

## **THE BUSINESS LICENSING ( THE PROHIBITION OF BUSINESS ACTIVITIES TO NON CITIZENS) ORDER OF 2025.**

The business licensing (The Prohibition Of Business Activities to Non-Citizens) Order of 2025 in simple terms is a law that has explicitly outlined the premises of which non-citizens cannot operate businesswise in Tanzania.

This law emanates from section 14(2) of the business licensing act which states

“Where a licensing authority has, by oversight or in error, granted any license contrary to the provisions of this section, it may call upon the person to whom it was granted to surrender the same for revocation”

This provision gives power to the business licensing authority to revoke a license to any person that it feels that it has wrongly been granted to, therefore this law has been created in order to specify the circumstances of which a license could be wrongly granted in this context in the instance that a non-citizen is granted a license to perform the prohibited businesses.

Therefore, if a non-citizen by oversight is granted a license on the businesses prohibited in this law then the authority still maintains the power to revoke the said license.

### **Who is a non-citizen?**

A non-citizen defined by the Tanzania Citizenship Act, Cap 357 R.E. 2023, a non-citizen means a person who is not a citizen of the United Republic of Tanzania.

This law only prohibits individuals and not local companies that are established by foreigners who have a cap of owning not more than 50 percent of the shares, therefore this law prohibits non-citizen sole proprietors and non-citizen partnerships from doing the below listed businesses.

### **The following is a list of the prohibited businesses.**

1. The business of sale of goods on a wholesale and retail basis, excluding supermarkets, specialised product outlets, and wholesale centers for local producers.
2. Mobile money transfers. Repair of mobile phones and electronic devices.
3. Salon business unless the business is conducted in a hotel or for tourism purposes.
4. Home, office and environmental cleanliness.
5. Small-scale mining.
6. Postal activities and parcel delivery within the country.
7. Tour guiding within the country.
8. Establishment and operation of radio and television.

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9. Operation of museums or curio shops.
10. Brokerage or agency in businesses and real estate.
11. Clearing and forwarding services.
12. On-farm crop purchasing operations.
13. Ownership or operation of gambling machines or devices, except within casino premises.
14. Ownership and operation of micro and small industries

**What is the fate of the non-citizen business owners that have already been granted their business licenses in Tanzania?**

The law explicitly states that those that have been granted licenses to do the now prohibited businesses will not be able to renewable upon expiry of the licenses. This is because the substantive laws do not operate retrospectively (backwards).

Contravention of orders may subject the non citizen to be liable to a fine of not less than ten million shillings or imprisonment for a term not exceeding six months and revocation of visa and resident permit.

Any Tanzanian who assists or aids a non-citizen to carry out any of the business activities prohibited under this Order and upon conviction shall be liable to a fine of five million shillings or imprisonment for a term not exceeding three months.

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