### **POLICY BRIEF**



#### **July 2025**

# Analysis of Dar es Salaam Declaration and Tanzania National Energy Compact for United Republic of Tanzania

### 1. Overview of Dar es salaam Declaration and Tanzania National Energy Compact

On 27th and 28th January, Africa heads of states, Government and key stakeholders from various sectors, including government officials, international development partners, energy experts, and representatives from the private sector. The primary focus of the meeting was to discuss and address the energy challenges faced by African countries, with a particular emphasis on increasing access to electricity and clean cooking solutions. The said meeting had multiple outcomes among which is Dar es Salaam declaration, launching of 13 National Energy compacts and mobilizing \$40 billion in funding from the World Bank and AfDB.

Dar es Salaam Declaration by Heads of State and Government of the underlisted African countries is an agreement on the overall objectives and targets, policy priorities, challenges, and commitments to address energy challenges facing Africa. This is significant as it provides commitments for addressing energy issues, resource mobilization, international cooperation and coordination for sustainable development.

The Dar es Salaam Declaration on clean energy, aims to provide access to modern energy for 300 million people in Africa by 2030 through bold action and political support, where it resolute to;

- Pursuing ambitious yet achievable goals for access to electricity and clean cooking solutions, increasing the share of renewable energy, and mobilizing private capital, while taking concrete and time-bound actions.
- Commitment to institutional strengthening and capacity building with an emphasis on timely and successful implementation and greater synergies with existing partnerships.
- Prioritizing gender equality by accelerating access to energy for women and implementing actions that catalyze opportunities in the energy sector.
- Additionally, it prioritizes national budgetary resources to complement other funding sources for the Mission 300 objectives.

While the Dar es Salaam Declaration is the overall pathways for addressing energy challenges, country platforms such as the National Energy Compacts provide the framework for coordinated actions and shall be in place by the end of 2025. Within the meeting 12 countries presented their energy compacts: Chad, Côte d'Ivoire, the Democratic Republic of Congo, Liberia, Madagascar, Malawi, Mauritania, Niger, Nigeria, Senegal, Tanzania, and Zambia. Other African countries are expected to develop their compacts in subsequent phases.

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Focusing on the United Republic of Tanzania National Energy compact lays comprehensive roadmap to accelerate the pace of access to energy and ensuring reliable, affordable, sustainable, inclusive, and clean energy for all (both Tanzania Mainland and Zanzibar). Whereby it plans to undertake

1. Expand electricity connectivity to an additional 8.3 million households by 2030, raising the national electricity connectivity rate from 46% in 2022 to 75% in 2030, with a focus on rural electrification and underserved areas through grid and off-grid solutions.



- 2. Accelerate access to clean cooking from the current 6.9% in 2021 to 75% by 2030 and 80% by 2034 significantly improving the lives of women by promoting alternative fuels and clean cooking technologies
- 3. Expand the share of renewable energy in the generation mix from the current 61.8% to 75% by 2030, driven by investments in solar, wind, geothermal, and hydro.
- 4. Create an enabling environment for private-sector participation in the energy sector to mobilize a total of US\$ 4.039 billion from the current US\$ 0.5 billion in private investments from to support Tanzania's energy transition and development goals.

The compact comprehensively addresses multiple root causes of energy challenges and proposed actions with timelines that it has grouped into 5 pillars with multiple actions into them.

The first pillar focuses on rehabilitation and expanding infrastructures at competitive cost which involves adopting periodic updated integrated least-cost power system planning, realizing a competitive procurement policy and framework for private-sector investment in power projects and enabling private investment in transmission sub-sector.

The second pillar focus on leveraging benefits of increased regional integration by enhancing readiness for regional interconnection and power trade where its planned strengthening institutional capacity, implementing critical interconnection investments to enable reliable and safe interconnected Operations in conformity to regional grid codes and harmonizing regulatory frameworks to facilitate power trade.

The third pillar focuses on enhancing last mile access through adopting updated national electrification strategies, develop (i.e. Zanzibar Clean Cooking strategy and action plan) and implement both national clean cooking strategy, tracking of multi-tier framework for access to electricity and clean cooking, enhancing investment n clean cooking and strengthen technical, policy and regulatory frameworks on multiple fronts such as having productive use programs, subsidies for connections to grid and enforcing quality control measures.

The fourth pillar focuses on Incentivizing Private-Sector Participation to unlock additional resources and develop local capacity in both off-grid and on-grid. These include revising the Small Power Projects (SPP) framework to establish cost-reflective tariffs, financial support to private sector to ensure affordability and viability, strengthen legal and regulatory frameworks to attract and support investments across the energy-sector value chain.

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The fifth and last pillar aims to realize financially viable and operationally competent utilities through utilities achieving at least 100% operational recovery, implementing regulator-approved performance improvement plans, publishing of audited annual financial statements and institutional capacity within the Ministry of Energy, TANESCO, ZECO, REA, and EWURA to ensure effective implementation of energy projects and policies.

#### 2. Analysis of Dar es salaam Declaration and Tanzania National Energy Compact

The Dar es salaam Declaration and Tanzania National Energy Compact where analyzed based on the criteria of comprehensiveness in addressing the challenges and opportunities within Tanzania energy sector, alignment with national and international goals, adequacy of provided actions to address the challenges and leverage the opportunities, feasibility of implementation (i.e., specificity and clarity of plan and capacity of ecosystem of actors), and consideration of environment and climate change.



The developed documents are comprehensively addressing the challenges faced by energy stakeholders and the ecosystem, together leveraging the existing opportunities such as the regional energy pools. Within the five pillars, the compact has adequately covered the aspects needed to realize universal access to energy in a reliable, affordable and sustainable manner.

The mentioned documents are in full alignment with national and international goals. The Dar es Salaam Declaration acknowledges national plans and calls for allocating national resources in complimenting other stakeholder's resources. Meanwhile it compacts not only prioritizes national goals and follows national strategies like the National Clean Cooking Strategy and the to be launched National Renewable energy strategy but also integrates regional aspirations like the Africa Agenda 2063, positioning Tanzania as a leader in sustainable development and socio-economic transformation. On the hand, the compact has not clearly communicated its intention in promoting the implementation of National Energy Efficiency nor does it have dedicated actions focused solely on efficiency but there are some interventions which along doing their intended goals they also contribute to efficiency such as in course of promoting clean cooking, one among action is enforcing quality standards which ensure quality technology use and combat low quality counterfeits but also contribute to use of efficient instruments.

The proposed actions effectively address the challenges and capitalize on the opportunities within the country. This comprehensive approach encompasses stakeholders, policy and regulatory frameworks, institutional capacity, and more. Furthermore, the compact highlights the government's commitment to rigorous and transparent monitoring of the National Energy Compact through a structured monitoring and evaluation (M&E) framework. Data collection and feedback mechanisms will guide policy adjustments and track progress towards achieving universal energy access. These monitoring efforts will be integrated into the program budget. This creates confidence in the compact adequacy towards realizing its desired objectives.

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Their implementation is feasible as the provided actions are clear with a definitive timeline that can be operationalized. Furthermore, it highlights specific areas of capacity building to be conducted for not only institutional stakeholders but also private stakeholders, which gives confidence in its implementation. Additionally, a number of development partners have expressed interest in supporting this. Furthermore, the governments have agreed through the declaration to set aside national funding for supporting the interventions, along with creating a conductive environment to bring in private sector participation.

The compact has considered environmental and climate considerations by highlighting the comprehensive Power System Master Plan (PSMP) and Integrated Resource Plan (IRP), which include addressing climate resilience. As the PSMP/IRP will guide resource use and energy sector development thus its evident climate and environment considerations will be included. Additionally, it emphasizes the role of promoting clean cooking.

#### 3. Policy Recommendations

- 1. The implementation to consider and upgrading of grid infrastructures to become smarter will enable better management, optimization and planning of the grid operation.
- 2. Measure for mainstreaming its implementation and tracking it is important. This can be through having a dedicated team to ensure the compact is mainstreamed through all interventions.
- 3. Inter-ministerial and inter-sectorial cooperation is important especially in realizing last mile connectivity and utilization of energy for a wholistic approach that ensures the accessed electricity enables bring change and development in other sectors and quality of life thus attainment of development.
- 4. The mainstreaming of the strategy through local government to reach community development needs and quality of life is important as they are most often forgotten, and policy ends up centralized at the ministry level that works in silos.
- 5. The implementation of the compact to consider stimulation and supporting local economy through supporting local manufactures, using locally provided services and manpower together with promotion of other-sectorial development such as adoption of e-mobility, battery manufacturing etc.