THE UNITED REPUBLIC OF TANZANIA

PRESIDENT'S OFFICE REGIONAL ADMINISTRATION AND LOCAL GOVERNMENT



KYELA DISTRICT INVESTMENT PROFILE

`

KYELA DISTRICT COUNCIL P. O. Box 320 KYELA , MBEYA.

> PHONE: 025-2540035 025-2540007 FAX: 025-2540425 *EMAIL-ded@kyeladc.go.tz*

SEPTEMBER, 2019

Table of Content

-		
	cil	
	n Frame Work	
- .		
	,	
•	tern	
	e in Kyela District	
	ads	
1.8.2 Fina	ancial services	4
1.8.3 Tel	ecommunications and Posts	4
1.8.4 Wa	ter supply	4
1.8.5 Pow	er supply	4
1.9 Economy .		5
1.9.1 Agr	iculture	5
1.9.2 An	imal husbandry	6
1.9.3 Dis	tribution and supply chain	6
1.9.4 Ind	lustrial development	6
CHAPTER 2		8
2.0 The Existing Situation	n and Investment Opportunities	8
2.1 Agriculture		8
2.2 Natural resour	ces	10
2.2.1 For	estry	10
2.2.2 Wile	dlife	11
2.2.3 Mir	ing	12
2.2.4 Oil a	nd Gases	
2.3 Industrial and	Manufacturing	13
2.4 Social Infrastru	ucture	14
2.4.1 Edu	cation	14
2.4.2 Hea	lth	15
2.4.3 Wat	er supply and sewerage	15
	urity	
	ial security	
	-	

2.5Tourism	16
2.5.1 Lake Nyasa	17
2.5.2 Livingstone Mountains	
2.5.3 Big Rivers	19
2.5.4 Streams	19
2.6 Economic Infrastructure	20
2.6.1 Roads	20
2.6.2 Lake Transport	20
2.6.3 Financial Institution	21
2.6.4 Telecommunication and Media Coverage	22
CHAPTER 3	24
3.0 Conclusion Remarks	
3.1 Annex	25
3.2 Contacts	26

DISTRICT INVESTMENT PROFILE



Hon. CLAUDIA U.KITTA District Commisioner



Hon. Hunter A. Mwakifuna District Council Chairman



Mr. Polycarpy B. Ntapanya Ag. District Executive Director

Message from Kyela District

Kyela District Council was re-established in 1984 after series of landmarks that led to the enacting of Local Governments Act no. 7 (District Authorities) of 1982. It is one of 10 councils comprising of Mbeya Region. According to the census of 2012 the total population was 221,490 having an annual population growth of 2.4% out of which the number of female is 115,478 where as men are 116,012.

Kyela District is a land for investment found in the Southern part of Mbeya region and it is located along the beautiful scene of Lake Nyasa. Its natural geographical position, topography, soil fertility, favorable climatic conditions and reliable infrastructures and the standing supply of power makes Kyela to be the best option for investors to come and invest in the District. The District is bordering with the Republic of Malawi thus widening the markets through International business exchange.

The District council is proud of production in paddy, cocoa, maize, cashew nut and fruits. Also is proud of being with good tourism attractions like Matema, Ngonga and Katumba Songwe Beaches, Mount Livingstone Ranges and Kilambo hot spring, Likyala Ritual Cave, Kingili Crater Lake, Mwalisi and Mwalalo waterfalls. In natural resources, fishing, wildlife and forestry where as people do practice bee keeping in Ngana, Busale and Matema natural forests.

Kyela District council is among of the Districts in Mbeya Region which hold a free land (Land Bank). It is about 1,118 hectors free hold land which is suitable for investors to invest in agriculture, tourism and natural resources. The main areas of investment includes Matema, Kafundo, Kanga and Makwale which is suitable for agriculture (i.e. paddy, fruits and vegetable production), Busale and Matema are potential areas in processing industries and light industries and also Matema is potential area for crocodile farming.

The District is interconnected with a good road net work which is accessible within and outside the district. About 125 km from Mbeya City to Kyela is a trunk road connecting the district to the Republic of Malawi. Many rural roads are gravel roads which are well maintained and passable through-out the year. Also the District is connected by National Electricity Grid which provides reliable power supply.

I would like to take this opportunity to welcome all potential investors to invest in our district in accordance with your choices and we assure fully support and cooperation from the district management and the community of Kyela for the benefit of all stakeholders involved.

Welcome to Kyela. Welcome to Mbeya. Welcome to Tanzania

CHAPTER 1

1.0 Overview of the Council

1.1 Introduction:

Kyela District Council was re-established in 1984 after series landmarks that led to the enacting of Local Governments Act no. 7 (District Authorities) of 1982. It is one of 10 councils comprising of Mbeya Region.

1.2 Population

Kyela District according to 2012 census had a total population of 221,490 having an annual population growth of 2.4% out of which the number of female is 115,478 where as men are 106,012 hence population density is 168 per sq Km.

1.3 Administration Frame work

Kyela District council is divided into two divisions: Ntebela and Unyakyusa, 20 Wards which are subdivided into 102 villages which are divided into 392 Hamlets.

1.4 Ethnic group

There is 1 major ethnic group found in Kyela District namely Nyakyusa. Other ethnic groups are Ndali, Kinga, Ngoni and Kisi.

1.5 Location

Kyela District Council is located in the Southern end of Mbeya Region and it is one among seven Districts in the region. The District lies between 35° 41 and 30° Longitudes East of Greenwich meridian and 9° 25 and 9° 40 Latitudes South of Equator. In the East Kyela District borders with Makete and Ludewa Districts in Njombe Region, in the West with Ileje District in the North with Rungwe District in Mbeya Region and to the South the District borders with The Republic of Malawi.



Map showing the location of Kyela District

1.5.1Topography

Kyela District has two distinct agro – ecological zones, the lowland and upland zone, the Lowland zone is found at lower than 1200 masl and the upland zone is found at over 1200 masl. Large area of low land zone is subject to flooding, threatening house hold`s survival thus calls for special attention. The two zones are drained by four major rivers: Songwe, Kiwira, Mbaka and Lufilyo. The altitude in lowland zones lies between 500 – 1200 masl and 1200 – 2400 masl in upland zones, rainfall in lowland zones is 1600 – 2400 mm and in upland zones is 1000 – 2000 mm, soil types in lowland zones is mainly Alluvial soils and Feral soils.

1.6 Climate

Kyela District receives main rainy seasons between November to June with a mean annual rainfall between 2000mm and 3000mm. Normally in April and May the District experiences heavy rainfall. The District has a warm and humid climate with mean daily temperature of 23° C. The natural vegetation is of tropical savanna forest and grass lands with lagoon vegetation on the swamps and river mouths to the Lakes.

1.7 Land use pattern

The District has an area of 1322 km² (132,200 hectares). The table below describes the distribution of the Land use pattern in the District.

Land Use	Area In Hectares	Percentages
Forest	6,320	4.7
Cultivated Land	48,128	36.4
Open Land	1,872	1.4
Water Features	45,000	34.5
Residential Area	30,880	23.3
Total	132,200	100

Land Use Distribution

Source: Land Planning Office

1.8 Infrastructure in Kyela District

1.8.1 Roads.

Kyela District is interconnected with a good network. A small part of town road system is covered by tarmac, about 40.5 km and about 125 km from Mbeya City to Kyela is a trunk road connecting the district to the Republic of Malawi. Many rural roads are gravel roads and are passable throughout the year.



Mbeya-Kyela-Malawi High way

1.8.2 Financial services

In Kyela District there are two commercial banks, National Microfinance Bank (NMB) and CRDB which offers financial services. Automated teller services are available for all major credit cards like VISA and Master Cards, also for normal banking cards. The ATMs is working 24 hours seven days a week.



CRDB Bank-Kyela Branch

1.8.3 Telecommunications and posts

The District is well served with a telecommunication network to the rest of the world. Tanzania Telecommunication Company Limited (TTCL) offers more than 400 lines and 20 Broad Band systems which can be also used for internet connections in all customers. There are cellular phone systems operated by Airtel, Tigo, Zantel, Vodacom and TTCL. Internet cafes, fax, cable and postal services are also available.



Tanzania Telecommunication Company Limited-Kyela

1.8.4 Water supply

Kyela District has an abundant of water sources acquired from five water schemes: Kanga, Ngamanga, Ngana, Makwale and Sinyanga which supply tape water to the 82 villages out of 101 villages in the District. About 80% of people get clean and safe water.

Also the District has got 63 pump wells and 5 electronic wells which serve the whole Kyela Town.



Lubaga Water Scheme

1.8.5 Power supply

Kyela District is well served by National Electricity Grid and consumes around 1.5 Megawatts (MW), but Kyela District is enjoying another source of power from Kiwira Coal Mine which is about 1.5 Megawatts (MW) that covers almost 2,816 customers in Kyela.



Kiwira Coal Mines

1.9 Economy

The economy of Kyela District is mainly based on productive sectors such as transportation, small scale industries, Tourism, Fishing, business activities and Agriculture.

Agriculture is a major dominant sector of production and it employs about 80% of the total population in the District and the remaining sectors employ only 20%. The highest amount of District GDP comes from agricultural activities.

1.9.1 Agriculture

Many people in the district about 80% depend on agriculture and the mostly cultivated food crops being paddy, maize, banana, cassava, beans and groundnuts. The major cash crops are cocoa and palm oil. The two crops contribute to the income of the people by 65% of their total income and 70% on the District GDP. Farming activities are being conducted by using poor implements such as hand hoes and it is family labour based which results into low yields per area thus a need to invite investors to come and invest in agriculture so that the sector will be improved. However, the

District is supporting farmers in acquiring tractors through District Agricultural Development Plan (DADPs) by cost sharing.



Paddy Production-Kyela

1.9.2 Animal husbandry

In Kyela district animal keeping is pre-dominantly the source of income to the rural and urban dwellers. Animals kept are cattle, goats, chicken, pigs and sheep. About 37% of the population are engaged in animal husbandry where by the people and the district government get revenues by selling animals and animal products such as skins, hides, milk, meat and eggs.



1.9.3 Distribution and supply chain

Kyela District is a low land area. About 15% of its area i.e 130.8 km² is low land. This type of topography is an added advantage for easy construction of various infrastructures especially road net works from the point of production to the point of consumption (markets) either within or outside the District. There are some satellites centres established in the District which serves as nearby markets. These centres are Kasumulu, Ipinda, Kyela Town, Busale and Ngyekye.

Feeder roads are connected to these centres which have access to District, Regional and National roads. Thus transportation of inputs and outputs in this District is encouraging. In some areas where there is enough population, producers can use to sell their products in the same area and also get enough labour to be used in production processes. On the other hand the forward and backwash link can be mainly applied so as to ease production and marketing processes.

By insisting the policy of industrial concentration in one area, it will be easy to use the residue of one industry as the raw materials for example an industry processing palm oil carnal, its residue can be used as the raw materials for another industry packing animal feeds.



Indigenous Market-Kalumbulu Kyela

1.9.4 Industrial development

Industrialization in Kyela District has not yet matured due to few small processing industries such as palm oil processing industries, carpentry and paddy husking industries. The major reason for low industrialization is due to the fact that the technology used is poor resulting into low production. Also under capitalization inhibits local Business men to engage into large scale production.



Small Scale Industries Soap production from Palm Oil-Kyela

CHAPTER 2

2.0 The Existing Situation and Investment Opportunities

2.1 Agriculture

Kyela District is among of few Districts in Mbeya Region with little free hold land. Also the District has got high population density thus the free hold land available for cultivation is subject to land grievances by the people searching for different land use. However, the District has potential areas suitable for different investment sectors as shown in the table below:

NO	WARD	VILLAGE	AREA	SUITABLE
			COVERED(HA)	FOR
1	Matema	Matema	400	Fruits
2	Ipinda	Kafundo	40	Rice Farming
3	Ipinda	Kanga	500	Rice Farming
4	Makwale	Makwale	100	Rice Farming
5	Matema	Matema	20	Crocodile
				Farming
6	Matema	Matema	50	Farming
7	Busale	Ibanda	5	Industrial
8	Ipinda	Ipinda	3	Food
				Processing

Source: Land Plannimg Office 2011

The District has potential area with 1,118 hectors suitable for investors to invest in agriculture i,e (paddy, fruits and vegetable production). The main areas are Matema, Kafundo, Kanga, and Makwale. The district also has the potential areas for industries which cover almost 58 hectors. Food processing industries and light industries can be

established. Irrigation agriculture is highly insisted by the District Council. This is just to make sure people go with enough food throughout the Year and improve their living standards. The main irrigation scheme which is operating is Ngana irrigation scheme which is 209 Ha.





Ngana irrigation scheme main canalPaddy farm at Ngana Irrigation SchemeTo make sure agricultural and livestock services are improved in the District, threeWard Agricultural Resource Centres and nine Artificial Insemination Centres areconstructed and operating.



Kajunjumele Ward Resource Centre



Busale Artificial Insemination Centre

Proper utilization of the above mentioned areas in their totality could contribute toward the improvement of peoples` livelihood and hence reduce poverty as per National Strategy for Growth and Reduction of Poverty (NSGRP), National Vision 2025 and the Millennium Development Goals (MDGs).

Investment Opportunities in Agriculture

- Investment in paddy production
- Investment in cocoa production
- To invest in fruits production
- Investment in palm oil production
- Establishment of agricultural implement centres
- Investment in cashew nuts production



Cocoa Production-Kyela

Areas of Investment

- Paddy production in Matema, Ipinda and Makwale
- Fruits production in Matema
- Cocoa Production in Ipinda, Matema, Makwale and Busale

2.2 Natural Resources

2.2.1 Forestry

Kyela District has Natural and Traditional forests. Katago is a commonly known Traditional forest. Natural forests are found in Busale, Ikombe and Ngana areas. The forests are used for various purposes such as bee keeping, natural herbs and acquisition of charcoal and fire woods.



Beehives at Kasumulu Forest

Investment Opportunities in Katago

• Campsite investments

Investment Opportunities in Busale, Kasumulu and Ikombe Forests

- Tourism attraction
- Campsites
- Construction of water catchments for irrigation in lower lands

2.2.2 Wildlife

The District has potential wildlife such as Hippos, Crocodiles, Monkeys and snakes. Also Birds of different species such as Flamingo are found in the District. The abundance of hippos and crocodiles in Lufilyo River and along the shores of Lake Nyasa can highly impress and attract investors to establish game sanctuaries within the area. Also there is Matema area with 20 hectors which is suitable for Crocodile farming. Currently, the area has not been utilized for this purpose.



Crazy Crocodile Campsite at Matema Beach.

Investment Opportunities in Wildlife

- More investments in Game Sanctuaries i. e crocodile keeping
- Investment in Game Reserves for Hippos, Monkeys, Snakes and Bush pigs

TYPE OF INDUSTRY	NUMBER	
Hulling and Milling machines	83	
Carnell oil filtration	14	
Soap making	10	
Carpentry workshops	16	
TOTAL	123	

Investment opportunities in Industries and Manufacturing

- Investment in processing industries
- Investment in manufacturing industries
- To invest in brick mould industries (brick making industries)
- Investment in fruits production industries

Areas of investment

- Carnel oil filtration industries
- Paddy husking and packing industries
- Fruit canning industries



Kikusya paddy processing Industry -Kyela

2.2.3 Mining

Kyela District has potential area for coal mining. Currently three companies are engaging in coal activities in northern part of district specifically Ngana Ward. These companies are TanCoal Ltd, Kiwira Coal Mines and Off Route Co. Ltd



2.2.4 Oil and Gases

The District is believed to have large quantity of gases and oil. Currently the Heritage Rukwa Tanzania Limited is carrying out an exploration of gases and oils in the District. Two intensive survey have already been undertaken and the sign of oil and gases in the specified area is vivid. These area include large part of Ntebela Division along Lake Nyasa basin.

Investment opportunities in gases and oils

- Investment in oil exploration
- Investment in gases along Lake Nyasa basin

2.4 Social Infrastructure

2.4.1 Education

Kyela District has 99 primary schools, 22 Government Secondary schools and 4 Private secondary schools. At the moment, the District has various Vocational Training Centres, such as Kyela Polytechnic Collage which is a property of The Mango Tree, In the District there is only 1 Private High school at Ipinda area which is known as `Dinnob

High School. Two (2) Government High Schools have been started, these are Matema Beach High School and Kyela High School.



Matema Beach High School

Investment Opportunities

- To invest in English Media Academies
- To invest more in Secondary schools especially in High schools.
- Investment in Vocational Training Canters.



Kyela Polytechnic College

2.4.2 Health

The District has 2 hospitals at Kyela Town and Matema, 1 health centre at Ipinda, 29 dispensaries and 4 Voluntary Agency Hospital at Matema Lutheran Hospital, Uhai Baptist Makwale, Sabato at Kyela Town and Ngamanga Dispensary and Parastatal Organization.



Kyela District Hospital (Grade A Ward)

Investment Opportunities in Health

- Investment in Hospitals, Health Centres and Dispensaries
- Investment in Pharmacy

2.4.3 Water supply and sewage

Almost 80% of the District population has access to clean and safe water, the aim is to make sure that 100% of the whole population will be accessible to safe and clean water by 2015.

Investment Opportunities in Water

• Investment in Water Industries.

2.4.4 Security

The security of Kyela District has been improved by its people and their properties through Police force, community participatory security management and private security companies. These efforts made the District to be attractive in investment. The District is also proud of having an institution dealing with corruption known as Prevention and Combating of Corruption Bureau (PCCB) which make conducive environment for investment.

Investment Opportunity in Security

• Investment in private security companies

2.4.5 Social security

In Kyela District there are 53 cooperative unions, 32 among them are SACCOS, 15 are AMCOS, 1 is a UNION, 4 of them are 'WAVUVI" and 1 is for 'UJENZI'. Most of these cooperative unions are facing the problem of low capital which leads into late loan repayment to the banks.



Members of Wadau Self Supporting Group-Kyela

Investment Opportunity in Socio - economic Security

- Establishment of cooperative unions in order to improve the living standard of the people in Kyela
- Establishment of Village Community Banks (VICOBA) to strengthen people's security in matters related to finance

2.5 Tourism

Kyela District has a very high potential for tourism because of the natural attractions within and in neighboring districts. Despite of some investment being established many efforts are needed to build high quality hotels and develop other tourism operations. The attractions within the district include various beaches along Lake Nyasa, the main one being Matema beach and Mt Livingstone, Likyala Cave, Kilambo Hot Springs, Lyulilo Portary Making, Itungi Port and Suspension Bridges.



Blue Canoe Camping Site-Matema Beach

2.5.1 Lake Nyasa

The only Largest water body in Kyela District and is considered as the second roughest in the world. Assessment undertaken on Lake Nyasa basin found enormous untapped natural and pristine conditions offering economic potential for tourism and other development. For example the beauty and variety of coastal landscapes, their untouched beaches the crystal clear waters which provide opportunities for diving, snorkeling and canoeing, make the lake the potential tourist paradise.



One of the most attractive beaches in the world: Ngonga beach Kyela

Tourist Hotels

For better accommodation the district has suitable tourist hotels such as

- Lake shore Resort
- Matema beach
- > Lutheran Hotel Matema beach
- Kyela Resort Kyela Town
- Matema Beach Hotel
- Kyela Town

- Kyela Town

- Sativa Midlands Hotel Kyela Town
- Jonad Blue Sky Hotel
- Songwe View Resort Kasumulu Boarder



Songwe View Resort - Kasumulu Boarder

2.5.2 Livingstone mountains

These mountain ranges builds the steep shoes of the Lake Shoreline and have pristine forest coverage, have already been cleared a forest reserve, although numerous natural attractions exist in the surroundings Lake Basin area, Tourism is as yet underdeveloped in this area/ region, but can bring considerable revenue for Kyela District and Tanzania as whole.

The mountains provide a good flow of perennial streams and rivers to the Lakes. This contributes about 40% of the total water that flows into the Lake annually. These rivers play a major role in the breeding of important fish species, such a "*Opsaridim sp*" (Mbasa) Which is a major commercial fish of the Lake support artisanal fishing.

- The Madahani water falls found within the mountains.
- There are walk ways/ view points for tourist venture.



Livingstone Ranges along Matema and Ikombe village

2.5.3 Big rivers

The District also enjoys the main four rivers which seem to be most attractive to their history. Unstable Songwe River which normally change its way whenever heavy rain drops hence disturb the boarder between Malawi and Tanzania, also Mbaka river is believed to possess many crocodiles than any other river in the district. Other rivers are Lufilyo and Kiwira.



Songwe River Boardering Tanzania and Malawi

2.5.4 Streams

The district has a famous Kilambo Hot Spring which situated almost 15 km from Kyela Town. Its "forever hot water" attracts many local and foreign Tourists. Locally, the salt water from these hot springs is used by animals. Also the district is proud for having Mwalisi and Mwalalo waterfalls.



Kilambo Hot Water Spring

2.6 Economic Infrastructure

Kyela District is among of the 10 Districts in Mbeya Region which has got opportunities in economic infrastructure; the main road going to Malawi is passing in Kyela District. The road helps to stimulate the business within the District. Also the roads within the District are passable throughout the year.

2.6.1 Roads

Kyela District is interconnected with a good network. A small part of town road system is covered by tarmac, about 40.5 km and about 125 km from Mbeya City to Kyela is a trunk road connecting the district to the Republic of Malawi. Many rural roads are gravel roads and are passable throughout the year.



Kikusya-Ipinda –Matema Road

2.6.2 Lake transport

Itungi Port at Lake Nyasa connects the district with other parts of the country like Ruvuma and Iringa as well as neighboring country of Malawi. This leads to establishment of a strong economic net work and thus improves the livelihood in district and the region as a whole. Mean while there are only two vessels (MV Songea and MV Iringa) which service four trips weekly.



MV Iringa connecting the district with Iringa and Ruvuma regions

Investment Opportunities in Lake Transport

To invest in Lake transport facilities such as Boats in order to improve transportation and to increase destination routes.

2.6.3 Financial institutions

In Kyela District there are 2 commercial banks, National Microfinance Bank (NMB) and Cooperative and Rural Development Bank (CRDB) which offer financial services. Automated teller services are available for all major credit cards like VISA and Master Cards and also for normal banking cards.



National Microfinance Bank- Kyela Branch

Investment Opportunities in Financial Institutions

- Investment in Financial Institutions such as Banks
- Establishment of Financial Institutions in Kyela Town and Kasumulu border

2.6.4 Telecommunication and media coverage

The District is well served with a telecommunication network to the rest of the world. Tanzania Telecommunication Company Limited (TTCL) offer more than 400 lines and 20 Broad Band systems which can be also used for internet connections in all customers. There are cellular phone systems operated by Airtel, Tigo, Zantel, Vodacom and TTCL. Internet cafes, fax, cable and postal services are also available. Also the District accesses the information from printed media such as Tanzania Standard Newspaper – Daily News, Habari Leo, Sunday News, The Guardian, Nipashe. Radios available are; Mbeya Fm, Radio Free Africa (RFA), Radio One, TBC Fm, TBC Taifa, Radio Maria, Radio Imani, and also all Television services are available by using satellite dish.



Kyela Business Centre (KBC) where **KYELA FM** Radio offices are located.

Investment Opportunities in Telecommunication and Media Coverage

- Investment in Media
- To invest in Internet Café
- To open cellular phone branches

CHAPTER 3

3.0 Conclusion Remarks

Kyela District has got attractive natural resources that would benefit from investment. The District is proud of having good climatic condition with reliable rainfall and fertile soils that is suitable for agriculture.

Also the District is proud of tourism attraction areas which are found within it, the attractive beaches at Matema, Mwaya, Ngonga, Bujonde, Katumbasongwe and Mount Livingstone Ranges are the potential areas for investment for the development of Kyela District, the investors and the National at large.

There is also potentials in commercial fishing in the lake.

3.1 Annex

• Map of Mbeya Region which shows the location of Kyela District

3.2 CONTACTS

District Executive Director P.O Box 320 **KYELA** Tel: +255 25 2540035 +255 25 2540007 Fax: +255 25 2540425 E - mail – <u>dedkyela@yahoo.co.uk</u> District Commissioner P.O Box 44 **KYELA** Tel: +255 252540484 Fax: +255 25 2540054

Southern Highlands Zonal Office Tanzania Investment Centre (TIC) Sokomatola Area P.O Box 1316 **MBEYA** Tel: +255 25 2504231 Fax: +255 25 2504231 E – mail: <u>southernzone@tic.co.tz</u> Website: <u>www.tic.co.tz</u>

Regional Administrative Secretary P.O Box 754 **MBEYA** Tel: +255 25 2504045/2502035 Fax: +255 35 – 2504243/2504020 E – mail: <u>ras@pmoralg.go.tz</u> Website: <u>www.mbeya.go.tz</u>