

TANZANIA

Although Tanzania business indicators are the lowest of the analyzed countries, the country has great solar and hydro resources, and the will to increase the investment in mini and off-grid systems, especially to boost rural electrification.



NATIONAL CONTEXT

| | | | | |
|---------------------------------------|--|--|--|-------------------------------|
| Ease of doing business index | | Global competitiveness index <i>(World rank)</i> | Population | 59,734,213 inhabitants |
| World rank 141st | Sub-Saharan rank 22nd | | Human Development Index | 0.529 |
| | | N.D | GDP <i>(annualized average rate growth between 2010 and 2020)</i> | 6.9% |

ELECTRIFICATION RATE



73%

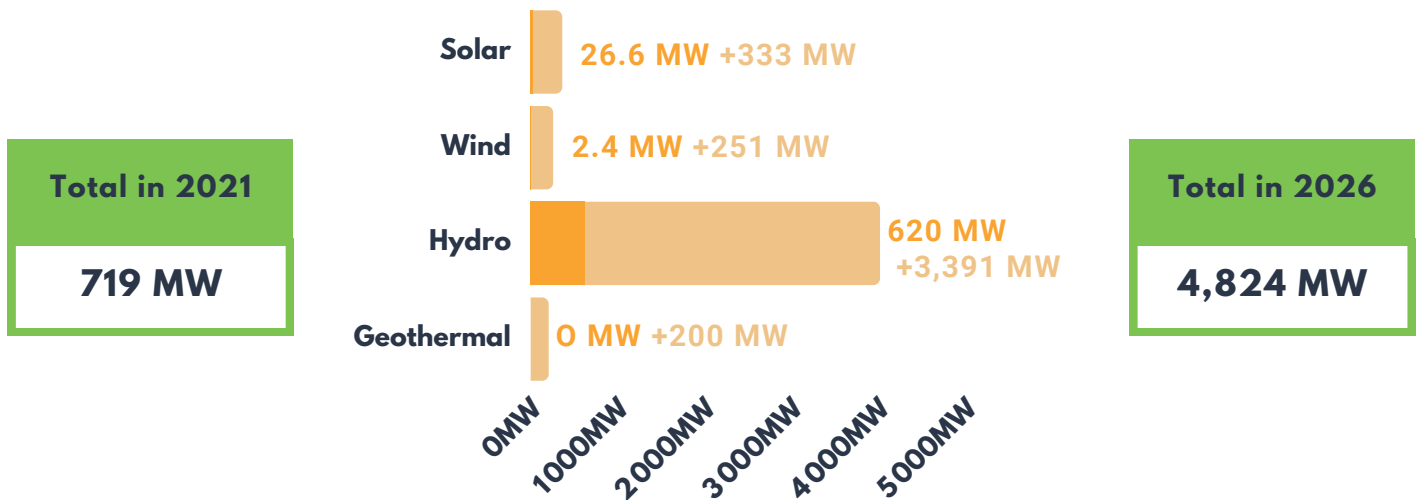


19%



38%

RENEWABLE ENERGY INSTALLED CAPACITY AND PROJECTIONS 2026



REGULATORY FRAMEWORK

- Among the public companies, TANESCO is the most relevant, being responsible for a large part of the generation (78%), and having the monopoly on transmission
- Tanzania has some **notable market incentives**: VAT and Duty exemptions for some renewable energy (RE) products and Feed-in-Tariffs scheme

Data gathered with the support of Minsait. Full references available in the published report - June 2022

OPPORTUNITIES

Mini-Grids & Off-grids



Tanzania is the sub-Saharan African country with the most opportunities for the development of mini and off grid systems, especially in the northern regions.

Energy Storage



There is a growing activity regarding battery storage systems (BES) in Tanzania, mainly because the use of photovoltaic combined with BES is one of the most viable options for rural electrification.



Smart Grids

Although off-grid has a great potential in Tanzania, smart grids market is very limited currently as **electrification rates are low and the technology is still incipient.**



Electrical Equipment

Electrical equipment market is very limited, and mainly concentrated around Dar-es-Salaam. Even though **imports of electrical equipment** have increased significantly in recent years, they are **insufficient.**



+ 3,551,000

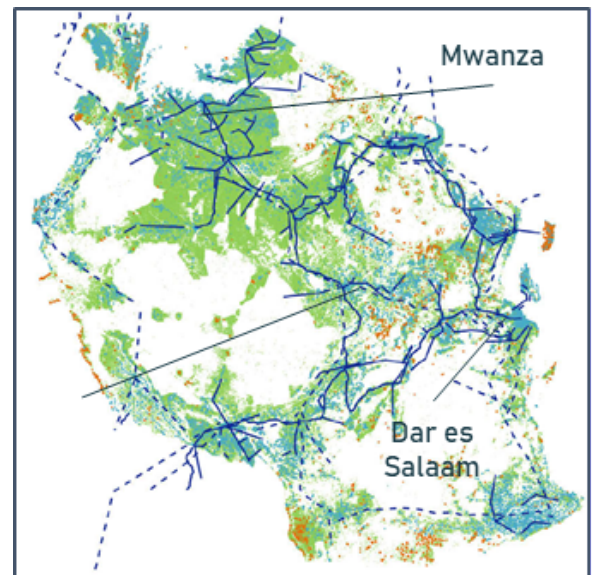
-67%*
(2015-2019)

People connected to solar mini and off-grid systems

- On-grid
- Mini-grids
- Off-grid systems
- Existing transmission lines (>69kV)
- Planned lines

*Decrease due to the drop of solar lightning systems in favor of mini-grids. Number of people connected to mini grids has tripled in the last 5 years.

Tanzania planned electricity connections by 2030



RESEARCH & DEVELOPMENT

- ▶ Renewable Energy Technology Centre (RETC) and the renewable energy associations are the most active agencies
- ▶ Hydropower is the most developed technology in recent years, with the **focus on small-scale projects**

KEY STAKEHOLDERS

- ▶ The **stakeholders map is relatively dense** compared to other East African countries
- ▶ Universities and R&D centres are very active in renewable energies
- ▶ TAREA stands out as the most active association in the RE sector