**CHAPTER ONE:**

**1.0 INTRODUCTION:**

## Background Information:

Babati Town council with an area of 460.86 km2 is at equidistant of about 168km between Kondoa Town and Arusha and Singida Municipalities and about 650km from Mwanza and Dar Es Salaam Cities on 404’S and 35045’E and about 1347m above sea level.

It is the business and Socio-economic activities centre for Babati District and the headquarters of Manyara Region. It has extended from slopes of Mountain Kwaraa which is covered by the Ufyome Forest Western wards. It was established in 2004 following the Government Notice Na. 352 on 17th day of September. The town is boasting of attractive topographical features with hills and escarpments, Mountain Kwaraa, Tourist Lake Babati with about 400 polite Hippos, water Bird and indigenous fish species, Natural Dam (Bwawa la Mungu), natural and man made forests, plenty of agricultural land and neighboring to the famous Tarangire and Manyara National parks.

Babati Town had been promoted from village status to the current status. According to the national population census of 2012, the Council had a population of 93,108 people.

The first chapter introduces the vision, mission and objectives of the investment policy and investment profile as well as information on the topography, climate, land use and agro-ecological zones. The administrative units and population of the Town Council are also noted. The Second and the third chapters briefly outline the main economic sectors and infrastructure. The fourth chapter identifies the types of investments and existing opportunities in various parts of the council. The products, market situation, future expectations, quality requirements, processing, and investment agents are also examined where appropriate. Chapter five is on the Management and facilitation of the Investments including the procedures of establishing the businesses, investment guarantees and the legal frame work such as the acquisitions of investing land and settlement of the disputes. Migration requirements for foreign investors are also noted. The Sixth Chapter presents the conclusion.

## Investment Vision, Mission and Objectives:

Tanzania had made sustainable interventions pertaining to the Investment promotion including;- enactment of the National Investment Promotion and Protection Act in August, 1990 stated the Investment priority areas to encourage both local and Foreign Investment in the Country. The Investment Act of 1997 updated the National Investment Promotion and Protection Act and Established the Tanzania Investment Centre (TIC) as an agency to coordinate and facilitate the investments in Tanzania. TIC caters to both local and foreign investors, performs all liaison work such as attending the enquiries and facilitating the project execution. The centre also provides the Certificates of incentives to approve performed locally and foreign owned projects. It has identified priority investment sectors as being Agriculture, Tourism, Infrastructure development, Mining, Petroleum and gas development, Aviation, Construction, Financial services and Manufacturing.

The national effort to promote and facilitate investment is comprehended at the Council level by the vision and mission for Babati Town council.

**VISION, MISSION AND OBJECTIVES**:

**Vision of the council:**

Babati Town Council Aspires to be*“The Best and Sustainable Socio-Economic Services provider by year 2020.”*

**Mission of the council:**

In order for the Council to accomplish its aspiration the Council intends **“***To provide Quality Socio-Economic Services using available opportunity and Good Governance”*

**Council Objectives:** The Council expects to successfully acquire its Vision by executing the following nine Objectives.

A. To provide Services and reduce HIV/AIDS Infections.

B. Capacity of Council staff to deliver services improved.

C. Revenue collection system improved.

D. Working environment and infrastructure improved.

E. High Quality Socio- Economic Services delivery to Customers

Improved

F. Land conservation and environmental management of key factors improved.

G. Good Governance and Accountability improved.

H. Social welfare, gender and community empowerment improved.

I. Emergence preparedness and disaster management improved.

## The Physical features

## The topography

The main topographic features are associated with the rift valley characteristics. There are extensive flat terrains in the northern part of the town. There are escarpments and scattered hills within the town whose elevation ranges from bellow 1,000 to over 2,000 meters. The ranges of Kwaraa Mountain lie to the East of the town covered by the Ufyome natural forests. Lake Babati with string shape lie to the south of Babati town covers about 100 Km2 with Lake Basin of an approximate 18Km2. The Kiru Valley is on the North – East of Council areas play a leading role as the drainage valley of the town.

Soils in the town are dark brown characterized with layers of Lava which make them extremely vulnerable to soil erosion. Within the layers light-colored sandy soils which are dominant features. Black cotton soils are predominant in various river valleys.

* + 1. **The climate**

The Council is divided into two climatic zones namely highland and low-land zones. The mean annual temperature is 230C, the coldest month being July with an average temperature of 150C and warmest month is December with an average temperature of 340C. The town receives two rainy seasons; short rains from October to December and long rains from March to May with an average of annual rainfall of 1200 millimeters.

* + 1. **The Agro-Ecological Zones:**

Babati Town Council experiences the differences in rainfall amount and pattern, landform, soil types and practices in land use. Crop cultivation, livestock husbandry and forestry based activities are the major land uses in the Council.

The suitability of the Council for Crop cultivation and livestock husbandry is accredited by the existing agro-ecological zones. The council area can be divided into four Agro-ecological Zones (Table 1.1, Map 3)

**Table 1: Babati Town Council: Agro – Ecological Zones**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **ZONE** | **ALTITUDE (m)** | **Rainfall** | **Soil fertility** | **Suitable crops** |
| I | 1200-1500 | 1000mm annually | Fertile soils | Maize, Pigeon peas, beans banana |
| II | 1500-1850 | High rainfall more than 1000mm | Fertile soil, water high holding capacity | Maize, pigeon pea beans coffee potatoes |
| III | 1850-2150 | Lower rainfall 1000mm | Law soil fertility | Forest services |
| IV | 950-1200 | Good rainfall 1000mm | Fertile soils | Maize pigeon peas beans banana sunflower &sugar cane |

* 1. **The Administrative set up**

Administratively, the Council comprised of two divisions namely Babati and Gorowa which together are formed by a total of 8 wards namely Bagara, Babati, Bonga, Nangara, Singe, Sigino, Maisaka and Mutuka. The wards are further sub divided into 35 street (Mitaa), 13 Villages and 54 Hamlets (Vitongoji) (Table 1.2).

**Table 1.2: Administrative levels of Babati Town Council**

|  |  |  |  |
| --- | --- | --- | --- |
| **WARD** | **STREETS** | **VILLAGES** | **HAMLETS** |
|
| Babati | 7 | - | - |
| Bagara | 8 | 1 | 5 |
| Bonga | 5 | 2 | 9 |
| Maisaka | 4 | 2 | 8 |
| Mutuka | - | 2 | 7 |
| Sigino | - | 4 | 17 |
| Nangara | 7 | 1 | 3 |
| Singe | 4 | 1 | 5 |
| **Total** | **35** | **13** | **54** |

**Source: The United Republic of Tanzania, 2002 Population and Housing Census**

* 1. **The Population structure**

Between 1978 and 1988 the population of Babati urban had been growing with an average of annual growth rate of 3.8%. The growth rate increased to 4.8% between 1988 and 2002. According to the 2002 Population and Housing Census, the town has a population of 64,652 people including 33,110 males (51.3%) and 31,442 females (48.7). In 2002, the age composition indicated that 60.3% of the population was comprised of adults and 39.7% were children. Adult population in 2011 are estimated to be 49,296 persons and 32,455 children.

# Table 2: Population distribution by ward and sex in 2002

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| WARD | POPULATION CENSUS 2002 | | TOTAL | PROJECTED POPULATION 2011 (2.7% Pop.gr.rate) | | TOTAL |
| MALES | FEMALES | MALES | FEMALES |
| Babati | 2,327 | 1,957 | 4,284 | 2,958 | 2,482 | 5,443 |
| Bagara | 11,919 | 11,876 | 23,795 | 15,149 | 15,094 | 30,243 |
| Bonga | 3,932 | 3,907 | 7,839 | 4,997 | 4,966 | 9,963 |
| Maisaka | 4,452 | 3,976 | 8,428 | 5,658 | 5,053 | 10,712 |
| Mutuka | 1,309 | 1,204 | 2,513 | 1,664 | 1,237 | 2,901 |
| Sigino | 3,930 | 3,691 | 7,621 | 4,995 | 4,691 | 9,686 |
| Nangara | 2,644 | 2,394 | 5,038 | 3,360 | 3,043 | 6,403 |
| Singe | 2,597 | 2,437 | 5,034 | 3,301 | 3,097 | 6,398 |
| **Total** | **33,210** | **31,442** | **64,652** | **42,082** | **39,669** | **81,751** |

**Source: Tanzania population and Housing Census 2002**

The total population of the working age (15 – 64) in 2011 is 37,605, which is equivalent to 46% of the total population.

The essence of this profile is to identify the types and specific areas of investment opportunities in various parts of Babati town Council and provide other guiding information useful to the prospective investors. The detailed information about the Council is found in the ‘Council Environmental Profile’ available at the Council Offices.

**CHAPTER TWO**

**THE MAIN ECONOMIC SECTORS**

* 1. **Introduction**

The economic structure in the Babati Town includes Crop production, Fisheries, livestock keeping; small scale industries, manufacturing Industries and Business Activities. Under Agriculture sector crop farming and Livestock keeping activities are being carried out where by both cash and food crops are produced such as Sun flowers, Pigeon peas, Maize, Bananas and Beans and Livestock reared include Cows, Goats, Sheep and Poultry. Other Agro-forestry Socio-Economic activities include Beekeeping and Fish farming.

Small scale industries are cannery, carpentry and tailoring, smith, garages, milling machines, sunflower oil extractors, perfume oil extracting plants and Welding workshops, Businesses include retail and sub-wholesale shops, Bars and Restaurants, Food vendors’ kiosks, Groceries and informal trading. These activities are the major sources of employment opportunities in the council.

The supportive sectors are such as, financial and private institutions operating efficiently in the council are Banks; NMB, NBC, POSTAL SAVING BANK, Babati SACCOS, Lake Teachers SACCOS, SIDO, PRIDE. Also Insurance Company, Transportation and Communication companies are operating in the council.

* 1. **The Main Economic Sectors:**
     1. **Agriculture:**

Under Agriculture sector crop farming and Livestock keeping activities are being carried out where by both cash and food crops are produced such as Sun flowers, Pigeon peas, Maize, Bananas, Beans, etc,. Livestock reared include Cows, Goats, Sheep and Poultry. Common Livestock diseases in most cases are East cost fever, Trypanosomiasis,Babesiosis,Mastitis,retain placenta,Anaplasmoisis,pneumonia,Lumpy skin diseases,RVF,Liver flukes, tape worms,Absces,Rabies.The common poultry disease are Fowl typhoid, New Castle diseases, Cholera.

The most common crop diseases in the field are Blight, Powdery mildew, Fusarium ,Heard Smut, Root rot, Anthracnose, Leaf rust, coffee Berry diseases, Green mould. Common Pests facing cereals crops are cut worms, stock borer, American boll, Thrips, Aphids, White fly ,Bugs, maize weaver, large grain borer, Bean Bruchid,Lesser grain borer and rice weaver .The crops are also attacked by the pests which are cereals-field cut worm, Stock borer, American boll, Trips, Aphids, White fly, Bugs. Maizeweaver,Large grain borer, Bean Brunched, lesser, grain borer, Rice weaver

The tables below show the agriculture sectors’ production in 2011 (Table 3 and 4) .The area under cultivation currently is 12,750.56 hectors (127.51 square kilometers) which is about 36.9% of the total area.

**Table 3: Crops production and Value in Babati Town by 2011**

|  |  |  |  |
| --- | --- | --- | --- |
| **Type of Crops** | **Harvest (Tons)** | **Area (Ha)** | **Value (Tshs)** |
| Maize | 11,929.7 | 5,384 | 3,578,910,000.00 |
| Peas | - | - | - |
| Beans | 700 | 454 | 1,050,000.00 |
| Sorghum | 626 | 718 | 174,028,000.00 |
| Sweet potatoes | 29 | 28 | 4,350,000.00 |
| Cassava | 475 | 98 | 118,750,000.00 |
| Sunflower | 240 | 474 | 199,999,920.00 |
| Coffee | 21.4 | 145 | 107,000,000.00 |
| Bananas | 1,601.95 | 378 | 288,351,000.00 |
| Pigeon peas | 7,961.5 | 4,931 | 5,573,050,000.00 |
| Millet | 0.5 | 1 | 250,000.00 |
| Simsim | 43 | 83 | 64,500,000.00 |
| Ground nuts | 1 | 2 | 2,000,000.00 |
| Vegetables | 1198.7 | 54.56 | 299,675,000.00 |
| **TOTAL** | **24,827.75** | **12,750.56** | **11,460,863,920.00** |

**Source: Fisheries sector, Babati Town Council,2011**

The crops grown are most of the time attacked by various diseases such as Blight, Powdery mildew, Fusarium, Heard Smith, Root rot, Anthracnose, Leaf rust, Coffee berry diseases , green Mould

* + 1. **LIVESTOCK**

**The number and type of livestock kept are as follows:**

**Table 4: Livestock Population versus Value in Babati Town in 2011**

|  |  |  |
| --- | --- | --- |
| **Type of livestock** | **Total** | **Value (Tshs)** |
| Cattle | 22,987 | 8,045,450,000.00 |
| Goats | 21,077 | 948,465,000.00 |
| Sheep | 5,365 | 160,950,000.00 |
| Donkeys | 1,818 | 63,630,000.00 |
| Pigs | 2,437 | 194,960,000.00 |
| Poultry | 29,185 | 2,094,295,000.00 |
| Ducks | 1,336 | 6,680,000.00 |
| **TOTAL** | **55,110** | **11,514,430,000.00** |

**Source: Fisheries sector, Babati Town Council,2011**

The livestock kept are most of the time attacked by various diseases such as East costfever,Trypanosomiasis, Babecusiosis, Mastitis, Retain Placenta, Anaplasmosis, Pneumonia, Lumpish disease, Rift Valley Feverous Liver flues Tapeworms, Abscess, Rabies, Poultry diseases are Fowl typhoid ,Newcastle disease, choler

* + 1. **Fisheries**

According to fishing activities in the lake the following are average for fish caught in 2001 up to 2007.

**Table 5: Fish caught in 2005/2006 – 2007/2008:**

|  |  |  |  |
| --- | --- | --- | --- |
| **Year** | **Average Catches(Tones)** | **Average Value**  **(Tsh)** | **Number of fishers** |
| 2001 | 160 | 32,000,000.00 | 199 |
| 2002 | 155 | 31,000,000.00 | 218 |
| 2003 | 142 | 28,400,000.00 | 252 |
| 2004 | 100 | 20,000,000.00 | 277 |
| 2005 | 92 | 18,400,000.00 | 300 |
| 2006 | 195 | 97,000,000.00 | 310 |
| 2007 | 210 | 100,000,000.00 | 310 |
| 2008 | 213 | 852,000,000.00 | 250 |
| 2009 | 173 | 692,000,000.00 | 210 |
| 2010 | 135 | 540,000,000.00 | 118 |
| 2011 | 192 | 768,000,000.00 | 130 |
| **TOTAL** | **1,767** | **3,178,800,000.00** | **2,574** |

**Source: Fisheries sector, Babati Town Council,2011**

The average value for fish harvest has increased from 200/= per Kg in 2001/2002 to Average of 4000/= per kg in 2010/2011

* + 1. **Beekeeping**

Beekeeping activities promote production of bee products for domestic use and commercial proposes, it strengthens environmental conservation and gender involvement.

* + 1. **Forestry**

Forests in Babati Town Council comprise of both natural forests and manmade forests. The natural forests are estimated to cover 12% of area within the jurisdiction of the Council. These are the sources of carpentry materials and income to the community.

**Table 6: Shows the forestry coverage.**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **S/N** | **Name of Forest** | **Dominant tree species** | **Year of Gazettement/ Registration** | **Area**  **(Ha)** | **Location** |
| 1 | Ufyome National Forest Reserve | Brachystegia (Miombo) | 1932 | 5,635 | Kwaraa mountain |
| 2 | Haraa National Forest Reserve | Comprise of wed spread species like the Acacia (Migunga) | 1942 | 605 | Haraa, Managhat and Villages |
| 3 | Bereko National Forest Reserve | Brachystegia (Miombo) and the Julbernadia globiflora | 1942 | 5,520 | Between Bonga & Kondoa District |
| 4 | Himiti Village Forest | Brachysteria (Miombo) | 1998 | 500 | Himiti Village |
| 5 | Bonga Village Forest | Brachystegia & Acadia | 2002 | 500 | Bonga Ward |
| 6 | Sawe Village Forest | Brachystegia | 2000 | 400 | Sawe Hill, (Maisaka,Imbilili, Malangi and Da villages. |
| 7 | Chemchem village Forest | Acacia Combretum sp and the Dalbergia | 2002 | 500 | Chemchem Village. |
| 8 | Managhat Village Forest | Melanocxylon Acacia and Brachystegia sp. | 2000 | 500 | Managhat Village |
|  |  | **TOTAL HECTARES** | | **15,760** | |

* + 1. **Finance and Trade Sector**

In Babati town, most of the urban commercial activities are concentrated and carried out in a place known as Babati Mjini which forms the Central Business District of the town. However, a number of shops are located in the surrounding urban centre and corner-shops also found distributed in different areas in the town mostly selling the daily needed commodities of the respective residents.

Commercial activities range from retail to sub-whole sale shops and other small scale entrepreneurs. Most of the foodstuffs come from areas within Babati District in Manyara Region. Some consignments of food stuff are brought from as far as Makanya in Same District, Kilimanjaro Region. Other commodities and goods other than food stuff mostly imported from areas outside the town. Second hand clothes, for instance are brought from Dar es Salaam, Arusha and Kenya. Shoes are imported from Arusha, Dar es Salaam and Kenya.

Alike in other urban centers in Tanzania there are two categories of commercial and trading activities in Babati Town. The formal commercial activities and the informal commercial activities. While formal business is carried out in designated places, informal trading is conducted haphazardly in undesignated areas/sites such as along road reserves all around the Central Bus Stand, at the Central and Silent Inn Markets and also at open spaces situated in different parts of the town.

The sector provides employment opportunities to a large number and a cross-section of the people dealing with petty trading business in Babati town.