



**UNITED REPUBLIC OF TANZANIA
MINISTRY OF INDUSTRY AND TRADE
NATIONAL DEVELOPMENT CORPORATION**



PRESS RELEASE

**BUDGET OF THE MINISTRY OF INDUSTRY AND TRADE TO FOCUS ON
DEVELOPING STRATEGIC PROJECTS AT LIGANGA AND MCHUCHUMA, AND THE
ENGARUKA SODA ASH PROJECT**

The Minister of Industry and Trade, Hon. Dr. Ashatu Kijaji, has outlined the government's commitment to continue implementing the strategic projects at Liganga and Mchuchuma, along with the Engaruka Soda Ash project, for the fiscal year 2024/2025. This was revealed today in Dodoma as the Minister presented the Ministry's budget for the 2024/2025 fiscal year, where approximately TZS 110,899,722,000 was approved by Parliament.

Speaking about the compensation payment in the implementation of the Engaruka Soda Ash project in Arusha, the Minister stated that the Ministry, through the National Development Corporation (NDC), has completed all preparations to commence the project. This includes completing the feasibility study, obtaining an environmental certificate, conducting a comprehensive mineral resource survey, identifying necessary infrastructure, conducting domestic and international market studies, and valuing the property of residents who will be relocated for the project. In collaboration with the Ministry of Finance, the Ministry of Lands, and Monduli District Council, the verification of compensation has been completed, and TZS 14.5 billion is expected to be paid to 599 residents over an area of 60,884 acres.

The Minister also noted that the Ministry has completed the division of the project area into three (3) sections, which will be announced to attract investors. The main goal of this division is to attract different investors for each area who have financial capacity, experience, and markets, with 22 investors showing interest so far.

In another update, the Minister highlighted the progress in implementing the Liganga and Mchuchuma projects, stating that the Ministry, under the coordination of the National

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Development Corporation (NDC), has continued with the completion of compensation payments to residents displaced by the project. By March 2024, TZS 15.414 billion had been paid out of TZS 15.424 billion to 1,129 out of 1,142 eligible residents, equivalent to 99% of the total. For the remaining 13 unpaid residents, a total of TZS 10.227 million is due, with delays attributed to various reasons such as failure to appear and incomplete inheritance documents. Efforts to reach these residents or their heirs continue in collaboration with the Njombe Regional Administration and the Ludewa District Council to finalize the process.

The Minister further stated that after completing the compensation payment process for the Liganga and Mchuchuma project area residents, the government is finalizing the legal procedures for land acquisition to develop the project, and discussions with the investor are ongoing to conclude and commence project implementation.

Additionally, to ensure the country benefits from the vast coal resources in Njombe Region, the Ministry signed agreements with small-scale miners (Primary Mining Licenses) for coal in the 10 blocks outside the Mchuchuma and Liganga project contract area in September 2023. Preliminary preparations for research and mining in 23 small-scale licenses have begun, with two companies completing geological reports and other companies continuing with geological research. The Ministry will continue close monitoring to ensure these projects start production early.

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