

## AfDB approves \$116m loan to upgrade Tanzania's southern road corridor

The African Development Bank (AfDB) has approved a \$116m loan for the Tanzanian government to upgrade the 160km Mnivata-Newala-Masasi road corridor in the southern part of the country. The loan represents 98.71% of the project cost; the government of Tanzania will provide the remaining 1.29% in funding.



Source: Gallo/Getty

The project will upgrade the roadway, including the 84-metre Mwit bridge to bituminous standard. The works also have social components, including the provision of potable water, education and medical infrastructure, the establishment of cashew nut processing units, and extension of entrepreneurial training to women and youth.

The upgrade is expected to open up rural areas in the region and enhance the Mtwara Development Corridor, which links Mtwara Port and Mbamba Bay Port on Lake Nyasa. Exporters, importers, small-scale cross-border traders, farmers, and transporters are all expected to benefit.

### Periodic isolation

“The periodic isolation of such a significant population worsens vulnerability and undermines social inclusion. Improved road connectivity would therefore build the resilience of the people and widen livelihood opportunities within the Mtwara Development Corridor and the surrounding districts,” AfDB director general for East Africa Nnenna Nwabuofo said.

Overall, the five-year project will improve mobility and accessibility for about 1.1 million people in Mtwara, Tandahimba, Newala and Masasi districts and facilitate integration with neighbouring Mozambique, Malawi and Zambia.

Currently, the districts of Tandahimba and Newala, with an estimated combined population of 509,000 people, are mostly cut off, while connection with the Mtwara Port area for essential supplies is severely constrained during rainy seasons due to the state of the road.

The project will advance Tanzania's current five-year development plan (2021-2026) and aligns with the bank group's Country Strategy Paper (2021-2025) which emphasises sustainable infrastructure for a competitive economy and an improved private sector business environment for job creation, as well as two High-5 strategic priorities: integrate Africa and improve the quality of life for the people of Africa.

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