through strategic initiatives, trade facilitation, and investment promotion.
- Providing a platform for public-private dialogue (PPD) by advocating for policy changes.

TANZANIA HOUSING AND INFRASTRUCTURE LANDSCAPE

(Context and private sector contribution)

A housing backlog estimated to exceed 3 million residential units with a 200,000 units pa demand for housing in the region.

Investment needs at USD 2.2-2.5 Billion/ year to meet SDG 11 on inclusive, safe, resilient and sustainable cities.

Urban Population increase to 46% by 2050 from 20 to nearly 60 Million

The urban population is growing at a rate of 5.3% per annum, higher than the national population rate of 3.2%. despite 70% of the urban population being in informal settlements

Tanzania stands a chance to shape its urban future before the housing and infrastructure gap (incl. energy, transport, water, and waste management) becomes unmanageable, tackling challenges in terms of affordability, access to finance, and the need for sustainable and environment friendly infarstructure.

- Urbanisation to reach 45 Million in 2030, making Tanzania the 6th fastest urban country in the world lead by Dar es Salaam with nearly 10 Million people before 3035 making Dar es Salaam 2nd fastest population growth in the world (NBS)

- The construction sector is an important element in driving the housing and infrastructure development, accounting for 14% of GDP and employing over 1.2 million people. A market share of 44.2% local contractors and 55.8% Foreign contractors.

- Total number of Buildings in Tanzania is 14, 348,372 where 13,907,951 are in Tanzania Mainland (96.9%) and 440,421 in Zanzibar (3.07%) (NBS, 2022).

- Tanzania ranked 4th in Africa for private infrastructure investment, attracting USD 308 million, being led by Egypt with USD 2306 million (TICGL, 2024). The accomplishment reflects the important role of private investment in addressing the infrastructure limitations and gaps.

- Private investment drives 70% of real estate growing at an estimated 12% per year, especially in urban areas like Dar es Salaam, Dodoma, Arusha, Mwanza, and Mbeya, among others.

- Over 90% of building materials (cement, steel, tiles etc) are produced locally. private players including , Advent Construction, Estim, Milembe among others focusing on large, middle and small scale housing and infrastructure .Other players in joint with private sector include Watumishi Housing, TBA, NHC that facilitate an inclusinve housing for all income levels
Financial institutions supporting housing financing include CRDB, NMB, Azania among others though in limited scale.

OPPORTUNITY FOR SCALE UP

- Affordable mass housing projects using modular designs, local materials, and climate/disaster resilient technologies to deliver low-cost housing faster at a scalable rate;
- Developing smart and green urban cities (energy-oriented, water reuse, smart waste to energy systems);
- Public-Private Partnerships (PPPs) in digital infrastructures, reliable water supply systems, industrial zones, transportation, satellite cities;
- Urban logistics in warehousing, dry ports, access roads, transport hubs for trade facilitation, etc.
- Leveraging cutting-edge technology and innovative solutions for efficient and sustainable infrastructures;
- Capacity building support in ESG and green construction.

ENABLERS

- **Long-term affordable fianancing (housing bonds, blended finance, mortgages etc);**
- **predictable regulatory frameworks;**
- **public-private partnerships (PPPs) and joint ventures;**
- **data driven urban planning for developers;**
- **land use and access;**

PRIVATE SECTOR ROLES

- Drive innovation and efficiency through profit-driven incentives;
- Delivery of affordable housing for various income groups;
- Production and supply of affordable building materials;
- help bridging infrastructure gap and improved public services;
- Provision of necessary capital and expertise support for infrastructure projects; and
- Collection and dissemination of information on housing.

GOVERNMENT ROLES

- Coordination and planning infrastructure development for various sectors;
- encouraging PPP and joint ventures by mobilising resources;
- prioritizing projects that support connectivity, facilitating trade and long-term strategic projects;
- creating conducive environments for private sector investemnts through policies and regulations

TPSF's Role in Advancing the Housing and Infrastructure Agenda

TPSF is working to coordinate private investments, engage policymakers, and connect local companies with global actors.

- Advocating for business-investment-friendly housing and Infrastructure policies and enabling regulatory reforms;
- Support formulation of PPPs & private investment frameworks;
- Facilitate partnerships between local businesses and global investors;
- Promote joint ventures for construction technology acqusition and skills transfer, green buildings, and housing delivery models.
- Collaborate with enabling Government institutions like TISEZA, BRELA, TBA, NHC, TRA, PPPC, among others, to unlock barriers, promote formalization, and create a more supportive environment for private sector growth;
- Facilitating B2B forums to connect local developers, manufacturers and fianancial institutions with potential foreign companies.

THANK YOU

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