



## **Australia supports Tanzanian small businesses**

**Dar es Salaam, 8 May 2015**

Australia will help small Tanzanian businesses to secure sub-contracts with major resource companies and their suppliers.

So far, small local suppliers have struggled to capitalise on markets created by extractive industry supply chains. This is largely due to a skills gaps, lack of access to finance, and limited linkages with extractive companies and their suppliers.

Australia is supporting an 18-month local supplier development project targeted at small- and medium-sized enterprises in three regions in Tanzania – Mwanza, Mbeya and Katavi. The project will be managed and implemented by Volunteer Services Overseas (VSO) Tanzania.

The project will work closely with key local partners, local business service provider Small Industries Development Organisation (SIDO), to improve the business support it currently provides.

On Friday 8 May, the Australian High Commissioner to Tanzania, John Feakes, officially launched the project at SIDO headquarters in Dar es Salaam.

“Australia is delighted to support Tanzanian efforts to help local small businesses and communities. If you give small local businesses the chance to secure sub-contracts with major resource companies or their suppliers there will be a powerful flow-on for local economic development and growth, particularly through increased employment opportunities and income”, Mr Feakes said.

“As a resource-rich country, Australia is pleased to help Tanzanians benefit from the extractives industry in Tanzania. The resource sector has the potential to play a positive, transformational role in development, and we hope that this exciting and innovative project contributes to that transformation.”

“I am particularly pleased that Australian volunteers will play a critical role in delivering this project, and will be recruited through one of our – and VSO’s – most trusted partners, Australian Volunteers International.”

Key project partners include the Small Industries Development Organisation (SIDO) at the national and regional level, along with the Tanzania Chamber of Commerce, Industries and Agriculture (TCCIA) and the Tanzania Women Chamber of Commerce (TWCC).

Capacity building will be provided through Australian volunteer experts, who will be mobilised by Australian Volunteers International (AVI), to work alongside identified local SMEs and strengthen their capacity to achieve ‘approved supplier status’ with extractives sector partners. These experts will also support SIDO to improve the quality of business services that they are currently offering.

The project also involves close collaboration and engagement with major extractives industry companies, including Anglo Gold Ashanti, Beach Energy and Shanta Gold.

VSO has 53 years’ experience working in Tanzania, with current funding from over 20 institutional donors, foundations and private companies. VSO is involved in a number of initiatives relating to extractives industries in Tanzania, including the Enhancing Employability through Vocational Training Project in collaboration with the Tanzanian Vocational Education and Training Authority (VETA) and BG Group.

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