

# TANZANIA ENERGY POLICY



# Country information

- Tanzania borders Kenya and Uganda in the North,
- Rwanda, Burundi, The Democratic Republic of Congo in the West,
- Zambia, Malawi and Mozambique in the South and
- The Indian Ocean in the East.

# Country information

- It covers an area of 945,000 Km<sup>2</sup>.
- Large parts of the country experience tropical climate that is mostly influenced by the geographical features and distance from the Indian Ocean

# Country information

- The government of Tanzania is a union government between two countries Tanganyika and Zanzibar.
- State's authority rests with the President of the United Republic of Tanzania (URT) and
- Revolutionary Government of Zanzibar.

# Country information

- The population of Tanzania is 34.6 million which made up of about 120 ethnic groups
- The average population growth is 2.9 percent.

# **Economic background**

- Tanzania shifted from a centrally planned economy to market oriented economy in the late 1980s and early 1990s.
- After 15 years of continuing reforms, the economy is now widely liberalized and shows substantial development in sectoral and overall economic performance.

# **Economic background**

- In 2007, the Gross Domestic Product in real terms grew by 7.1 percent compared to 6.7 percent in 2006.
- Inflation rate for the year 2007 declined to 7.0 percent, compared to 7.3 percent in the year 2006.

# Energy Situation

- Domestic energy demand has grown rapidly due to population growth and the increase in economic activities.
- Energy consumption in rural areas accounts for about 85% of total national energy consumption.
- The energy balance is dominated by biomass-based fuels particularly fuel-wood (charcoal and firewood



# Energy Situation

- Biomass-based fuel accounts for more than 90% of primary energy supply.
- Commercial energy sources ie petroleum and Electricity account for about 8% and 1.2% respectively of the primary energy used.
- Coal, solar and wind account for less than 1% of energy used.

# **Vision and Mission**

- The vision of the energy sector is to effectively contribute to the growth of the national economy and thereby improve the standard of living for the entire nation in a sustainable and environmentally sound manner.

# **Vision and Mission**

- The mission for the energy sector is to create conditions for the provision of safe, reliable, efficient, cost-effective and environmentally appropriate energy services to all sectors on sustainable basis.

# **Vision and Mission**

- The energy policy objectives are to ensure availability of reliable and affordable energy supplies and their use in a rational and sustainable manner in order to support national development goals.

# **Energy sector challenges**

- Increased electricity supply and distribution
- Petroleum Development
- Regional interconnection
- Rural electrification
- Reaching rural households

# Strategies

- Market Economy
- Regulatory regime
- National interest versus Market forces
- Regional Co-operation and Trade
- Energy Conservation and Efficient

# Strategies

- Environmental Management
- Gender issues
- Appropriate technologies
- Legal Interventions

# Energy demand

- Transport sector
- Manufacturing sector
- Mining sector
- Household sector
- Agriculture sector
- Commerce Sector



# Energy Supply

- Electricity
- Petroleum
- Natural Gas
- Renewable Energy

# **Difficulties and Bottlenecks in Formulating Energy Policies**

- Availability of information. There is no specific data base for energy statistics, which caused difficulties in updating, adding and analysing the energy information.
- Lack of Knowledgeable expertises to conduct the formulating exercise

# Difficulties and Bottlenecks in Formulating Energy Policies

- Energy sector is a scientific and complex sector for the economist and administrators to understand and plan for it.
- The concept of forward looking in the policy formulation is still a problem to policy expertise.

# **Difficulties and Bottlenecks in Formulating Energy Policies**

- The concept of Energy policy plan is not well known to the energy sectors' stakeholders

# Conclusion

- In spite of all changes, The National Policy Objective for the development of the energy sector remains to provide an input in the development process
- by establishing an efficient energy production, procurement, transportation, distribution, and end-user systems in an environmentally sound manner.