

PERMANENT MISSION OF THE UNITED REPUBLIC OF TANZANIA TO UN - GENEVA



**STATEMENT BY H.E. DR. JAMES ALEX MSEKELA
AMBASSADOR AND PERMANENT REPRESENTATIVE OF THE
UNITED REPUBLIC OF TANZANIA,
AT THE ACP MINISTERIAL ROUNDTABLE DURING
2018 WORLD INVESTMENT FORUM ON 23 OCTOBER 2018**

**H.E. Mr. Tjekero Tweya, Minister of Industrialization, Trade & SME Development
(Chairperson),**

Dr. Mukhisa Kituyi, Secretary General of UNCTAD,

Honorable Ministers,

Excellencies,

Distinguished Delegates.

1. At the outset allow me to thank the Secretary General of UNCTAD and Secretary General of ACP Secretariat for their statements and would like to congratulate them and their respective secretariats on the organization of this event.

Chairperson,

2. My delegation further wishes to express appreciation for the joint work of UNCTAD and ACP on the Guiding Principles on Investment Policy Making. These principles will play a critical role in addressing economic, social and environmental challenges, in achieving the Sustainable Development Goals (SDGs).

Chairperson,

3. Tanzania may be best known for its impressive tourist's destinations and colourful history, but the largest East African country is also popular among investors. Tanzania continue to be a leading FDI destination in the East Africa Community region, in which in 2017 the FDI was USD 1,180 Million according to World Investment Report released in 2018 by UNCTAD. The positive results in FDI are due to Government's resolve to improve investment climate and recent gas discoveries in the country together with a new oil pipeline agreement between Tanzania and Uganda.

Chairperson,

4. The current government is committed to deepen enabling business environment and investment climate through undertaking regulatory, legal and institutional reforms to ease the cost of doing business and increase efficiency and productivity of private sector. Some of initiatives include fast tracking attainment of semi industrialized country by 2025 through modernization of Dar es Salaam port, rehabilitation of central railway line to standard gauge standards, and Airports expansion including the Julius Nyerere International Airport (JNIA).
5. The government is also undertaking heavy investment in energy and strategic transport infrastructure projects, reviving non performing factories, advancement of natural resource-based industry, geographical advantage-based industry and labour endowment-based industry to take advantage of abundant and relatively low-cost youthful labour.
6. In addition, this year the Government has approved the Blueprint for Regulatory Reform to Improving Business Environment with objectives of reducing business costs and increase competitiveness and profitability in operating business in Tanzania; Reducing risks that are likely to arise due to poor or frequently changing government policies, laws, and regulations pose a risk for businesses, thus reducing the value of capital investments; Increasing competitive pressures through new entry with a view to stimulating efficiency and innovative incentives; and Providing a conducive environment for the government to

work hand in hand with private sector in addressing challenges related to business environment in the country

Chairperson,

7. When it comes to government budgets, and particularly the funding of needed infrastructure for conducive business environment, taxation is a critical piece of the puzzle. However, the system of taxing global profit is broken and exacerbates inequality both within and across countries. If the world is to make progress toward its goal of eradicating poverty and stemming rising inequality, the tax system must be reformed. Tax avoidance and tax evasion by multinational companies is a persistent challenge particularly for developing countries, and their fiscal space, and will have a significantly negative impact in their capacity to implement multilaterally agreed goals. Multinational companies employ a range of tax avoidance and tax evasion levers, involving multi-layered corporate structures in order to avoid taxation. In this regard, tax avoidance and tax evasion practices are global issues that require multilateral action.

Chairperson,

8. We therefore call upon UNCTAD and ACP to contribute effectively in providing pragmatic solutions in addressing the nexus between tax evasion and avoidance and investment. Let me conclude by reiterating my delegation appreciation for the role that UNCTAD and ACP continues to play in our Development.

Thank you Chairperson.