

TANZANIAN PRESIDENT PROMISED HELP TO TOURISM BUSINESSES



Tanzanian economy is hit by the economic crisis. The government wants to help its tourism sector by a number of measures. The entrance visa fees were thus lowered from \$100 to \$50.

The east African country of Tanzania is experiencing the negative effects of the global crisis. The country's economy depends on agriculture, mining and also on **tourism sector which is the biggest foreign exchange earner**. The demand for Tanzanian products abroad has dropped considerably, foreign investors are now reluctant to invest in the local mining projects and the number of tourists coming to the country is also falling.

The Tanzanian government thus decided to make steps to help the economy. President Jakaya Kikwete promised help to tourism and agricultural businesses that are in debts. For instance the period for repaying their bank loans will be extended by two more years. The government will even reimburse some losses directly.

The government is also expected to boost its spending for 2009/2010. Except the help to farmers and tourism related businesses they will also invest \$43 million for rehabilitation of the country's main railway. According to the president, they will also increase the export credit guarantees for small businesses. To lower food prices, the government will release food from its strategic grain reserves. Tanzanians do not take the crisis lightly. As the president pointed out 48,000 people had already lost their jobs by April because of the downturn. **Tourists are canceling their trips to Tanzania and as a result 20 to 30 per cent of workers in Zanzibar (part of Tanzania) lost their jobs.** To lure the visitors back Tanzanians decided to lower visa fees from US\$100 to US\$50. It may not seem as such a big change but only when you travel alone. A tourist traveling with his or her family will deem this change rather interesting. After all Tanzania is not the only safari destination in Africa. Its neighbor, Kenya has also lowered its visa fees to US\$25 per a visitor.

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