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Report No. AE-26

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INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION

THE ECONOMIC DEVELOPMENT

AND PROSPECTS

OF

TANZANIA

(in four volumes)

VOLUME IV

A PROGRAM OF PREINVESTMENT STUDIES

POWER - TOURISM - URBAN/REGIONAL DEVELOPMENT AND HOUSING

June 22, 1972

Eastern Africa Department

CURRENCY EQUIVALENTS

1 Tanzanian Shilling	=	U.S.\$0.14
1 U.S. Dollar	=	Sh 7.14

This report is based on the findings of a mission which visited Tanzania during August/September 1971. The mission consisted of the following: Messrs. Lyle M. Hansen (mission chief); Pieter Bottelier (general economics); John Cleave (agriculture); Andrew Hayman (tourism); Esref Erkmen (power); Raimundo Guarda (consultant on housing and urban development).

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INTRODUCTION

1. This volume presents a program of preinvestment studies for three sectors in Tanzania. The program has been prepared by a Bank mission in cooperation with the Ministry of Finance, the Ministry of Development Planning, various ministries and agencies of the Government of Tanzania, and the Resident Office of the UNDP in Dar es Salaam. This report on three sectors completes the design of preinvestment studies for ten sectors in Tanzania initiated in 1970. The conclusions for the first six sectors were reported in the Bank report entitled, "Economic Development in East Africa", volume III (dated July 30, 1971). That report also outlined the objectives, methods and criteria of selection for preinvestment studies, and the reader interested in the details should refer to that volume.

2. There is no formal report being made on preinvestment studies on the water supply and sewerage sector as it was the judgment of the Bank mission, concurred with by the Tanzanian authorities, that past, existing and planned studies adequately cover the requirements in this sector.

CHAPTER I

POWER (Sector No. 5)

Background

1. In Tanzania the public power supplies dominate the sector accounting for more than 80% (i.e. 122 MW) of the total installed generating capacity. The remaining 28 MW of total installation is owned by various industries mostly situated in remote parts of the country, far from any public sources of supply. The Tanzania Electric Supply Company Limited (TANESCO), all of whose shares are owned by the Government, holds licences for the public supplies of power in all the electrified regions which cover most of the important population centers of the country. These licences are being extended from time to time to cover other and less important regions as the electric service is extended to such areas. TANESCO is an efficiently run organization, enjoying a high degree of autonomy.

2. TANESCO has an interconnected power system operating at 132 kV in the coastal region between Dar es Salaam, Tanga and Morogoro. This system accounts for 71% of the company's installed generating capacity, 63% of its 54,000 electricity consumers and 78% of its total 1970 sales of 341 million kWh. These figures reflect the concentration of urban population and general economic activity in the coastal region. Other population centers with considerable economic activity include the Moshi-Arusha area in the foothills of Mount Kilimanjaro with an installed capacity of 15 MW, and the Mwanza area in the Lake Victoria region (7.5 MW). The Mbeya-Tukuyu area in the South-Western region (0.66 MW) is a center with considerable development potential. Twelve other population centers have public supplies of electricity, with generating equipment ranging from 145 to 2175 kW of installed capacity.

3. Hydroelectric power plant owned by TANESCO has a total capacity of 48 MW, consisting mainly of 17.5 MW at Pangani Falls, 21 MW at Hale and 8 MW at Nyumba-ya-Mungu. All these stations are on Pangani River, the first two feeding into the coastal system and the other into the Moshi-Arusha system. A small hydroelectric station of 1.2 MW located at Kikuletwa on a tributary of the Pangani River also supplies Moshi-Arusha system. Another small hydroelectric plant of 0.34 MW on the Mbeya River is supplying Mbeya town. The remaining 71.8 MW capacity owned by TANESCO is provided by about 85 diesel generating sets, at 19 different locations. These units vary in size from 35 kW to 6100 kW. Under a Bank Loan the Ubungu diesel station in Dar es Salaam is now being extended by two 7.5 MW units, and a hydroelectric station comprising two units of 50 MW capacity is being constructed at Kidatu on the Great Ruaha River as the first stage development of the total scheme. Further development of the scheme involves the addition of two other units of the same size at two stages, one to be commissioned in 1979 and the other in 1982.

Development Strategy and Initiated Preinvestment Studies

4. The development strategy for the public supply of electricity for the next 15 years is set out and most of the preinvestment studies necessary for the major investment decisions in the next five years are identified and initiated by TANESCO. In the following paragraphs the salient features of this strategy will be given together with a short review of the already initiated major studies.
5. TANESCO completed in 1970 a study covering the technical, economical and financial feasibility of an interconnection between the Coastal and the Moshi-Arusha Systems. On the basis of that study it has already negotiated a loan from CIDA to cover the construction of this interconnection. The final studies leading up to the detailed designs and to the preparation of contract specifications are planned to be started by TANESCO immediately following the effectiveness of this loan.
6. The increasing power demand in the large interconnected power system formed by this interconnection will be met, up to the year 1979, by the existing power generation facilities in the two regions and by the output of the Kidatu First Stage Development under construction. According to the present plans, further needs of this system beyond that date are to be covered by constructing the second and third stages of the Kidatu Scheme for which only a preliminary investigation was included in the preinvestment study undertaken in 1969 for the first stage of the development. A final study for the second stage is hereby recommended and it should be completed within the following three years if a shortage of power in the Coastal System is to be avoided beyond 1979. (See paragraph 13).
7. The future power requirements of the Lake Victoria region including the towns of Mwanza, Bukoba, and Musoma and the available means of meeting these requirements are being investigated under the Kagera River Basin Study recently started under U.N.D.P. Technical Assistance Project. This project jointly undertaken for the Governments of Rwanda, Burundi and Tanzania is a predominantly irrigation scheme, but also contains the development of a very important hydroelectric element.
8. The requirements of the Mbeya and Tukuyu region are planned to be covered by the proposed Kiwira Project for which the final studies are expected to be started by a team from USSR in a very short time.
9. Finally, an important preinvestment study is already underway for a hydroelectric scheme at the Stiegler's Gorge on the Rufuji River intended mainly for the development of power intensive industries in the country by making use of the tremendous power potential (estimated to be about 600 MW firm) at the mentioned site which can economically be developed only for very large consumption levels presently beyond Tanzania's normal requirements.
10. The requirements of the remaining regions are being regularly surveyed and reviewed by TANESCO's own staff, and the necessary provisions

are being included in the yearly investment programs. These surveys include also the extension of electric service to some smaller townships or villages, but within the limitations of the Government's Directive for operating under commercially and economically viable conditions, and in accordance with the exigencies of the national economic plan.

Proposed Preinvestment Study - Kidatu Second Stage Development

11. A Study Sheet for the recommended preinvestment study is attached. Brief comments on this Study are the following.

12. The civil engineering works presently under construction for the Kidatu First Stage Development are adequately dimensioned to accommodate the requirements of the second and third stage development. The second stage therefore involves only the construction of a low head regulating dam at Mtera, about 175 km upstream of Kidatu, and the installation of further turbo-alternator sets at the Kidatu Power Station.

13. The preinvestment study prepared in 1969 for the first stage development includes only the preliminary investigations for the second stage development. An advanced study has therefore to be undertaken to update and complement this study so that the detailed designs and cost calculations can be prepared before the financial arrangements can be undertaken. Allowing about four years for these arrangements and the construction of the project would make it advisable for the advanced study to be completed before 1975. (See paragraph 5).

14. This advanced study involves the consideration of two different solutions for Mtera dam as explained below:

The original dam site at Mtera proposed in the preliminary investigations was selected on the basis of the geologic and topographic conditions which would give the required volume of reservoir for over-yearly regulation at the cheapest possible cost. However, the topographic conditions around this site are such that an alternative site about 10 - 12 km downstream may be chosen resulting in somewhat greater cost due to the relocation of about 40 km of the Dodoma-Iringa road, but providing the benefit of creating a possibility for the future use (beyond second and third stage development) of a sudden drop in the river bed elevation for the generation of about 100 MW of power at the Mtera dam area. This possibility can be ascertained by a small study (initial check) which would cost about 50,000 Tanzanian Shillings and should be undertaken as soon as possible with finances from TANESCO's own resources. This initial check would show whether the alternative site may be discarded at the outset or whether it is worthy of further investigation in detail together with the original site to lead to the selection of the most attractive solution. Therefore, the proposed preinvestment study for the second stage development of the Kidatu Project may consist of one of the two alternatives described below, depending on the outcome of the initial check mentioned above.

Alternative I

Updating the existing study in relation to initially selected site and completing the necessary borehole drillings, aerial surveys, ground surveys and soil investigations, and updating the designs and cost calculations in sufficient detail to enable the preparation of contract specifications.

Alternative II

In addition to the above work, conducting the necessary field investigations in relation to topography, geology and soil mechanics, including aerial and ground surveys, borehole drillings, seismic measurements, road relocations, transmission line routings, etc. for a dam and power station at Mtera alternative site; comparing such a development with the originally conceived arrangement, and preparing the design of selected solution with sufficient detail and accuracy required for the preparation of contract specifications.

PREINVESTMENT PROGRAM - STUDY DATA SHEET

No.: 5-1(1)

Area:	EAST AFRICA	Country:	TANZANIA	Sector(s):	POWER
1. NAME OF PROPOSED STUDY: Final Feasibility Study for the Second Stage Kidatu Hydroelectric Devel.					
2. PURPOSE: To determine the detailed technical, economic and financial feasibility of the Second Stage Development of the Kidatu Hydroelectric Scheme and to recommend optimum design for the development based on detailed cost estimates.					
3. SCOPE: The Study should complete the necessary borehole drillings, aerial surveys, ground surveys, and soil investigations for the construction of a low head dam at Mtera, at the site already selected during the initial study completed in 1963, and should update this Study, the design and the cost calculations in sufficient detail to enable the preparation of the contract specifications. The scope may however, be enlarged to include the detailed study of an alternative dam site and the determination of the least cost solution and its design pending the outcome of an initial small check to be undertaken by the Tanzanian Electric Supply Company Limited within the next few months.					
4. BACKGROUND: (a) Related Studies (b) Other Available Data (c) Expected Data Problems					
(i) Report on Market for Electricity		Merz & McLellan		March 1966	
Supplementary Report				May 1968	
(ii) Electricity Dev. in Tanganyika		Coyne et Bellier		1966	
(iii) Preliminary Study		Balfour Beatty & Co.		Oct. 1967	
Feasibility of Steam Generating Station				May 1967	
5. TIMING: (a) Duration and Phasing of Study (b) Desired Starting Date					
One year				Second part of 1973	
6. COMMENT ON POTENTIAL STUDY SPONSORS:					
7. PROJECT(S) EXPECTED TO RESULT FROM STUDY (if known):					
(a) Description			(b) Estimated Investment (US\$ equivalent)		
50 MW Second Stage Development of Kidatu Hydroelectric Scheme					
			(c) Financing Need and Potential Source		
8. ORDER OF MAGNITUDE OF STUDY COST (US\$ equivalent):				Sheet Prepared by: E. Erkmen	
\$155,000 or \$535,000 depending on the scope of work described under (3) above				Dept. or Agency: Public Utilities Projects	
				Date: November 10, 1971	
9. STAFF'S COMMENT ON PRIORITY RANKING OF STUDY:				Sheet Revised by:	
The Study is of the highest priority since it is related to the most important power consuming region of Tanzania.				Item(s) Revised:	
				Dept. or Agency:	
				Date:	

PREINVESTMENT PROGRAM - STUDY DATA SUPPLEMENT
(to be filled in when possible)

No.: 5-2(1)

I. TENTATIVE STAFFING	Type of Specialist	Number on Team	Total Man-Months	
			Alt. I	Alt. II
(a) Foreign Professional Staff:				
Mapping.....			-	9
Hydrology.....			2	2
Geology.....			1	3
Seismic Investigation.....			-	6
Soil Mechanical Investigation....			4	10
Road Studies.....			3	18
Transmission line studies.....			-	7
Project & Design work.....			10	40
	Total:		20	95
(b) Local Professional Staff :				
(c) Local Supporting Staff :				
2. TENTATIVE STUDY BUDGET (US\$ equivalent)				
		Foreign Currency	Local Currency	Total
(a) Professional Staff Costs :				60,000 285,000
(b) Equipment & Drilling :				60,000 80,000
(c) Other (Travel, non-prof. staff, etc.):				35,000 170,000
(d) Total :				155,000 535,000
3. OTHER COMMENTS				
Continued from...1(1) - Item 4 - Background				
(iv) Wariu River Power Development	- SWECCO			- Oct. 1966
(v) Hydroelectric Development on Great Ruaha River	- Balfour Beatty			- May 1967
(vi) Comparative Study	- SWECCO & Balfour Beatty			- July 1968
(vii) Preinvestment Study - Great Ruaha Power Project	SWECCO			- Nov. 1969
(viii) Report on phase I of Ecological Study	- SWECCO			- Sept. 1970
Supplement Prepared by: E. Erkmen Dept. or Agency: Public Utilities Projects Date: November 10, 1971				
Supplement Revised by: _____ Item(s) Revised: _____ Dept. or Agency: _____ Date: _____				

CHAPTER II

TOURISM (Sector No. 9)

Background and Key Issues

1. Tanzania has excellent beaches and unrivalled game. Although only slightly further from the main markets than Kenya, Tanzania's tourist industry is still very undeveloped compared to Kenya, tourist arrivals in the two countries in 1969 being 56,000 and 221,000 respectively. Virtually all holiday visitors to Tanzania also visit Kenya, where the greater part of their time and money is spent. Tourism is estimated to have brought Tanzania gross foreign exchange receipts of 61 m. Sh. in 1969/70.
2. Hotel accommodation has expanded considerably, but the total stock remains small. In the first two years of the current Five Year Plan (1969/70-1970/71) almost 2,000 tourist class hotel beds have been built, of which 1,157 were by the public sector. Occupancies of Dar es Salaam city hotels have been very high, but that of lodges and beach hotels generally poor so far. The Mikumi lodge in particular has suffered by the lack, until recently, of complementary beach accommodation. However, bookings for the 1971/72 season look very encouraging.
3. Responsibility for tourist development rests with the Ministry of Natural Resources and Tourism. Reporting to it is the parastatal Tanzania Tourist Corporation (TTC), established in April 1969. The TTC took over a mixed bag of projects from the National Development Corporation, and its subsidiaries now include eight hotel and lodge companies, plus companies engaged in touring, hotel management, filmmaking, safari operating, and game fishing.
4. In 1970 the TTC commissioned Arthur D. Little (ADL) to prepare a Ten Year Tourism Development Plan. The report is still only in draft form, but one important preliminary recommendation was that Tanzania should develop southern circuits, including largely unexploited game resources, together with beach hotels near Dar es Salaam. However at the time of the mission's visit, the government was believed to be reviewing its tourism policy: although this had yet to be clarified, it seemed that a new policy might be announced directing development to the Northern Game areas to be served by the new Kilimanjaro airport, and severely restricting investments in beach hotels. Such a policy may be entirely appropriate in terms of broader social objectives, but the cost in terms of lost opportunities to exploit the rapidly growing beach and game package tour market should also be fully recognized.
5. In view of the uncertainty surrounding the basic direction of tourism policy, and in consequence of the preliminary nature of ADL's Ten

Year Development Plan, the priorities attached to any program of preinvestment studies must be extremely tentative. The proposed program is nevertheless concerned with the following issues of the sector:

- (i) training and manpower;
- (ii) determining the feasibility of developing new tourist circuits;
- (iii) protecting and developing marine resources;
- (iv) providing for the optimum use of the natural resources of the Tanzanian coast;
- (v) protecting investments already made by preventing possible damage to the environment;
- (vi) determining means of reducing capital and operating costs.

Examination of the final version of the ADI report would be needed to define the scope of the above studies in such a way that they did not duplicate work already done.

Proposed Preinvestment Studies

6. Tourism industry training study. A small scale study, for which I.L.O. assistance has been considered. Such a study would take account of work in this field already begun by the East African Community, but Tanzania recognizes the need for a tourism manpower program on a national basis. The filling of posts at all levels by appropriately qualified Tanzanians is a basic requirement.
7. Feasibility study of southern tourist circuits. This study would have high priority only if government policy accepted substantial developments at the beach. Work has already started on the collection of ecological and other data in the Selous region, which up to now has been largely unknown.
8. Feasibility study - marine parks. Although marine parks can be successfully operated as revenue earning projects, this study could have wider implications for the conservation of Tanzania's marine resources.
9. Land capability study, coastal region. The physical capacity of the coastal region for development of different kinds appears to need detailed evaluation. The timing of such a study would be entirely determined by government policy towards coastal development.
10. Technical study, local beach protection. It is said that the beaches adjacent to the three new beach hotels north of Dar es Salaam are in danger of erosion and pollution. Even if this danger were exaggerated, the risk is such that an expert assessment is urgently needed.

11. Hotel building and operating cost-analysis. It is crucial to Tanzania's success as a tourist destination that hotel construction and operating costs be minimized, consistent with the standards dictated by the requirements of the market. Institutional and fiscal factors may have a significant bearing on the realistic possibilities for cost reductions.

List of Proposed Studies

<u>Study No.</u>	<u>Name of Proposed Study</u>	<u>Suggested Starting Year /1</u>	<u>Duration in Months</u>	<u>Estimated Cost (US\$ millions) /2</u>
9-1	Tourist Industry Training Study	FY1971/72	2	-
9-2	Feasibility study southern tourist circuits	FY1972/72	12	160
9-3	Feasibility study, marine parks	FY1972/73	6	55
9-4	Land capability study, coast	FY1972/73	12	140
9-5	Technical study local beach protection	FY1971/72	4	36
9-6	Hotel building and operating cost analysis	FY1972/73	3	17

/1 Timings all to be reviewed when government tourism policy is clarified.

/2 Excluding local professional assistance.

PREINVESTMENT PROGRAM - STUDY DATA SHEET

No.: 9-1 (i)

Area: EAST AFRICA	Country: TANZANIA	Sector(s): TOURISM
1. NAME OF PROPOSED STUDY: Tourist industry training study.		
2. PURPOSE: To provide an assessment of manpower requirements for the Tanzanian tourist industry under appropriate assumptions on the nature and pace of tourist development. To recommend training programs whereby posts at all levels may be most quickly and effectively filled by Tanzanian citizens.		
3. SCOPE: The study would be limited to Tanzania, but would take account of studies already initiated in this field by the East African Community. A ten year time scale would be appropriate. Investigations would be required into the tourism investment plans of the public and private sectors, the performance of existing training programs, and the availability of training facilities outside Tanzania. Attention would be paid to aspects of training at all levels, having regard to the Government's objective to fill all positions by well qualified citizens.		
4. BACKGROUND: (a) Related Studies (b) Other Available Data (c) Expected Data Problems Arthur D. Little 10 Year Tourism Development Plan I.L.O. studies of tourism training. Performance reports of Hallmark Hotel School East African Community manpower studies. Uncertainty surrounding government policy on scale and phasing of tourist development.		
5. TIMING: (a) Duration and Phasing of Study (b) Desired Starting Date Two (2) months 1972		
6. COMMENT ON POTENTIAL STUDY SPONSORS: Ministry of Natural Resources and Tourism, through the Tanzania Tourist Development Corporation. Interest indicated by the I.L.O.		
7. PROJECT(S) EXPECTED TO RESULT FROM STUDY (if known): (a) Description (b) Estimated Investment (US\$ equivalent) (c) Financing Need and Potential Source Extension of hotel training school. - -		
8. ORDER OF MAGNITUDE OF STUDY COST (US\$ equivalent): \$8,500		Sheet Prepared by: A. Hayman Dept. or Agency: Tourism Projects Dept. Date: September 13th, 1971
9. STAFF'S COMMENT ON PRIORITY RANKING OF STUDY:		Sheet Revised by: Item(s) Revised: Dept. or Agency: Date:

PREINVESTMENT PROGRAM - STUDY DATA SUPPLEMENT
(to be filled in when possible)

No.: 9-1 (2)

1. TENTATIVE STAFFING		Type of Specialist	Number on Team	Total Man-Months
(a) Foreign Professional Staff:				
	Tourism training specialist		1	2
		Total:	1	2
(b) Local Professional Staff :	Hotel adviser		1	$\frac{1}{2}$
(c) Local Supporting Staff :				
2. TENTATIVE STUDY BUDGET (US\$ equivalent)		Foreign Currency	Local Currency	Total
(a) Professional Staff Costs :		6,000	300	6,300
(b) Equipment :		-	-	-
(c) Other (Travel, non-prof. staff, etc.):		2,000	200	2,200
(d) Total :		8,000	500	8,500

3. OTHER COMMENTS

Supplement Prepared by: A. Hayman	
Dept. or Agency: Tourism Projects Dept.	
Date: September 13, 1971	
Supplement Revised by:	
Item(s) Revised:	
Dept. or Agency:	
Date:	

PREINVESTMENT PROGRAM - STUDY DATA SHEET

No. : 9-2 (i)

Area: EAST AFRICA		Country: TANZANIA	Sector(s): TOURISM
1. NAME OF PROPOSED STUDY: FEASIBILITY STUDY - Southern Tourist Circuits			
2. PURPOSE: To determine the technical, economic, and financial feasibility of developing new tourist circuits in the southern part of Tanzania.			
3. SCOPE: The geographical boundary of the studies is that part of Tanzania that can be effectively combined with the beach as an attractive tourist destination. Special study would be given to the Selous area. The time period would be 15 years. The scope of studies would include the evaluation of lodges with their ancillary staff facilities, roads, airstrips. Recommendations would be required on institutional and financial arrangements for development of new circuits, as well as those aspects of game management relevant to tourism.			
4. BACKGROUND: (a) Related Studies Arthur D. Little 10 Year Tourism Development Plan, Hallmark Hotels feasibility studies Roads feasibility studies			
(b) Other Available Data			
(c) Expected Data Problems Climate, topographical, and ecological data on the Selous			
5. TIMING: (a) Duration and Phasing of Study 12 months			
(b) Desired Starting Date 1973			
6. COMMENT ON POTENTIAL STUDY SPONSORS: Ministry of Natural Resources and Tourism, through the Tanzania Tourist Development Corporation.			
7. PROJECT(S) EXPECTED TO RESULT FROM STUDY (if known):			
(a) Description		(b) Estimated Investment (US\$ equivalent)	
Infrastructure and lodge development			
(c) Financing Need and Potential Source			
8. ORDER OF MAGNITUDE OF STUDY COST (US\$ equivalent): \$160,000		Sheet Prepared by: A. Hayman Dept. or Agency: Tourism Projects Dept. Date: September 13, 1971	
9. STAFF'S COMMENT ON PRIORITY RANKING OF STUDY: Priority depends on government policy still to be formulated. If beach resorts to be developed, this study has high priority; otherwise, negligible.		Sheet Revised by:	
		Item(s) Revised:	
		Dept. or Agency:	
		Date:	

PREINVESTMENT PROGRAM - STUDY DATA SUPPLEMENT
(to be filled in when possible)

No.: 9-2 (2)

1. TENTATIVE STAFFING	Type of Specialist	Number on Team	Total Man-Months
(a) Foreign Professional Staff:	Architect Planner	1	5
	Engineers	2	12
	Economist	1	3
	Ecologist	1	6
	Marketing specialist	1	2
	Total:	6	28
(b) Local Professional Staff :	Game expert	1	6
	Hotel expert	1	2
(c) Local Supporting Staff :	Engineers	2	12
	Ecologist	1	6
2. TENTATIVE STUDY BUDGET (US\$ equivalent)	Foreign Currency	Local Currency (i)	Total (i)
(a) Professional Staff Costs :	80,000	8,000	88,000
(b) Equipment :	10,000	5,000	15,000
(c) Other (Travel, non-prof. staff, etc.):	26,000	31,000	57,000
(d) Total :	116,000	44,000	160,000

3. OTHER COMMENTS

(i) excluding cost of local professional staff.

Supplement Prepared by:	A. Hayman
Dept. or Agency:	Tourism Projects Dept.
Date:	September 13, 1971
Supplement Revised by:	
Item(s) Revised:	
Dept. or Agency:	
Date:	

PREINVESTMENT PROGRAM - STUDY DATA SHEET

No.: 9-3(i)

Area: EAST AFRICA	Country: TANZANIA	Sector(s): TOURISM
1. NAME OF PROPOSED STUDY: Feasibility Study - Marine Parks		
2. PURPOSE: To assess the extent to which marine resources are in danger of depletion, particularly in those areas suitable for coastal tourist development. To evaluate alternative means of arresting any such danger, and to determine the technical economic and financial feasibility of establishing marine parks.		
3. SCOPE: The study would be confined to coastal waters within fifty miles north and south of Dar-es-Salaam, plus such other specific zones as may be designated by the Ministry of Natural Resources and Tourism. Technical surveys would be carried out to the extent necessary to achieve the above purposes: on the basis of which a recommended program would be prepared over a 15 years time scale. Specific areas requiring emergency short term action would be identified, and appropriate measures recommended.		
4. BACKGROUND: (a) Related Studies (b) Other Available Data (c) Expected Data Problems		
Study by Dr. Carleton Ray Arthur D. Little 10 Year Tourism Development Plan	Marine park studies in Kenya	Lack of basic ecological data
5. TIMING: (a) Duration and Phasing of Study (b) Desired Starting Date		
6 months		1973
6. COMMENT ON POTENTIAL STUDY SPONSORS: Ministry of Natural Resources and Tourism, through the Tanzania Tourist Corporation. Assistance should be sought from a Foundation or University.		
7. PROJECT(S) EXPECTED TO RESULT FROM STUDY (if known):		
(a) Description	(b) Estimated Investment (US\$ equivalent)	(c) Financing Need and Potential Source
Establishment of marine parks. Protection of marine resources		
8. ORDER OF MAGNITUDE OF STUDY COST (US\$ equivalent): \$55,000	Sheet Prepared by: A. Hayman Dept. or Agency: Tourism Projects Dept. Date: September 13, 1971	
9. STAFF'S COMMENT ON PRIORITY RANKING OF STUDY: Priority subject to review by Ministry of Natural Resources and Tourism.	Sheet Revised by:	
	Item(s) Revised:	
	Dept. or Agency:	
	Date:	

PREINVESTMENT PROGRAM - STUDY DATA SUPPLEMENT
(to be filled in when possible)

No.: 9-3 (2)

1. TENTATIVE STAFFING		Type of Specialist	Number on Team	Total Man-Months
(a) Foreign Professional Staff:		Ecologist	1	6
		Marine biologist	1	6
		Economist	1	2
		Total:	3	14
(b) Local Professional Staff :	Fisheries adviser	1	2	
(c) Local Supporting Staff :	Economist	1	2	
2. TENTATIVE STUDY BUDGET (US\$ equivalent)				
		Foreign Currency	Local Currency (i)	Total (i)
(a) Professional Staff Costs :		34,000	7,000	41,000
(b) Equipment :		500	500	1,000
(c) Other (Travel, non-prof. staff, etc.):		6,000	7,000	13,000
(d) Total :		40,500	14,500	55,000

3. OTHER COMMENTS

(i) excluding cost of local professional staff.

Supplement Prepared by: A. Hayman	
Dept. or Agency: Tourism Projects Dept.	
Date: September 13, 1971	
Supplement Revised by:	
Item(s) Revised:	
Dept. or Agency:	
Date:	

PREINVESTMENT PROGRAM - STUDY DATA SHEET

No.: 9-4 (i)

Area: EAST AFRICA	Country: TANZANIA	Sector(s): TOURISM
1. NAME OF PROPOSED STUDY: Land Capability Study, Coast		
2. PURPOSE: To determine the physical constraints on tourist developments at the coast.		
3. SCOPE: The study would cover the coastal region approximately fifty miles north and south of Dar-es-Salaam, and extend out to sea to the coral reefs. The study would determine the physical capacity available for tourist and other development, and provide indications of zoning requirements. The study would select priority sites for hotels, based on detailed technical studies beyond the scope of the Arthur D. Little study.		
4. BACKGROUND: (a) Related Studies (b) Other Available Data (c) Expected Data Problems Dar es Salaam Plan Arthur D. Little Ten Year Tourism Development Plan		
5. TIMING: (a) Duration and Phasing of Study (b) Desired Starting Date 12 months 1973		
6. COMMENT ON POTENTIAL STUDY SPONSORS: Ministry of Natural Resources & Tourism, through the Tanzania Tourist Corporation.		
7. PROJECT(S) EXPECTED TO RESULT FROM STUDY (if known): (a) Description (b) Estimated Investment (US\$ equivalent) Program of hotel investments along the coast. (c) Financing Need and Potential Source		
8. ORDER OF MAGNITUDE OF STUDY COST (US\$ equivalent): \$140,000		Sheet Prepared by: Andrew Hayman Dept. or Agency: Tourism Projects Dept. Date: September 13, 1971
9. STAFF'S COMMENT ON PRIORITY RANKING OF STUDY: First priority if government policy is to extend beach accommodation. Otherwise, very low priority.		Sheet Revised by:
		Item(s) Revised:
		Dept. or Agency:
		Date:

PREINVESTMENT PROGRAM - STUDY DATA SUPPLEMENT
(to be filled in when possible)

No.: 9-4 (2)

1. TENTATIVE STAFFING		Type of Specialist	Number on Team	Total Man-Months
(a) Foreign Professional Staff:				
		Architect planners	2	12
		Economist	1	4
		Marketing specialist	1	2
		Ecologist	1	6
		Hotel expert	1	2
		Total:	6	26
(b) Local Professional Staff :				
		Architect planner	1	6
(c) Local Supporting Staff :				
		Economist	1	6
2. TENTATIVE STUDY BUDGET (US\$ equivalent)		Foreign Currency	Local Currency (i)	Total (i)
(a) Professional Staff Costs	:	74,000	9,000	83,000
(b) Equipment	:	1,000	1,000	2,000
(c) Other (Travel, non-prof. staff. etc.):		25,000	30,000	55,000
(d) Total	:	100,000	40,000	140,000
3. OTHER COMMENTS				
(i) excluding cost of local professional staff.				
Supplement Prepared by: A. Hayman Dept. or Agency: Tourism Projects Dept. Date: September 13, 1971				
Supplement Revised by:				
Item(s) Revised:				
Dept. or Agency:				
Date:				

PREINVESTMENT PROGRAM - STUDY DATA SHEET

No. : 9-5 (i)

Area: EAST AFRICA	Country: TANZANIA	Sector(s): TOURISM
1. NAME OF PROPOSED STUDY: Technical Study, Local beach protection.		
2. PURPOSE: To assess the extent to which the beaches and reefs in the region of the Bahari, Kunduchi, and Africana hotels are in danger of erosion or pollution, and recommend the most appropriate means of overcoming any such danger.		
3. SCOPE: The study would be limited to the vicinity of the three existing hotels and any other contiguous sites designated for hotel development in the near future. The study would be concerned with short term measures to arrest any further deterioration, in terms of least-cost solutions. Attention would also be paid to the danger of oil pollution and the possible requirement for relocation of tanker moorings.		
4. BACKGROUND: (a) Related Studies (b) Other Available Data (c) Expected Data Problems Arthur D. Little 10 year Tourism Development Plan Study by Dr. Carleton Ray		
5. TIMING: (a) Duration and Phasing of Study (b) Desired Starting Date 4 months 1972		
6. COMMENT ON POTENTIAL STUDY SPONSORS: Ministry of Natural Resources and Tourism		
7. PROJECT(S) EXPECTED TO RESULT FROM STUDY (if known): (a) Description (b) Estimated Investment (US\$ equivalent) Protection measures at beaches (c) Financing Need and Potential Source		
8. ORDER OF MAGNITUDE OF STUDY COST (US\$ equivalent): \$36,000		Sheet Prepared by: A Hayman Dept. or Agency: Tourism Projects Dept. Date: September 13, 1971
9. STAFF'S COMMENT ON PRIORITY RANKING OF STUDY: First Priority.		Sheet Revised by: Item(s) Revised: Dept. or Agency: Date:

PREINVESTMENT PROGRAM - STUDY DATA SUPPLEMENT
(to be filled in when possible)

No.: 9-5 (2)

1. TENTATIVE STAFFING	Type of Specialist	Number on Team	Total Man-Months
(a) Foreign Professional Staff:	Hydrologist	1	4
	Engineer	1	4
	Total:	1	8
(b) Local Professional Staff :	Ecologist	1	4
(c) Local Supporting Staff :	Engineer	1	4

2. TENTATIVE STUDY BUDGET (US\$ equivalent)	Foreign Currency	Local Currency (i)	Total (i)
(a) Professional Staff Costs :	23,000	5,000	28,000
(b) Equipment :	500	500	
(c) Other (Travel, non-prof. staff, etc.):	4,000	3,000	7,000
(d) Total :	27,500	8,500	36,000

3. OTHER COMMENTS

(i) excluding cost of local professional staff.

Supplement Prepared by: A. Hayman	
Dept. or Agency: Tourism Projects Dept.	
Date: September 13, 1971	
Supplement Revised by:	
Item(s) Revised:	
Dept. or Agency:	
Date:	

PREINVESTMENT PROGRAM - STUDY DATA SHEET

No.: 9-6 (i)

Area: EAST AFRICA	Country: TANZANIA	Sector(s): TOURISM
1. NAME OF PROPOSED STUDY: Hotel Building and Operating Cost Analysis		
2. PURPOSE: To determine the main factors determining the level of construction and operating costs of hotels and lodges in Tanzania, and to indicate ways by which they may be reduced.		
3. SCOPE: The study would cover all 'international' class accommodation in Tanzania, and projects still in progress. Having isolated the main reasons for the high levels of costs, the study would recommend means by which they could be reduced. A detailed code of standards for hotels and lodges of different types would be drawn up, having regard to the requirements of the most important markets. Recommendations would be made where appropriate on institutional factors, and fiscal measures.		
4. BACKGROUND: (a) Related Studies Hallmark feasibility studies TTC feasibility studies Arthur D. Little 10 year Tourism Development Plan		
(b) Other Available Data		
(c) Expected Data Problems Operating and construction costs of non-TTC hotels.		
5. TIMING: (a) Duration and Phasing of Study 3 months		
(b) Desired Starting Date 1973		
6. COMMENT ON POTENTIAL STUDY SPONSORS: Ministry of Natural Resources and Tourism, through the Tanzania Tourist Corporation.		
7. PROJECT(S) EXPECTED TO RESULT FROM STUDY (if known):		
(a) Description -		
(b) Estimated Investment (US\$ equivalent) -		
(c) Financing Need and Potential Source -		
8. ORDER OF MAGNITUDE OF STUDY COST (US\$ equivalent): \$17,000		Sheet Prepared by: Andrew Hayman Dept. or Agency: Tourism Projects Dept. Date: September 13, 1971
9. STAFF'S COMMENT ON PRIORITY RANKING OF STUDY: High priority if the Government intends to seek financing for a major program of hotel and lodge investment. Otherwise, low priority.		Sheet Revised by: Item(s) Revised: Dept. or Agency: Date:

PREINVESTMENT PROGRAM - STUDY DATA SUPPLEMENT
(to be filled in when possible)

No.: 9-6 (2)

1. TENTATIVE STAFFING	Type of Specialist	Number on Team	Total Man-Months
(a) Foreign Professional Staff:	Architect	1	2
	Quantity Surveyor	1	1
	Hotel specialist	1	1
	Total:		3
(b) Local Professional Staff :	Architect	1	2
(c) Local Supporting Staff :	Hotel Adviser	1	1

2. TENTATIVE STUDY BUDGET (US\$ equivalent)	Foreign Currency	Local Currency (i)	Total (i)
(a) Professional Staff Costs :	11,000	3,000	14,000
(b) Equipment :			
(c) Other (Travel, non-prof. staff, etc.):	2,000	1,000	3,000
(d) Total :	13,000	4,000	17,000

3. OTHER COMMENTS

(i) Excluding cost of local professional staff.

Supplement Prepared by: A. Hayman	
Dept. or Agency: Tourism Projects Dept.	
Date: September 13, 1971	
Supplement Revised by:	
Item(s) Revised:	
Dept. or Agency:	
Date:	

CHAPTER III

URBAN/REGIONAL DEVELOPMENT AND HOUSING (Sector No. 10)

Background

1. Tanzania is characterized by a few urban growth centers in well defined regions. These include the region around the capital city, Dar es Salaam, the agricultural and tourist belt from Tanga to Mwanza, and the areas around Mbeya, near the Zambian border, and Mwatara, near the Mozambique border. Growth is also occurring along the main transport routes, especially along the railways and main roads. The regions mentioned above are growing faster than the rest of the country because they either have good agricultural and/or tourist potential, or they are already well established industrial centers with good transportation lines. Up to now then, regional growth has been influenced largely by economic and demographic forces.
2. In 1970, the population of Tanzania was 12.9 million, widely scattered over an area of 364,000 square miles. The urban population, including cities and towns with 1800 or more people, was approximately 774,000 or about 6.5% of the total. The national population was growing at approximately 3% and that of the urban areas at about 7%. Assuming that the growth rates observed in 1970 will be maintained, 2.7 million and 19.5 million of the country's population will be found in the urban and rural areas respectively by 1987. Tanzania will therefore remain a predominantly rural country.
3. The population drift to the cities has concentrated on the capital, Dar es Salaam. In 1967, the last census year, Dar es Salaam had 272,000 people - a population larger than the next nine largest cities and towns put together. Whereas the urban areas as a whole grew by about 6.3% a year between 1957 and 1967, Dar es Salaam grew by 7.9%, reaching as high as 11% between 1965 and 1967. If the growth rates observed between 1965 and 1967 continue, Dar es Salaam will double her population every seven years. The more rapid growth of the capital is due in part to the emphasis it has received under past investment programs resulting in the creation of new employment possibilities. In addition, Dar es Salaam is the socio-political center of the country.
4. Although Tanzania's urban population is small in absolute numbers, the rapid rate at which it has been growing is imposing substantial infrastructure requirements, especially housing, on the country's towns and cities. It is estimated that urban housing needs are 17,000 units annually, 1/2 of which are to accommodate population growth. The planned annual output target by the public sector of 8,000 units during the Second Plan (1970-1974) is expected to fall far short of estimated needs. Of the total families in need of housing, about 50% earn less than 350 Shs (US\$50) a month and 2/3 earn less than 500 Shs (US\$70). In other words, half of the families cannot afford housing costing more than Sh 10,700 (US\$1,500) to construct or renting for more than Shs 85 (US\$12) a month.

Government Policy and Programs

5. In both urban and regional development, Government policy is attempting to check and reverse present trends, namely to reduce the growth differential between regions and reduce the urban drift especially to Dar es Salaam. The Government's policy is to promote rural development through the development of Ujamaa Villages and, at the same time, attempt to restrain urban growth. As part of this policy nine towns have been designated as urban growth centers to be developed in order to relieve pressure on Dar es Salaam.

6. In the field of urban housing, the Government is aware that the financial resources available for housing are severely limited. It would therefore like to have the National Housing Corporation build houses which meet urban conditions and yet remain within the financial means of the majority of the urban people. In addition, a large part of Government's housing effort would be to implement a large scale "site and service" program whereby individuals would build their own shelter.

Central Issues

7. Little success has yet been realized in implementing the above Government policies. This is partially due to the difficulty and lead time required to reverse entrenched trends based largely on economic and demographic forces. It is also due to the fact that both the urban and regional strategies appear to have been formulated without a well articulated planning and plan implementation framework, and relevant data. It is not at all clear, for example, that it is feasible from the point of view of resource availability to develop simultaneously nine urban growth centers besides Dar es Salaam. While efforts should be made to develop all the country's regions, data on the growth potential of each region should be gathered, and the inter-relationships of the regions clearly spelled out.

8. In the field of urban housing, data available on the performance of the National Housing Corporation (NHC) with regard to the low cost housing and the "site and services" programs show that the planned targets (under the 1970-1974 plan) are not being met. The least progress has been made in the "site and services" program which is supposed to be the backbone of the country's housing program. In light of this lag between performance and planned targets, it appears that a thorough review of both the NHC low-cost and site and services programs is needed. This should include an examination of the standards of NHC low-cost and serviced sites programs and the implementation and administration capabilities of NHC itself.

The Proposed Study Program

9. It is essential to undertake a study which would focus on the Government's programs for providing shelter for low income groups, especially "site and services". The study should define ways in which limited public funds can be used with maximum impact in these fields. The examination of

the "sites and services" program is especially important as it appears to be the only realistic solution to the shelter needs of the really low income urban dwellers.

10. Similarly efforts should be made to provide a framework within which urban and regional development planning can take into account each region's developmental potential and articulate the interrelatedness among regions. The potential of each of the nine designated growth centers should also be examined and their combined demands on available resources should be analysed. However, because of the recent decentralisation of Tanzania's planning institutions which was announced after the mission had returned from the field, it is not possible at this time to pinpoint the studies that should be taken to tackle these issues in urban regional planning.

LIST OF PROPOSED STUDIES

<u>Study No.</u>	<u>Name of Proposed Study</u>	<u>Suggested Starting Year</u>	<u>Duration in Months</u>	<u>Estimated Cost</u>
10:1	Urban Low-Income Housing and "Site and Services" Program	1973	12	226,000

PREINVESTMENT PROGRAM - STUDY DATA SHEET

No.: 10-1-(1)

Area: <p style="text-align: center;">EAST AFRICA</p>	Country: <p style="text-align: center;">TANZANIA</p>	Sector(s): <p style="text-align: center;">Urban Housing</p>
1. NAME OF PROPOSED STUDY: <u>URBAN LOW-INCOME HOUSING AND "SITE AND SERVICES" PROGRAM</u>		
2. PURPOSE: (a) Formulate a housing program for the existing and rapidly increasing housing needs of the urban low-income families; (b) make recommendations for the financial, technical and administrative framework in which the program will be implemented; (c) define specific projects for early implementation of program.		
3. SCOPE: <u>Phase I</u> of the Study shall (a) review and analyse existing needs for low-income housing in urban areas including: the magnitude of housing needs and the socio-economic characteristics of the low-income people with particular attention to their preferences for shelter and ability to pay; (b) review the existing programs for housing low-income people, especially the site and services program, in order to assess how well they are meeting their stated objectives, and if not, why not; (c) formulate action programs for low-cost housing and a "site and services" for the country. <u>Phase II</u> shall: (d) define specific projects in both low-cost housing and "site and services"; (e) detailed feasibility of a selected number of projects from (d) above.		
4. BACKGROUND: (a) Related Studies (b) Other Available Data (c) Expected Data Problems The Second Five-Year Plan, Annual Plans and the Economic Survey; "Low Cost Housing in Tanzania - Factual Analysis" and appendix - John Leaning; "A Note on Low Cost Housing" - Jill Wells; "Squatter Communities in Tanzania" and "Housing Cooperatives in Tanzania" - Stan Benjamin; "A Long-Term Housing Policy for Tanzania" - M.A. Bienefeld; "Squatter Settlements in Latin America" - AID - programs and experiences of all the Latin American countries in 1969. The Housing Needs - intensive study of Ministry of Land might be available at the beginning of the Study.		
5. TIMING: (a) Duration and Phasing of Study (b) Desired Starting Date Phase I - 6 months Phase II - 6 months <p style="text-align: right;">FY73/74</p>		
6. COMMENT ON POTENTIAL STUDY SPONSORS: <p style="text-align: center;">Ministry of Land, Housing and Urban Development</p>		
7. PROJECT(S) EXPECTED TO RESULT FROM STUDY (if known): (a) Description (b) Estimated Investment (US\$ equivalent) Several low-income housing and "site and services" projects. (c) Financing Need and Potential Source		
8. ORDER OF MAGNITUDE OF STUDY COST (US\$ equivalent): \$ 226,000	Sheet Prepared by: Raimundo Guarda/Madavo Dept. or Agency: Consultant IBRD Date:	
9. STAFF'S COMMENT ON PRIORITY RANKING OF STUDY: Top priority	Sheet Revised by:	
	Item(s) Revised:	
	Dept. or Agency:	
	Date:	

PREINVESTMENT PROGRAM - STUDY DATA SUPPLEMENT
(to be filled in when possible)

No.: 10-1-(2)

1. TENTATIVE STAFFING		Type of Specialist	Number on Team	Total Man-Months
(a) Foreign Professional Staff:	Housing Economist (Project Director)		1	12
	Housing Finance Specialist		1	12
	Sociologist		1	12
	Architect		1	12
	"Site and Services" Expert		1	12
	Public Administration Specialist		1	12
	<u>Total:</u>			6
(b) Local Professional Staff :	Counter-Part Project Director		1	12
	Housing Economist or Financial Specialist		1	12
(c) Local Supporting Staff :	Draftsman		1	12
	Secretary		1	12
2. TENTATIVE STUDY BUDGET (US\$ equivalent)		Foreign Currency	Local Currency	Total
(a) Professional Staff Costs	:	200,000	5,000	
(b) Equipment	:			
(c) Other (Travel, non-prof. staff, etc.):		20,000	1,000	
(d) Total	:	220,000	6,000	226,000

3. OTHER COMMENTS

Supplement Prepared by: Raimundo Guarda/Madavao	
Dept. or Agency: Consultant	
Date:	
Supplement Revised by:	
Item(s) Revised:	
Dept. or Agency:	
Date:	