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AFRICA RISK CONSULTING

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Tanzania Summary 21 July 2026

Tanzania's government reinstates a ban on all political rallies, citing security concerns. The ban, similar to that implemented in 2016, is the latest indication that President Samia Suluhu Hassan (2021-present) and her administration have reneged on their promises to open up Tanzania's democratic space. Tanzania's inflation quickens to 4.2% in May before easing slightly to 4% in June, prompting the Bank of Tanzania (BoT) (central bank) to implement its first interest rate hike since April 2024, albeit a modest 50 basis points from 5.75% to 6.25%. United States (US)-headquartered Fitch Solutions publishes its latest country risk commentary on Tanzania on 29 June, forecasting that any political unrest and the shrinking democratic space in the country will not negatively impact investment.

Government re-instates ban on political rallies

Interior minister **Patrobas Katambi** announced on 26 June that the government would be banning all political rallies over security concerns, bringing back a controversial ban that was first implemented in June 2016 to prevent the opposition from mobilising support, as the country's democratic backsliding continues. The announcement came a few days before planned protests on 7 July, celebrated in Tanzania as **Saba Saba Day**, commemorating the founding in 1954 of the **Tanganyika African National Union (TANU)** that led the country to independence 1961. Protestors had planned to gather on 7 July to call for democratic reforms and justice for people killed in post-election violence in October 2025.

The re-introduction of the ban is yet another indication that President **Samia Suluhu Hassan** (2021-present) has reneged on her promises to open Tanzania's democratic space and pursue her 'Four Rs' (reconciliation, resilience, rebuilding and reforms) agenda. Hassan had in 2023 lifted the ban on political rallies that her predecessor, **John Magufuli** (2015-2021), imposed *(see ARC Briefing Tanzania Jan 2023)*. Under the initial ban, only the ruling **Chama Cha Mapinduzi (CCM)** was allowed to gather and other political parties were banned from holding public meetings, resulting in frequent detentions and arrests of opposition figures and clash with the police who, emboldened by the **Police Force Act**, were allowed to use their discretion regarding what constitutes an illegal meeting.

The opposition has been critical of the new ban, calling it an attempt to once again stifle the opposition which has been gathering more support and traction following the events of the October 2025 general election. A government-appointed commission of inquiry determined in April that 518 people died from unnatural causes in the post-election violence, including 197 who were shot dead (see *ARC Briefing Tanzania May 2026)*. However, **United Nations (UN)** experts reported in December 2025 that they estimated that at least 700 people were killed extrajudicially in the post-election violence, but that other estimates were higher.

The main opposition, **Chadema**, has said it is considering legal action both domestically and internationally to challenge the ban while **Tanzania Law Society** president **Boniface Mwabukusi** called the measures a constitutional violation. Political rallies are a key mobilisation method for the opposition. By 2015, Chadema's popularity had grown significantly thanks to the grassroots network campaign it had run nationwide, but its momentum was stopped by Magufuli's 2016 ban. While rallies in Tanzania were not uncommon before the 2016 ban, the threat of real protest since the October 2025 general election has increased, which appears to be the government's main concern. The October post-election violence and protest was on a scale the country had never seen.

However, Tanzanians' willingness to engage in mass mobilisation is likely less following the state's heavy-handed response to the post-election violence, alongside the new ban announcement. Despite the ban, police were deployed across **Dar es Salaam**, dressed in riot gear, on 7 July. Police said in a statement on 9 July that the heavy police presence had prevented planned protests for 7 July and confirmed that they had arrested at least 130 people for allegedly inciting criminal acts.

Central bank hikes interest rate as inflationary pressures increase

The **National Bureau of Statistics (NBS)** released its June inflation data on 8 July, indicating that inflation had eased slightly from 4.2% in May to 4% in June, but highlighting that core inflation, which removes volatile energy and food prices, had risen from 3.4% to 3.7%, indicating increasing price pressures. Tanzania's May inflation levels were its highest since April 2023.

Following the publication of the May inflation data on 8 June, the **Bank of Tanzania (BoT)** (central bank) **Monetary Policy Committee (MPC)** met on 2 July and voted to modestly increase the **Central Bank Rate (CBR)** from 5.75% to 6.25% for the quarter ending September 2026, its first hike since April 2024. While inflation remains within the central bank's target range of 3%-5%, the 4.2% reached in May is in the upper band, prompting the MPC's action.

Notably, energy, fuel and utilities inflation increased from 5% in May to 6.3% in June. This was a sharp increase from 2.1% in March 2026. Alongside this, transport inflation increased 13.6% year-on-year, driven by the increase in rising public transport fares and fuel prices. These increases were offset by food inflation decreasing from 5.6% in May to 4.1% in June, which helped lower headline inflation. However, it remains a concern that core inflation – which monitors items such a rent and services – is still increasing, meaning that households are still facing price pressures despite the fall in headline inflation.

In its statement, the MPC noted that it is confident that the 50-basis-point increase is appropriate as it balances ensuring that inflation remains in target and not constraining economic growth. The MPC will meet again on 7 October to announce its next interest rate decision.

Fitch reports that political unrest not likely to impact investment environment

United States (US)-headquartered **Fitch Solutions** published its latest country risk commentary on Tanzania on 29 June, forecasting that any political unrest and the shrinking democratic space in the country will not negatively impact investment. Fitch's commentary also notes that political unrest risks will ease moving forward, reducing the risk to interruptions to economy activity.

Fitch addressed the topic of restricted political space, which could lead to sporadic protests, but added that this shrinking democratic space also means that threats to the CCM remain low. The party continues to dominate parliament, which means that any opposition attempts to push through reforms will be thwarted.

However, these political developments, which Fitch notes have been criticised by the international community, including the UN and **United States (US)**, are likely to have little impact on investment. Foreign direct investment (FDI) has remained strong despite the deterioration in the local political environment, with Fitch reporting that FDI inflows reached $1.9 billion in 2025, up from $1.4 billion in 2024. The lack of economic pressure on the government means it is likely to continue acting in a heavy-handed way (see above), as there are no significant consequences facing the current administration despite the democratic backsliding.

International pressures have increased, most notably with the US bipartisan **Senate** bill calling for a reassessment of bilateral relations. However, the bill does not prevent private companies from continuing to invest in Tanzania, meaning investment flows can continue *(see ARC Briefing Tanzania May 2026)*. It should be noted that despite the bill's introduction in May and advance in June, the US on 1 July signed a memorandum of understanding (MoU) with the Tanzanian government to invest over $1.3 billion in its health sector over the next five years, the latest in a series of health deals it has signed with various **African** countries. In return for the $1.3 billion in investment, Tanzania has committed to investing $1.8 billion in its health sector. The US embassy's statement on the deal notes that the two countries will deepen cooperation in the health sector. It is unlikely that this deal and financial commitment would have been made if the US strongly intended to re-evaluate its ties with Tanzania.

Planner

Oct 2026 **(Tanzania and Uganda)** First exports of oil via the **East African Crude Oil Pipeline (EACOP)** expected;

19 – 21 Nov 2026 **(Tanzania)** 7th **Tanzania Mining and Investment Conference**

2026 **(Tanzania) Ntorya Gas Project** to begin operations

19 Jun – 17 Jul 2027 **Dar es Salaam (Tanzania)** Tanzania, **Uganda** and **Kenya** to co-host the **Africa Cup of Nations 2027 (AFCON)**

Chronology

18 Jul 2026 **Dar es Salaam (Tanzania)** *The Citizen*. President **Samia Suluhu Hassan** and **Egypt**'s President **Abdel Fattah El-Sisi** sign a bilateral agreement aimed at deepening and expanding their economic ties across several key sectors, including agriculture, livestock, transport, logistics, electricity and renewable energy;

14 Jul 2026 **Dar es Salaam (Tanzania)** *The Citizen*. Workers at **China**-headquartered **Tianpin Investment Management**'s gold mine in Tanzania accuse the investor of labour rights violations, prompting local authorities to investigate conditions at the site after complaints were raised;

13 Jul 2026 **Dar es Salaam (Tanzania)** *The Chanzo.* **International Monetary Fund (IMF)** executive board approves a $442.9m disbursement to Tanzania, following the completion of the sixth and seventh reviews under its **Extended Credit Facility (ECF)** arrangement and the third and fourth reviews under the **Resilience and Sustainability Facility (RSF)** arrangement, urging faster implementation of reforms;

13 Jul 2026 **Dar es Salaam (Tanzania)** *The Citizen*. The energy ministry announces delays to a planned $420m gas-to-liquid plant until the country can guarantee a stable natural gas supply;

8 Jul 2026 **Dar es Salaam (Tanzania)** *The Citizen*. The **Bank of Tanzania** (central bank) purchases 28 tonnes of gold worth $3.68 billion to strengthen Tanzania's foreign exchange reserves and support financial stability;

7 Jul 2026 **Dar es Salaam (Tanzania)** *Africanews*. Tanzanian authorities arrest dozens of people and significantly tighten security to prevent planned anti-government protests demanding political reforms;

6 Jul 2026 **Dar es Salaam (Tanzania)** *The Citizen*. Tanzania and **China** are in talks to establish a 10-day visa-free transit agreement for eligible travellers to boost travel and bilateral relations;

5 Jul 2026 **Dar es Salaam (Tanzania)** *The Citizen*. **Tanzania People's Defence Force (TPDF)** issues a call for peace while increasing security measures along the country's borders, highlighting the military's efforts to maintain national stability amidst heightened border awareness;

2 Jul 2026 **Dar es Salaam (Tanzania)** *Club of Mozambique.* **Mozambique**'s President **Daniel Chapo** begins a three-day working visit to Tanzania, during which he will be the guest of honour at the **Dar es Salaam International Trade Fair**;

2 Jul 2026 **Dar es Salaam (Tanzania)** *The Citizen*. Tanzania and the **United States (US)** sign a five-year health partnership worth TSh8 trillion ($3.1 billion) to strengthen the country's health system through investments in healthcare services and capacity building;

25 Jun 2026 **Kampala (Uganda)** *Monitor*. Uganda and **Tanzania** are set to begin construction on a 298-km transmission line that will link the two countries and strengthen regional electricity trade;

24 Jun 2026 **Dar es Salaam (Tanzania)** *Tanzania Invest.* Minerals minister **Anthony Mavunde** announces that 10% of revenue generated from the mining sector will be allocated to financing mineral exploration activities;

23 Jun 2026 **Dar es Salaam (Tanzania)** *The Citizen*. Communication, information technology and innovation minister **Mudrick Soraga** signs a 20-year public-private partnership agreement with local telecommunications provider **Yas Fibre** worth TSh 300 billion ($114.5m) to expand broadband infrastructure across Tanzania and **Zanzibar**;

22 Jun 2026 **Dar es Salaam (Tanzania)** *The Citizen*. Minerals minister **Anthony Mavunde** represents the government at **Russia Day** celebrations at the **Russian Cultural Centre** in Dar es Salaam as the government continues deepening ties with Russia;

20 Jun 2026 **Dar es Salaam (Tanzania)** *The Citizen*. President **Samia Suluhu Hassan** hosts **Namibia**'s President **Netumbo Nandi-Ndaitwah** in a ceremonial reception during her state visit to chart a new economic frontier between the two nations;

18 Jun 2026 **Dar es Salaam (Tanzania)** *The Citizen*. **Bank of Africa Tanzania** expresses support for the government's 2026/27 national budget, indicating that the budget's priorities are aligned with efforts to stimulate economic growth, strengthen the business environment and expand access to financing;

15 Jun 2026 **Dar es Salaam (Tanzania)** *The Citizen*. Tanzania and the **Democratic Republic of the Congo (DRC)** sign an agreement to strengthen transport cooperation and enhance cargo transport on **Lake Tanganyika**;

13 Jun 2026 **Dar es Salaam (Tanzania)** *The Citizen.* A revised version of a **United States (US)** bill that seeks to reassess ties with Tanzania has removed proposed cuts to security assistance and military cooperation, but retains restrictions on development finance and other measures;

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About Africa Risk Consulting:

Africa Risk Consulting (ARC) is a pan-African consulting company that provides timely, relevant information and advice that enables its clients to take informed investment decisions and to safeguard their reputations.

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