

NON-CITIZENS PROHIBITION FROM ENGAGING IN CERTAIN BUSINESS ACTIVITIES IN TANZANIA

Introduction

On 28th July 2025, the Government of the United Republic of Tanzania has issued a Business Licensing (Prohibition of Business Activities for Non-Citizens) Order, 2025 Government Notice No. 487A made under section 14(2)(A) of the Business Licensing Act, Cap 101 R.E 2023. This Order restricts foreigners from engaging in and conducting certain specified categories of businesses in United Republic of Tanzania.

a. This marks a turning point following controversial comments raised by Tanzanians particularly in Dar es Salaam, that foreigners are engaged in businesses which ought to be reserved to citizens of the United Republic. These concerns and comments attracted the attention of the media within and outside the boarder of Tanzania.

The Business Licensing (Prohibition of Business Activities for Non-Citizens) Order, 2025, defines a non-citizen by making reference to a definition provided for in the Tanzania Citizenship Act, Cap 357. The Tanzania Citizenship Act does not define a citizen. It, however, determines how a person becomes a citizen: by birth, naturalization and descent. Anyone falling outside the said limbs is termed as “non-citizen” within the boundary of the United Republic of Tanzania. This is provided for in sections 3,4,5, and 6 of the Tanzania Citizenship Act, Cap 357 R.E of 2023. The government Notice No. 487A does not expressly say anything about corporate/legal entity incorporated outside Tanzania which as it stands its regulated by the Company Law.

Prohibited business activities and scope of the Order application.

The Business Licensing (Prohibition of Business Activities for Non-Citizens) Order, 2025 has provided a list of business activities that are prohibited to be conducted by non-citizen in the schedule to the order. These activities include;

- i. The business of sale of goods on a wholesale and retail basis, excluding supermarkets, specialized product outlets, and wholesale centers for local producers.
- ii. Mobile money transfers.
- iii. Repair of mobile phones and electronic devices.
- iv. Salon business unless the business is conducted in a hotel or for tourism purposes.
- v. Home, office and environmental cleanliness.
- vi. Small-scale mining.
- vii. Postal activities and parcel delivery within the country.

- viii. Tour guiding within the country.
- ix. Establishment and operation of radio and television.
- x. Operation of museums or curio shops.
- xi. Brokerage or agency in businesses and real estate.
- xii. Clearing and forwarding services.
- xiii. On-farm crop purchasing operations.
- xiv. Ownership or operation of gambling machines or devices, except within casino premises.
- xv. Ownership and operation of micro and small industries.

Order 3(2) of the Business Licensing (Prohibition of Business Activities for Non-Citizens) order, 2025 prohibits licensing authorities from issuing or renewing a business license for a non-citizen. The licensing authorities in Tanzania includes, the Business Registration and Licensing Agency (BRELA), Local Government Authorities, Gaming Board of Tanzania, Energy and Water utilities Regulatory Authority (EWURA) et cetera. The licensing authorities do vary depending on the type of business a person intends to establish. This means that a non-citizen who had a business licensing prior to the commencement of Government Notice No. 487A of 2025 will continue to conduct his/her business up to the date of expiry of such license. Upon expiry of the business license, the licensing authorities are prohibited from renewing the respective license provided that the business falls under the one of the prohibited businesses for non-citizens.

Offences and penalties

Order 3(3)(a) makes it an offence for a non-citizen to carry out business activities prohibited under the schedule to the Order. This offence is punishable on conviction to a fine not less than ten (10) million Tanzanian shillings or imprisonment of not less than six months and of visa and resident permit.

Order 3(3)(b) also criminalizes any citizen who aids and assists a non-citizen to carry out business activities prohibited in the schedule to the Order. On conviction, the offence is punishable by a fine of five (5) million Tanzanian shillings or imprisonment for a term not exceeding three months.

Conclusion

The specified areas of business activities prohibited to be engaged by non-citizens may affect a number of businesses currently carried out by non-citizens in Tanzania. To avoid the implication the Order may have on their businesses and stay in the United Republic, non-citizens carrying out businesses in Tanzania should align their businesses with the law and make sure that they do not engage on businesses prohibited by law. Furthermore, non-citizens should be keen to ensure that when their business licenses expire, they refrain

from continuing engaging on businesses falling under the prohibited business activities and venture into investment area which allow non-citizen to engage in other permissible businesses activities.

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