



## East African Ports in the Geostrategic Scramble – Eyes on Tanzania’s Port Deal with Dubai

*Tilmann Feltes, Annika Schröder*

- › East African ports, such as Mombasa and Dar es Salaam, are vital gateways for trade, connecting landlocked nations in the region to international markets. These ports drive economic growth, generate revenue, and create jobs. They foster regional integration, are promoting cooperation among neighbouring countries, and are contributing to the stability of the region.
- › East African ports hold immense geopolitical importance in the context of global power competition. Major global powers, including the United States, China, and European nations, are competing for access and influence in the region as part of broader geopolitical strategies.
- › The Tanzania-Dubai port deal exemplifies the growing confluence of economic and geopolitical interests in Africa. Dubai’s focus on securing trade corridors and investments in port infrastructure has raised concerns about transparency and long-term foreign control over Tanzanian ports. The leaked details of the agreement have led to criticism from civil society and the political opposition.
- › An effective port development can stimulate economic growth and attract foreign investment, but it also carries risks of unsustainable debt and potential compromise of national sovereignty. East African nations must carefully navigate the competition for influence by global and regional powers, particularly considering massive foreign financing for port projects.

## Table of Contents

Introduction .....	2
Economic Significance of East African Ports .....	2
Geostrategic Considerations .....	3
Case Study: Tanzania-Dubai Port Deal .....	3
Conclusion .....	6

## Introduction

According to a report by consulting firm PwC, ports are responsible for 80 per cent of the world's trade in goods by volume and 70 per cent by value. They can act as a key driver for economic growth. East Africa's strategic location along major global trade routes, like the Gulf of Aden, has rendered its ports critical nodes in international commerce.<sup>1</sup> East Africa's ports, including those in Tanzania, Kenya, and Djibouti, are essential for the transit of goods between Asia, Europe, and Africa. These ports connect landlocked countries to international markets and stimulate economic growth through trade and infrastructure development. Additionally, the region's ports hold strategic importance for global powers, contributing to geostrategic dynamics. Still, the port business is closely linked with local politics who sometimes follow particular interests, that don't always have the general public's good in mind.

economic interests  
and geostrategic  
considerations

This brief explores the economic importance of ports in East Africa while also considering geostrategic factors, with a specific focus on the port deal in Tanzania with Dubai as the most recent example.

## Economic Significance of East African Ports

**Trade Facilitation:** Ports in East Africa, such as Mombasa in Kenya, Dar es Salaam in Tanzania, and Djibouti, serve as gateways for imports and exports. They handle a significant portion of goods that are destined for landlocked countries in the region, including the Democratic Republic of Congo (DRC), Uganda, Rwanda, Burundi, and South Sudan. Efficient port operations and their connecting infrastructure are crucial for reducing transportation costs, which in turn positively impact the price competitiveness of goods. East African ports serve as crucial transit points for shipping routes connecting Europe, Asia, and the Middle East. Control or influence over these ports can have a significant impact on global trade flows.

Ports are gateways to  
landlocked countries

**Economic Growth:** These ports contribute significantly to the economic growth of their respective countries. They generate revenue, create jobs, and stimulate infrastructure development, fostering a multiplier effect on local and national economies. Ports can act as catalysts for industrial growth and foreign direct investment. The presence of efficient port infrastructure attracts manufacturers and investors, leading to the establishment of industrial zones and manufacturing clusters in the surrounding area. Special Economic Zone agreements contribute even more to this fact.

**Regional Integration:** East African ports foster regional integration by providing trade routes and lowering transportation costs in a region full of resources and economic potential. This integration, in turn, can promote stability and cooperation among neighbouring

nations, especially in a functioning framework for intra-African trade. East African countries are members of at least one regional trade initiative or economic bloc, such as the East African Community (EAC) and the Common Market for Eastern and Southern Africa (COMESA). Tanzania withdrew its membership from COMESA in 2000 because it was heavily depending on tariff charges from foreign goods, particularly from neighbouring land locked countries. These earnings would otherwise have ended due to the agreement.<sup>2</sup> The inclusion of the Democratic Republic of Congo (DRC) as an additional EAC member state last year added interesting dynamics given the huge potential of mineral and gold exports from the eastern DRC. These are only a few examples for the complexity of building a common, integrated economic area. The harmonisation of port operations, trade policies, and infrastructure development is important for seamless cross-border trade.

## Geostrategic Considerations

**Global Power Rivalries:** East African ports hold strategic importance in the context of global power competition. Major powers like the United States, China, and the Gulf states as well as European Nations have vested interests in securing access and influence in the region as part of their broader geopolitical strategies. The development around the Eastern African ports and the respective support by external stakeholders will also be a major contribution to the success of African development in the context of ongoing international projects such as the Belt and Road Initiative (China) or the Global Gateway Initiative (EU).

**Security Implications:** The geostrategic significance of these ports extends to security dynamics. Their proximity to critical waterways, such as the Suez Canal, the Bab el-Mandeb Strait or the Gulf of Aden makes them essential to global maritime security. Furthermore, the stability and security of these ports have far-reaching implications for international trade. The proximity to unstable countries (Sudan/South-Sudan/DRC/Yemen) or even failed states (Somalia) is a further geostrategic fact which adds relevance to controlling port operations in Eastern Africa.<sup>3</sup>

Security concerns in  
specific waterways  
and regions

---

**International Relations:** East African ports serve as bargaining chips in international diplomacy. Port agreements can shape diplomatic relations but also influence regional politics. Only recently the port contract with the Gulf States in Djibouti was not extended in favour of China and led to ongoing legal battles between the three parties. Djibouti decided to unilaterally terminate the Gulf States contract and justified this by claiming to nationalise the port. Simultaneously they allowed a Chinese company to operate the port's main terminal. The case reflects the growing interest of international parties in securing access to African markets and enhancing their maritime presence in the region.<sup>4</sup>

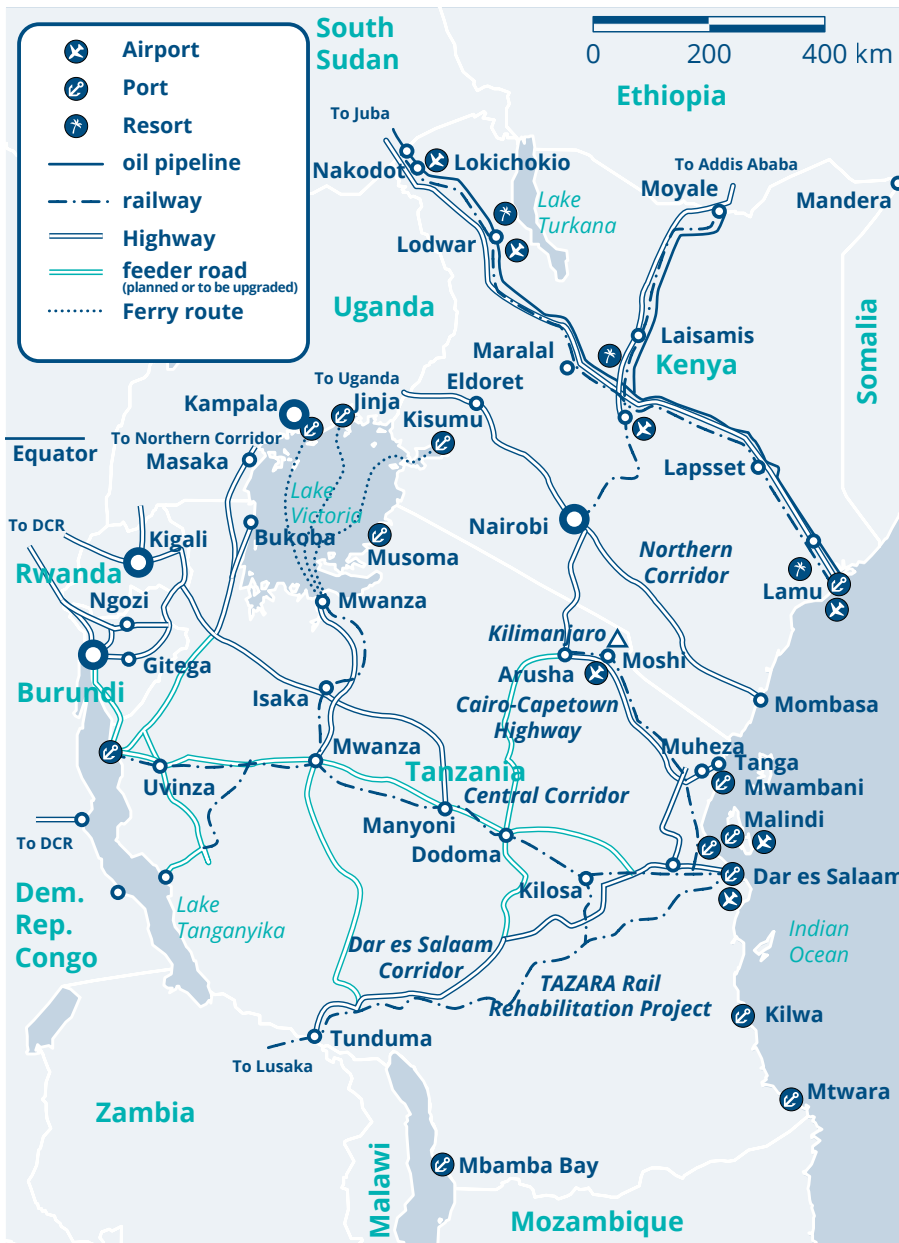
## Case Study: Tanzania-Dubai Port Deal

The port infrastructure in Eastern Africa played already centuries ago a decisive role in international trade. Hundreds of years ago Arab traders and European explorers used the ports to ship their "discoveries" from the interior Great Lake region back home, often after questionable deals with the local population.<sup>5</sup> Since then the ports of Mombasa in Kenya and Dar es Salaam in Tanzania played a crucial role in the regional trade facilitation. In the last few years, a growing competition between Tanzania and Kenya is observed when it comes to securing trade corridors to and from the landlocked countries such as the eastern DRC, Zambia, Uganda, Rwanda, and Burundi to the ports at the Indian Ocean. The last year registered an increase of Congolese and Zambian goods through Tanzania by 43 per cent and by 31 per cent, respectively. In the past five years, Tanzania has invested about 421 million

Tanzania's strategic  
focus on secure trade  
corridors

---

US-Dollar in its ports infrastructure to improve its economic competitiveness, not to mention the estimated 10 billion US-Dollar investment into a new railway line between Dar es Salaam and Lake Tanganyika via Dodoma.<sup>6</sup> Especially the export routes for goods from landlocked Burundi and Rwanda as well as (conflict) minerals and gold from the eastern DRC are of special focus. On the way are unexplored Tanzanian mineral resources in the western part of the country such as helium (Lake Rukwa), nickel (Lake Victoria), lithium (Rift Valley), or rare elements which play an additional strategic role. With this vast export potential of the Great Lakes region in mind (*see map below*), the geostrategic importance of export via the Indian Ocean ports is evident.<sup>7</sup>



Source: <sup>8</sup>

After years of political rapprochement between Tanzania and the Gulf States<sup>9</sup> it was Tanzania which already signed in October last year a so called *Inter-Governmental Agreement (IGA)* with Dubai.. Due to a lack of transparency regarding the agreement and its way forward, it

is still uncertain what the underlying intentions and the real substance of the deal is about. The ongoing public debate in Tanzania itself, however, shows that there is a lot of concern among civil society actors and the political opposition that this agreement would allow the Dubai state-owned DP World taking over the port management of all Tanzanian mainland ports and its trade corridors for a long period of time.<sup>10</sup> The government of Tanzania referred to the need of modernisation and international investment for the port of Dar es Salaam to compete with other regional ports such as the one in Mombasa. On 10 June 2023 the CCM-controlled parliament (93 per cent of the seats are held by CCM) voted in favour of the respective bill to implement the IGA.

A few weeks later, however, parts of the agreement were leaked and created concern in parts of the Tanzanian public. Concrete details are still unclear and not yet disclosed by the government but the unexpected and for Tanzania surprisingly direct critique by opposition parties and members of the civil society is an unexpected cause of concern for the government: The Tanzanian political opposition party CHADEMA criticising a possible “sell-out” of Tanzania in favour of unregulated foreign interest and capital. The Tanganyika Law Society (TLS) stated publicly that “the agreement was not well-drafted, leading to vagueness, doubts, ambiguities, and diverse interpretations (...). Also, there are provisions/clauses that overlook, contradict, or contravene the national interests, and we suggest their total removal”<sup>11</sup>. Together with other (independent) civil-society organisations, TLS and CHADEMA are demanding more information about the broader political framework of the deal and about the protection of Tanzanian resources such as critical or “green” minerals and gas, as well as its export through trade corridors.

As a result of this concerted criticism by opposition and civil society actors the Tanzanian government reacted again with a wave of authoritarian repression – almost like in the times of the late president Magufuli. Former CHADEMA Secretary General Dr. Willibrod Slaa and others were detained first on charges like sedition and high treason (which demand an imperative death penalty in Tanzania). Some were discharged after these intimidations after some days, others such as former TLS president Nshala decided to leave the country after having received anonymous death threats. The reaction of the government was harsh and provoked further reactions. Religious leaders such as the vocal Catholic Church in Tanzania (TEC) took the initiative to read out a strong critique of the port deal in all Sunday masses in Tanzania. This even complicated the situation for the ruling party.

The reaction of the Tanzanian government, as foreseeable as it might seem to some observers, shows not only the (still) authoritarian style of the CCM government – with more than six decades in power the second-longest ruling party in Africa. It also shows that the government decided to go ahead with such a critical and strategic decision without sufficient stakeholder engagement and without clear transparency. It is also criticised that the government would undermining own future potentials of self-governing the vast and yet mainly unexplored mineral resources in the Great Lakes region, may it be by having no say in “third party cargo” for example between the DP World dry port in Kigali and the DP port of Dar es Salaam or may it be by not benefitting fully of the expected increased trade volume of the Dar es Salaam port. Furthermore, the recent tabling of two bills in the Tanzanian parliament on amendments to the minerals and resource governance act without sufficient debate raised further public suspicions, so that even the CCM-led parliament revised the bill until further information is shared with the public.

The port deal  
with Dubai and the  
public critiquen

Finally, the IGA agreement and its subsequent agreements might, as it stands now, assign DP World also exclusive rights to manage all Tanzanian mainland ports – which includes ports such as the port of Mtwara in Southern Tanzania. Mtwara is located close to the border to Mozambique where huge reservoirs of natural gas are expected, add-on to uranium sources in the hinterland of Mtwara where Rosatom is supposedly engaged as well. The public discourse and criticism about the port deal should be used to steer and guide the process to be more transparent and more citizen-oriented rather than suppressing opponent views. Otherwise, the discourse will most probably not end soon, CHADEMA already announced the topic as the No. 1 topic for their campaign in the upcoming elections in 2024 and 2025. After all, this agreement is a vivid example for the increasing confluence of economic and geostrategic interests in Africa, with implications for regional politics and diplomacy.

## Conclusion

East African ports are integral to regional and global trade, driving economic growth and integration. Their geostrategic significance, as demonstrated by the Tanzania-Dubai port deal, underscores the complex interplay between economics and geopolitics in the region. The geostrategic importance of ports in East Africa has far-reaching implications for international relations, including trade dynamics, energy security, geopolitical competition, security concerns, regional integration, and diplomatic interactions. Control, access to, and influence over these ports remain critical factors in shaping global politics and economic relations in the 21st century. Tanzania's decision to enter into a 100-year Inter-Governmental Agreement with Dubai's DP World for the management of its mainland ports and trade corridors has sparked both intrigue and controversy. The situation underscores the challenges of balancing economic development, foreign investment, and national sovereignty. It serves as an example of the risks associated with entering into significant economic agreements without adequate stakeholder engagement and transparency.

While effective port development can stimulate economic growth, create jobs and attract foreign investment, immense foreign financing for port projects can lead to unsustainable debt burden and potentially compromising national sovereignty. Global and regional powers, notably China through its Belt and Road Initiative (BRI), are investing heavily in East African port projects. This competition can result in increased political and economic influence, as well as infrastructure dependency, which East African nations must navigate carefully. It is essential for these countries to strike a balance between economic benefits and potential loss of control over critical infrastructure and their socio-economic environment in favour of long-term development goals and own national interest. As East Africa continues to develop and international actors compete for influence, understanding these dynamics is crucial for policymakers and stakeholders seeking to harness the economic potential of these key hubs. Furthermore, as seen from the current Dar es Salaam port saga, an inclusive and participatory political debate by listening to different inputs from independent NGOs, religious authorities, or political parties is necessary to make sure the process is as transparent and sustainable as possible.

---

Balance between  
economic develop-  
ment and national  
sovereignty

---

Transparency and  
citizen engagement  
in major economic  
agreements

## Endnoten

- 1 <https://www.pwc.co.za/en/publications/african-ports.html>
- 2 <https://core.ac.uk/reader/234671110>
- 3 <https://commercial.allianz.com/news-and-insights/reports/shipping-safety.html>
- 4 <https://doi.org/10.1093/cjip/poab006>
- 5 Here, also the German East Africa Company (*Deutsch-Ostafrikanische Gesellschaft*) played a role as forerunner for the following colonisation of Tanganyika by Germany which ended in 1916. At the same time the occupation of Zanzibar by the Sultans of Oman ended only in 1964.
- 6 [https://thechanzo.com/?mailpoet\\_router&endpoint=track&action=click&data=WylxMjYiLCI2NzBIYTdiYzMxZWESY-WI1NDRhN2E0OTQ5ODBmYzlyZiIsIjQ5OCIsIjRhMDZIMjIjODcyMylsZmFsc2Vd](https://thechanzo.com/?mailpoet_router&endpoint=track&action=click&data=WylxMjYiLCI2NzBIYTdiYzMxZWESY-WI1NDRhN2E0OTQ5ODBmYzlyZiIsIjQ5OCIsIjRhMDZIMjIjODcyMylsZmFsc2Vd)
- 7 Also a transport corridor between the DP World owned dry port in Rwanda's capital Kigali and Dar es Salaam will add to the geostrategic relevance of this area.
- 8 [https://www.researchgate.net/publication/336931174/figure/fig1/AS:820232851578881@1572570159792/Map-of-LAPSET-and-the-Central-Corridor-in-East-Africa-Note-this-map-does-not-show-the\\_W640.jpg](https://www.researchgate.net/publication/336931174/figure/fig1/AS:820232851578881@1572570159792/Map-of-LAPSET-and-the-Central-Corridor-in-East-Africa-Note-this-map-does-not-show-the_W640.jpg)
- 9 [https://www.researchgate.net/publication/336931174/figure/fig1/AS:820232851578881@1572570159792/Map-of-LAPSET-and-the-Central-Corridor-in-East-Africa-Note-this-map-does-not-show-the\\_W640.jpg](https://www.researchgate.net/publication/336931174/figure/fig1/AS:820232851578881@1572570159792/Map-of-LAPSET-and-the-Central-Corridor-in-East-Africa-Note-this-map-does-not-show-the_W640.jpg)
- 10 Due to intransparent tendencies there is an ongoing public discussion about the period of time and background of the deal but only little is written about it.
- 11 <https://tls.or.tz/wp-content/uploads/2023/06/TLS-STATEMENT.pdf>

## Imprint

### The Authors

Tilmann Feltes has been heading the Tanzania country office of KAS since April 2021. Before that he worked as policy advisor in the division for sub-Saharan Africa. He is a political scientist with focus on international relations and development studies.

Annika Schröder is a Policy Advisor for Economic and Climate Sub-Saharan Africa in the Department European and International Cooperation at the Konrad-Adenauer-Stiftung. She is excited about encouraging ecosystem partnerships and promoting sustainable growth in Africa by applying her experiences in entrepreneurship, politics and academia to the African continent.

### Konrad-Adenauer-Stiftung e. V.

#### Tilmann Feltes, PhD

Resident Representative  
Konrad-Adenauer-Stiftung Tanzania  
T +255 / 222153174  
[tilmann.feltes@kas.de](mailto:tilmann.feltes@kas.de)

#### Annika Schröder

Department for Sub-Saharan Africa  
M: +49 160 98759289  
[annika.schroeder@kas.de](mailto:annika.schroeder@kas.de)

Postal address: Konrad-Adenauer-Stiftung, 10907 Berlin

This publication of the der Konrad-Adenauer-Stiftung e. V. is solely intended for information purposes. It may not be used by political parties or by election campaigners or supporters for the purpose of election advertising. This applies to federal, state and local elections as well as elections to the European Parliament.

Publisher: Konrad-Adenauer-Stiftung e. V. 2020, Berlin  
Design and typesetting: Kaluza + Schmid Studio, Berlin  
No 514 / October 2023  
Complete and unchanged version of the online edition/print edition.

Produced with financial support from the German Federal Government.

ISBN 978-3-98574-193-9



The text of this publication is published under a Creative Commons license: "Creative Commons Attribution-Share Alike 4.0 international" (CC BY-SA 4.0), <https://creativecommons.org/licenses/by-sa/4.0/legalcode>.

Copyright Cover  
© STORYTELLER - stock.adobe.com