



LARGE SCALE LAND ACQUISITIONS PROFILE TANZANIA

This country profile presents the Land Matrix data for United Republic of Tanzania, detailing large-scale land acquisition (LSLA) transactions that:

- entail a transfer of rights to use, control or own land through sale, lease or concession;
- have an intended size of 200 hectares (ha) or larger;
- have been concluded since the year 2000;
- are affected by a change of use (often from extensive or ecosystem service provision to commercial use);
- include deals for agricultural, forestry and other purposes. Mining operations are excluded.

The objective of this country profile is to present LSLA data at national level to a broad panel of stakeholders, stimulating broad engagement and data exchange, facilitating the continuous improvement of the data. The data used in this profile was downloaded on 28 October 2016¹.

¹ Land Matrix Tanzania deals database: [click here](#) (52 transnational deals and 14 domestic deals).

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Table 1: Tanzania's key socio-economic and institutional indicators.

BASIC SOCIO-ECONOMIC CHARACTERISTICS	
Population (million, 2015) ¹	53.47
Total land (million hectares) ²	88.58
Total arable land (million hectares, 2013) ³	39.65
Total arable land (as a % of total land, 2013) ³	44.8
Contribution of agriculture to GDP (2015, %) ²	25.6
Food imports (% of merchandise imports, 2010) ⁴	10
Food exports (% of merchandise imports, 2010) ⁵	31.9
INSTITUTIONAL VARIABLES	
Political stability index (2014) ⁶	-0.54
Voice accountability index (2014) ⁶	-0.17
Government effectiveness index (2014) ⁶	-0.64
Control of corruption index (2014) ⁶	-0.8
Investor protection rank (2014) ⁷	83

¹ The World Bank, <http://data.worldbank.org/country/tanzania?view=chart>
² Central Intelligence Agency, The world factbook, <https://www.cia.gov/library/publications/the-world-factbook/geos/tz.html>
³ The World Bank, <http://data.worldbank.org/indicator/AG.LND.TOTL.K2?locations=TZ>
⁴ Trading economics, food imports, <http://www.tradingeconomics.com/tanzania/food-imports-percent-of-merchandise-imports-wb-data.html>
⁵ Trading economics, food exports, <http://www.tradingeconomics.com/tanzania/food-exports-percent-of-merchandise-exports-wb-data.html>
⁶ The Global Economy, http://www.theglobaleconomy.com/Tanzania/wb_political_stability/
⁷ The Global Competitiveness Index 2014-2015 data platform, 2014, <https://knoema.com/WFGCI2014/the-global-competitiveness-index-2014-2015-data-platform-2014?country=1001320-tanzania>

CONCLUDED LAND DEALS FOR ALL INTENTIONS, EXCLUDING MINING, IN TANZANIA



- Project not started
- Startup phase (no production)
- In operation (production)
- Project abandoned
- No information



OVERVIEW OF LARGE-SCALE LAND ACQUISITIONS

Table 2: Dynamics of international large-scale land acquisitions according to negotiation status.

	NUMBER OF DEALS	INTENDED SIZE (HECTARES)	CONTRACT SIZE (HECTARES)	SIZE UNDER CONTRACT (% OF INTENDED SIZE)
Contract Signed	31	441 508	247 057	55.96
Oral Agreement	3	19 763	19 763	100.00
Concluded	34	461 271	266 820	57.84
Expression of Interest	5	141 300	n.a	n.a
Under Negotiation	8	505 117	n.a	n.a
Intended	13	646 417	n.a	n.a
Failed (Negotiations failed)	5	230 000	n.a	n.a
Failed	5	230 000	n.a	n.a

- A total of 266 820ha are under contract by foreign investors, equaling 0.67% of the total arable land in Tanzania.
- Investors only obtained 57.84% of the intended size.
- The average size of the concluded deals is much smaller than that of the intended and failed deals.
- The large majority of concluded deals are leaseholds with a lease period ranging from 15 to 99 years.
- Deals with status 'Under Negotiation' commenced negotiation from 2010 – 2016; it is not clear if interest by these investors still exists.

Table 3: Number of concluded deals according to contract size (hectares).

SIZE UNDER CONTRACT (HA)	FREQUENCY
<5 000	20
5 001 – 10 000	6
10 001 – 15 000	3
15 001 – 20 000	1
20 001 – 25 000	1
>25 000	3
TOTAL	34

- Concluded deals vary greatly in size, ranging from 200ha to 42 000ha.
- The average concluded land size is 7 848ha.
- The large majority of deals are smaller than 10 000ha (76.47%).

Table 4: Concluded deals according to implementation status.

IMPLEMENTATION STATUS	NUMBER OF CONCLUDED DEALS	SIZE UNDER CONTRACT (HA)	AVERAGE SIZE UNDER CONTRACT (HA)	CURRENT SIZE UNDER PRODUCTION (HA)	AVERAGE SIZE UNDER PRODUCTION (HA)
Project not yet started	3	17 632	5 877	n.a	n.a
Start-up phase	5	34 024	6 805	200*	200
In operation	16	97 191	6 074	27 859†	2 786
Project abandoned	5	58 071	11 614	2 070‡	518
No information	5	59 902	11 980	n.a	n.a
TOTAL	34	266 820	7 848	30 129	2 008

* n=1 (demonstration farm as part of the larger plantation)

† n= 10

‡ n= 4

- Just over half of the concluded deals are active (start-up phase and in operation) — 61%.
- Activities for these deals started within four years of signing the initial contract.
- 5 deals have been abandoned stating multiple reasons; project sold, company went into receivership and issues with the community — resistance towards the project.
- Abandoned deals have a larger than average size under contract.
- Only 19.57% of the area under contract is currently under production (only cases with known area under production).

Figure 2: Concluded deals over time (2000 to 2015).



Note: 6 deals were excluded as the year the contract was agreed is unknown.

- The highest number of deals were concluded in 2012 (6 deals were concluded covering 38 632ha), while the largest size under contract was concluded in 2011 (2 deals covering 70 132ha).
- The average size of the deals concluded since 2012 is much smaller than before this year.





INVESTORS AND INVESTOR COUNTRIES

Table 5: Investor countries (concluded deals).²

INVESTOR COUNTRIES	SIZE UNDER CONTRACT (HA)	NUMBER OF DEALS CONCLUDED
United States of America	77 732	4
United Kingdom	35 357	10
Netherlands	35 000	2
Finland	28 132	1
Singapore	26 000	4
Sweden	22 300	1
India	18 124	2
Mauritius	15 800	1
Kenya	14 500	1
Norway	11 860	3
Turkey	5 000	1
Belgium	4 258	1
Ireland	3 202	2
Nigeria	2 600	1
Italy	500	1
China	324	1
Switzerland	263	1
No information	200	1

- Overall, 32 investors from 17 countries are engaged in LSLAs in Tanzania, where this information is known. Five investors are involved in more than one deal.
- Investors from United States of America have the largest size under contract, while investors from the United Kingdom have the highest number of concluded deals.
- The largest deal was concluded by an investor from the United States of America with a size under contract of 42 000ha.
- African investors do not play a large role in land deals in Tanzania; only three deals with involvement by investors from Mauritius, Kenya and Nigeria.
- Several of the deals engage domestic investors (see table 7).

Table 6: Dynamics of deals by investor type (concluded deals).³

INVESTOR TYPE	SIZE UNDER CONTRACT (HA)	NUMBER OF DEALS CONCLUDED	AVERAGE (HECTARES)
Private Company	150 658	15	10 044
State-owned	71 016	6	11 836
Investment Fund	47 145	6	7 856
Stock-Exchange Listed Company	30 530	6	5 088
Individual Entrepreneur	19 500	2	9 750
Other (Non-profit organisation)	11 363	5	2 273
No Information	18 824	4	4 706

- Private Companies are the major type of investors in Tanzania, followed by state-owned companies, based on total size under contract.
- State-owned enterprises and private companies also have the highest average size under contract.

Table 7: Involvement of domestic partners (concluded deals).

	INTERNATIONAL INVESTORS WITHOUT DOMESTIC PARTNER	INTERNATIONAL INVESTORS WITH DOMESTIC PARTNERS	TOTAL	% WITH DOMESTIC PARTNERS
Size under contract (hectares)	183 816	83 004	266 820	31
Deals under contract	23	11	34	32

- One third of the concluded deals involve a domestic partner, with 31% of the total concluded size under contract.

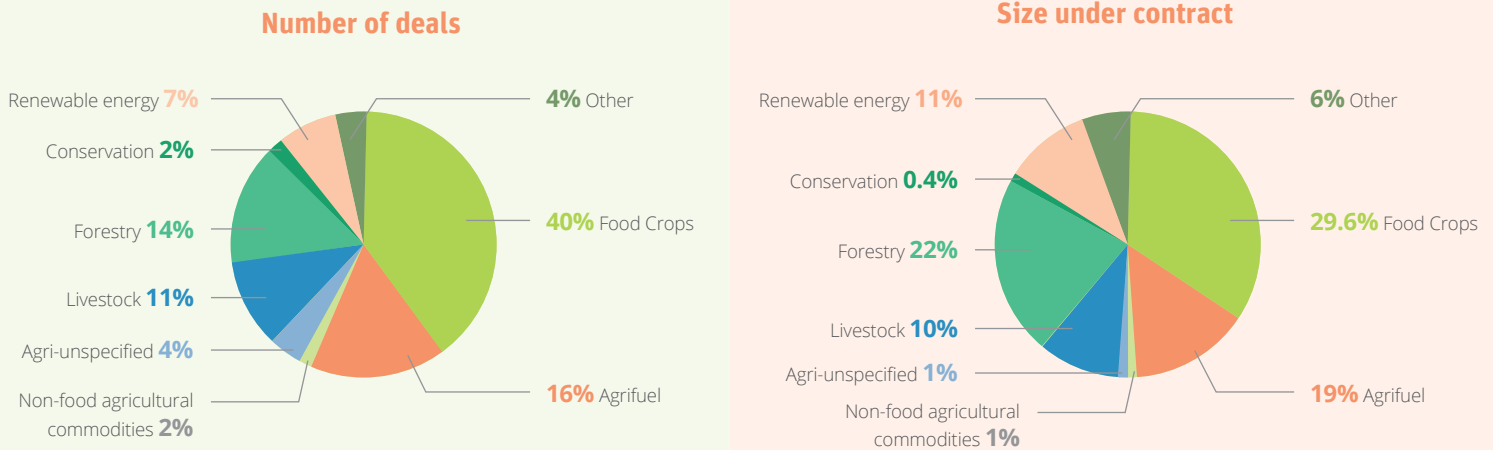
² In cases where investors from multiple countries are involved, the deal and the total size of the deal is assigned to all investors. Four deals have multiple investors, leading to a total of 38 investors.

³ In cases where a deal involves investors from different investor types, the deal and the full size of the deal are assigned to each investor type. Nine deals have multiple investor types, accounting for a total of 44 deals in this table.



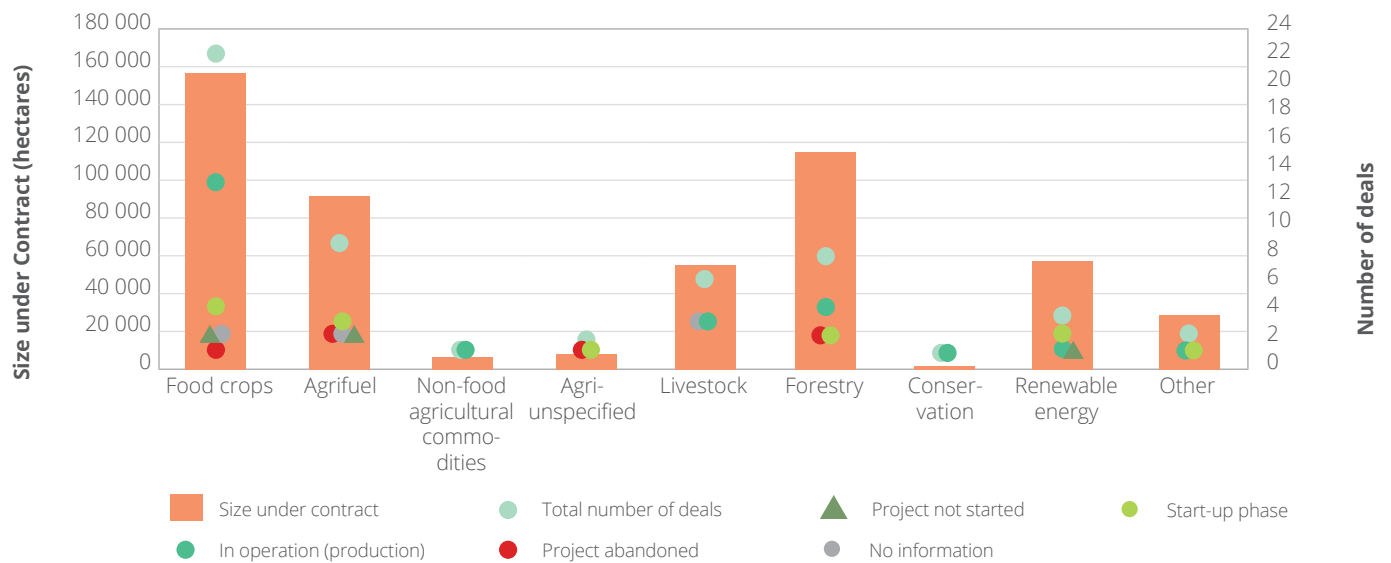
AIM OF INVESTMENT⁴

Figure 3: Aim of investment (concluded deals).⁵



- Food crops concern the largest number of deals (40%) and the largest size under contract (29.6%).
- Land for agrifuel crops concern the second largest number of deals and size under contract.
- Forestry deals have the largest average size.

Figure 4: Concluded Land acquisitions by category of production, according to implementation status.⁶



- The highest percentage of operational deals is for food crops.
- Projects for food crops, agrifuel crops, agri-unspecified and forestry have been abandoned.

Table 8: In-country processing of concluded deals.

IN-COUNTRY PROCESSING	NUMBER OF DEALS
Yes	20
No	1
No Information	13

- Most of the deals include in-country processing, where this information is known.

⁴ Intention of investments include: food crops only, agrifuel crops only, non-food crops only (cotton), agri-unspecified crops — crops which can be used for multiple purposes (mostly palm oil), renewable energy, forestry (for wood and fibre and for carbon sequestration/REDD), livestock (cattle, poultry and sheep), conservation and other intentions.

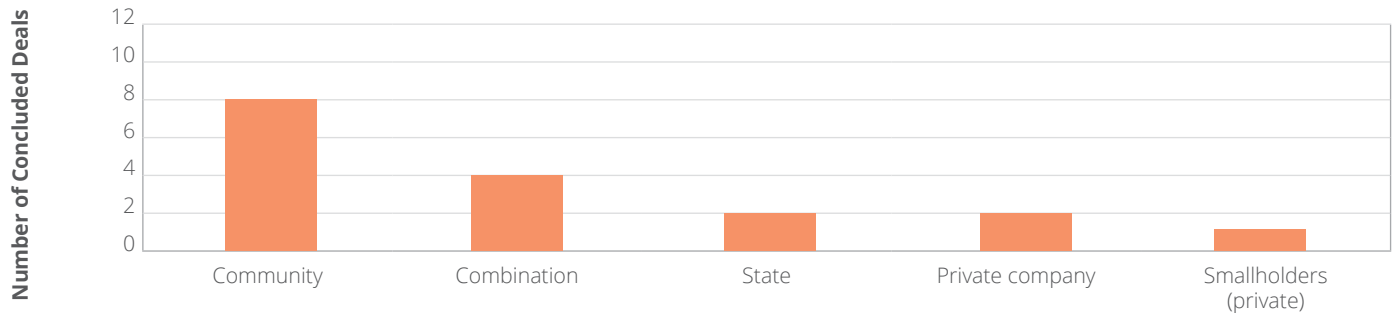
⁵ Note: Individual deals list up to three different intentions. We count the number of times an intention is mentioned. For 34 deals we report 55 intentions. The size under contract is equally divided by the number of intentions.

⁶ 14 deals have multiple intentions, resulting in a total of 55 intentions for 34 deals. This figure reflects the implementation status per intention.



FORMER LAND USE, TENURE AND OWNERS

Figure 5: Former legal land owner.



Combination includes private company, community, smallholders and state
N= 17

- The majority of former land owners were communities, where this information is known.
- The former legal land owner is not known for several deals (no information)

Table 9: Former land use for concluded deals.

INVESTOR TYPE	SIZE UNDER CONTRACT (HA)	NUMBER OF DEALS CONCLUDED
Combination	72 216	5
Commercial (large-scale) agriculture	21 293	3
Smallholder Agriculture	21 200	4
Forestry	8 211	1
Other	263	1
No information	143 637	20

- Most deals had multiple land uses prior to acquisition (27% of the total size under contract). These land uses included; commercial agriculture, smallholder agriculture, forestry, conservation and pastoralism.
- Former use information is not known for most of the deals.



POTENTIAL BENEFITS AND IMPACTS

Table 10: Contract Farming in concluded deals.

CONTRACT FARMING	NUMBER OF DEALS	NUMBER OF FARMERS	CONTRACT SIZE (HECTARES)
Yes	15	7 906	8 463
<i>On the lease</i>	5	N.I.	3 263*
<i>Not on the lease</i>	10	7 906†	5 200#
No	8	n.a.	n.a.
No Information	11	n.a.	n.a.

N.I.= no information
* n=2, † n=4, # n=2

- The majority of concluded deals involve contract farming, where this information is known.
- The aim of investment under contract farming varies, majority of deals are for biofuels and food crops.
- Community benefits promised under the projects include; education, capacity building, health, productive infrastructure and roads.
- It is not clear to what extent the benefits promised have been delivered.
- Data on community consultation and reaction is too scarce to provide meaningful information.

DATA FIELDS WHICH WERE NOT INCLUDED IN THIS COUNTRY PROFILE DUE TO A LACK OF DATA

Please help us enhance the data, by contributing to the following fields:

- Water Usage
- Number of projects with reported evictions
- Involvement of the community in pre-contract negotiations
- Compensation received by communities
- Actual community benefits
- Foreign and Domestic Employment (planned and actual)

CONTRIBUTE!

The purpose of the Country Profile brief is to enhance data and data quality. Please help us to achieve this by directly contributing to: www.landmatrix.org

HOW TO CONTRIBUTE

If you would like to comment, contribute to the data, or obtain additional information.

- Contact the Land Matrix directly on www.landmatrix.org
- Add comments on existing land deals www.landmatrix.org
- Contact the Africa team: africa@landmatrix.org

The LMI partners are:



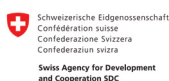
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Contributed to this country profile: Angela Harding, Wytse Chamberlain

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