



**BUSINESS REGISTRATIONS AND LICENSING AGENCY**

ISSN No: 000401 | Issue No 14 | January - March 2026



# SAMIA'S

## HUNDRED DAYS

BRELA STRENGTHENING IT SELF IN PRACTICE

# CONTENTS

01

SAMIA'S HUNDRED DAYS:  
BRELA STRENGTHENING ITSELF IN  
PRACTICE

04

EDITORIAL  
GODFREY NYAISA  
CHIEF EXECUTIVE OFFICER

05

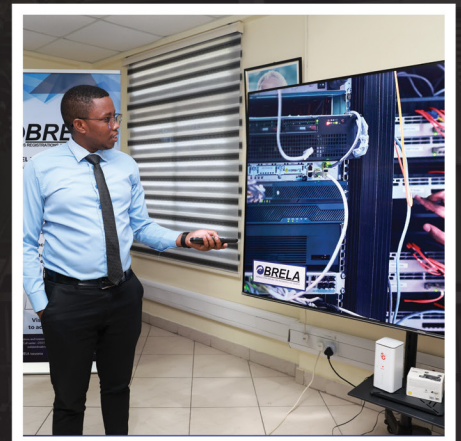
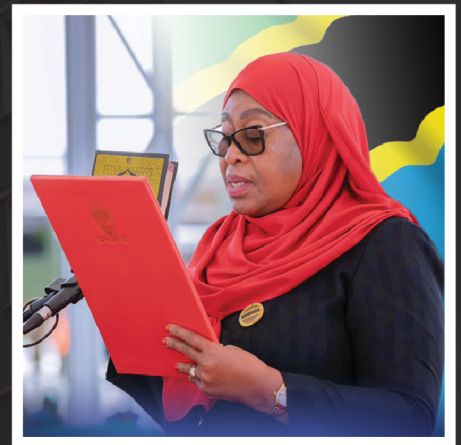
UNPROTECTED INTELLECTUAL PROPERTY:  
COUNTERFEIT PRODUCTS AND A TANZANIAN  
MARKET UNDER ATTACK

09

BRELA: STRENGTHENING SYSTEMS  
INTEROPERABILITY FOR HIGH-QUALITY  
AND EFFICIENT SERVICE DELIVERY

10

UNDERSTANDING BUSINESS  
REGISTRATION COMPLIANCE  
IN TANZANIA



# SAMIA'S HUNDRED DAYS: BRELA STRENGTHENING ITSELF IN PRACTICE

By: Christina Njovu

The first 100 days of President Samia Suluhu Hassan's second term have emerged as a crucial moment in the history of Tanzania governance.

It is a period when citizens and development stakeholders are closely watching how the government is implementing its promises in practice and how policy direction is affecting their daily lives.

The sixth phase Government has continued to demonstrate its commitment to build a competitive and inclusive economy that involves more citizens in production, trade and investment.

In achieving this goal, public institutions have been given the responsibility of being a key instrument for the implementation of national development policies and strategies.

Through the contribution of these institutions, including the Business Registrations and Licensing Agency (BRELA), the government continues to lay a solid foundation for the nation's

journey towards a competitive, productive and prosperous economy that touches all citizens.

BRELA, under the Ministry of Industry and Trade, has continued to implement its statutory responsibilities in line with the government's agenda of strengthening the business environment, formalizing economic activities and protecting the creativity of Tanzanians, especially young people engaged in entrepreneurship and small businesses. These measures have contributed to increasing the national income and the welfare of the citizens in general.

Addressing Parliament on November 13, 2025, President Samia made it clear that her government's priority is to ensure that youth have opportunities to develop economically and participate fully in national development.

She noted that more than 60 percent of Tanzanians are youth, so government policies and programs will focus on expanding economic

opportunities, creating jobs, expanding social security coverage and building a better future for the youth.

In support of this trend, the Minister of State, President's Office – Youth Development, Hon. Joel Nanauka, has explained that the government is committed to strengthening the implementation of the Youth Development Policy of 2007 (2024 edition) to ensure that youth are prepared to meet the needs of the job market and self-employment opportunities.

In addition, improvements to public procurement systems through the PPRA law have aimed to increase the participation of special groups, including youth, in tenders and business opportunities provided by the government.

This situation has increased the importance of business formalization as a prerequisite for benefiting from these opportunities. Speaking at a press conference in late January this year, the Minister for Industry and Trade, Hon. Judith Kapinga, noted that her

ministry through BRELA has taken concrete steps to promote business formalization and protection of innovations.

She noted that registration is a gateway to productive and sustainable economy and that within 100 days of President Samia's leadership, positive results have begun to be seen.



During this 100 days of President Samia in office, BRELA has registered 5,045 new companies out of which 3,120 are youth-owned.

In addition to that, 8,792 trade names have been registered, including 4,938 by youth.

In the registration of trademarks and services marks, a total of 1,018 marks have been registered, of which a large number are owned by youth.

The figures show the great awareness of youth to participate in the formal economy and protect their creativity legally. Similarly, BRELA has issued 149 industrial licenses, of which 50 percent were to youth.

In the issuance of business licenses category "A", a total

of 5,430 licenses have been issued, with more than 50 percent directed to youth.

This achievement reflects the increasing contribution of youth towards the industrial and business development agenda in the country.

In addition to registration and licensing, BRELA has continued to provide public education through radio and television programs, community radio, seminars and various exhibitions with the aim of delivering services and increasing public awareness about the importance of formalizing businesses.

This education has enabled many entrepreneurs to obtain loans from financial institutions, participate in tenders and expand markets

for their products and services locally and internationally. Overall, the achievements through BRELA within the first 100 days of President Samia's leadership are evidence of the practical implementation of the policies and commitments of the sixth phase government.

These measures have strengthened the business environment, protected innovation and increased youth employment, while laying a solid foundation for an inclusive and sustainable economy. In this sense, President Samia's first 100 days have been the beginning of a new page of hope and development for Tanzanians.



# EDITORIAL

**GODFREY NYAISA**  
Chief Executive Officer

I welcome you to the 14<sup>th</sup> edition of the Business Registrations and Licensing Agency (BRELA) newsletter. This edition is focused on providing education and information regarding the various mandatories and activities being implemented, specifically highlighting the improvements made to strengthen performance and provide services with efficiency and professionalism.

I believe that through this news letter, our customers and stakeholders will have the opportunity to understand the efforts being made by BRELA to ensure our services are easily accessible and affordable. Additionally, it aims to be part of the solution to the challenges facing business owners, including creating an enabling and friendly business environment, especially for the youth.

Through this publication, BRELA has showcased its achievements within President Samia's first 100 days in implementing the government's agenda to strengthen business environment, formalize economic activities, and protect innovations of Tanzanians particularly young people who are innovating and engaging in entrepreneurship and small businesses.

Under the current administration, the BRELA is improving online registration systems, simplifying the formalization of businesses,

and removing bureaucratic obstacles to contribute productively to the growth of the national economy.

In the efforts to empower youth to formalize their businesses, BRELA has provided various training and education sessions to young people, including university students from the Muslim University of Morogoro (MUM) and the College of Business Education (CBE), as well as students from Feza Boys Secondary School.

Furthermore, BRELA has been providing various training sessions to stakeholders, including business owners and investors, through workshops, seminars, and participation in various exhibitions. These platforms allow face-to-face engagement with stakeholders, whereby grievances are resolved during this period training was conducted at their grievances. at the Tanzania Correctional Training Academy (TCTA) and the Dar es Salaam Police Academy (DPA).

In the pursuit of encouraging business formalization, BRELA conducted educational industrial inspections aimed at educating, formalizing, identifying, and solving challenges of business owners. This also seeks to stimulate economic growth through an industrial sector that adheres to law, regulations and procedures.

BRELA continues its efforts to sensitize and educate the public through social media, articles, and special television and radio programs. These initiatives aim to increase public awareness regarding the importance of formalizing businesses, registering trademarks and service marks, and protecting their inventions.

I wish you an enjoyable reading of this journal and welcome your feedback via telephone No, +255 (0) 22 221 2800 or email: maoni@brela.go.tz.

## EDITORIAL BOARD

ANDREW BERNARD MKAPA - Chairperson

JOYCE JOHN MGAYA - Secretary

### MEMBERS

- » Elieshi Shilekyo Lema
- » Anabahati Joseph Mlay
- » Isdory Paul Nkindi
- » Lameck Nyangi Samson
- » Stanislaus Aidan Kigosi
- » Nehemia Mussa Mihayo

# UNPROTECTED INTELLECTUAL PROPERTY: COUNTERFEIT PRODUCTS AND A TANZANIAN MARKET UNDER ATTACK

By: Stanislaus Kigosi



***Tanzania has in place laws for protection of intellectual property rights. Business Registrations and Licensing Agency, (BRELA) plays a pivotal role in ensuring trademarks and patents are protected in the country.***

Recent researches indicate a staggering reality; counterfeit products now constitute between 35 to 40 percent of all goods circulating in the Tanzanian market. This is not merely a statistic for academic debate; it is a high threat to the economy that we can no longer afford to take for granted. When nearly half of the goods in a nation's marketplace are "fakes," the very foundation of commercial trust and economic growth begins to shake.

From the life-saving medicines found in our pharmacies to the electrical cables installed within the walls of our new homes, counterfeiting has woven itself into our daily lives. As a nation, we have become dangerously accustomed to this "uncomfortable comfort," sitting idly by while the integrity of our economy is gouged out from within.

This reality has to be addressed by us all. Business community knows some of the dishonest fellows who care the least when it comes for them to maximise profits in their businesses.

The global intellectual property (IP) framework is currently struggling to keep pace with a 21st century world. It is a profound irony that the foundation of international IP law i.e. the Paris Convention (1883) and the Berne Convention (1886) respectively were drafted at a time when global commerce relied on physical presence and slow-moving steamships.

Sad reality of 21st century commerce is hinged upon globalised businesses where trade on goods and services depend highly on internet. We have witnessed massive opening of cyberspace shops. Seller and buyer meet in the cyberspace where they conclude buying and selling without physical interaction.

As a result, buyers who are not afforded chance to verify authenticity and genuineness of goods may end up purchasing goods which not only offend intellectual property rights, but rather fake products which are detrimental to themselves and



*Unbranded plastic bottles are manufactured in factories.*

the surrounding environment. In the late 19th century, the protection of an idea or a brand was designed for a world of physical borders and direct interactions. Fast forward to today's digital era, where a design can be stolen on a single click of button, and massive production in a factory halfway across the globe before the original creator has even secured a trademark protection or patent.

For a developing economy like Tanzania, this "legal lag" is devastating. We are trying to fight a high-tech war of digital piracy and industrial-scale counterfeiting with weapons forged in the age of the industrial revolution.

It is an undeniable truth that

Tanzania's intellectual property legal regime is not as advanced as those in developed jurisdictions.

However, our problem is double edged; it is not just the sophistication of the law that is lacking, but the utilization of the laws we already have.

Tanzania has in place laws for protection of intellectual property rights. Business Registrations and Licensing Agency, (BRELA) plays a pivotal role in ensuring trademarks and patents are protected in the country.

Yet, this platform is strangely underutilised by business community in ensuring that their intellectual property rights, or those of their

external business partners are safeguarded. Local entrepreneurs often view IP registration as an "unnecessary luxury".

As a result, some of unscrupulous business persons or entities when they realise that a certain "brand" is performing well in the Tanzanian market, they register it in their names and thereafter they start massive production of counterfeit products purporting to be the rightful proprietors of that particular product.

It has to be kept in mind that, the law recognises and protects first the person who registered trade or service mark, and will actually protect that person in the market even if registration

was deceitfully obtained.

Failing to realize that a brand is often more valuable than the physical assets of the business itself; by the time a local innovator realises their product has been copied and flooded back into the market under a fake label, they often find themselves without the legal standing to fight back. Even when they find position to fight back, it costs them so dearly to the point of ruining their long-time established business and reputation.

Exposure to counterfeit products undermines more than just our tax revenue; it places our national security at stake. Tanzania, like many of its neighbours, remains a net importer of finished goods. We export raw materials, our cashews, cotton, and gold—and we import the essentials of modern life: medicines, automotive spare parts, electronics, and edible oils.

Imagine when a counterfeit brake fails in a public transport, it is a safety hazard. When counterfeit building materials are used in urban construction, it is a public disaster waiting to happen.

But perhaps most terrifying is the influx of counterfeit pharmaceuticals. In a country fighting malaria and other endemic diseases, a fake pill is not just “unauthorized” it is

a potential death sentence. When commerce cannot guarantee the integrity of the supply chain for our most basic needs, we are no longer a fully sovereign market; we are a dumping ground.

The equation of Tanzanian trade relies heavily on local agents. These are the Tanzanian businessmen and women who travel to manufacturing hubs like China, Turkey, and the Middle East to source products for our market.

It is rare for a global manufacturer to set up a direct distribution arm in Tanzania; instead, they rely on these third-party intermediaries. Since Tanzania is not their primary market, then Tanzanian agents would play a key role in ensuring that their suppliers

have secured protection of their intellectual property in the country for easy fighting against counterfeit products in the market.

On the other side of the coin, foreign intellectual property holders often overlook the Tanzanian market. Even though Tanzania is among the fastest-growing economies in Africa, many global brands do not prioritize registering their trademarks here.

They assume we are “too small” to worry about, only to discover later that a counterfeit version of their brand has already captured 30% of the local market share. By the time they decide to enter Tanzania officially, they find their brand name has already been tarnished by inferior imitations,



*The appearance of unbranded bottles when manufactured in a factory.*



*Bottles containing liquid products are not labeled with a brand.*

or has already been taken by third parties whom they do not have any commercial or business relationship.

The Tanzanian consumer is often price-sensitive, and the counterfeiters know this.

They target on the consumer who is looking for a bargain. However, there is a hidden "poverty trap" in counterfeit goods. A "cheap which is expensive". Counterfeit battery that lasts one month is far more expensive than a genuine one that lasts a year.

Furthermore, the proliferation of fakes suffocates our local "Made in Tanzania" initiative. How can a local manufacturer of soap or textiles compete with a counterfeit giant that

pays no taxes, adheres to no safety standards, and steals its branding from an established global brand? We are effectively punishing our own honest entrepreneurs by allowing a "lawless" market to thrive.

To secure our economic future, we must move beyond the "uncomfortable comfort." This requires a multi-fronted approach that would include; aggressive legal reform. We must modernise and reframe our intellectual property laws to reflect the realities of e-commerce and global supply chains.

A multi-dimensional effort by all relevant stakeholders work closer with BRELA and to ensure that private sector is involved in sensitising on

the importance of protecting intellectual property to defeat importation of counterfeit products while promoting business growth in the country. Indeed, Tanzania's market is under attack, but the enemy isn't just the counterfeiter it is our own indifference.

Intellectual property must be viewed as a cornerstone of our national development strategy. Only by protecting the very foundation of businesses, can we hope to build a prosperous and secure "reality" for all Tanzanians.

# BRELA: STRENGTHENING SYSTEMS INTEROPERABILITY FOR HIGH-QUALITY AND EFFICIENT SERVICE DELIVERY

By: Jessy Kalinjuna

In today's technology driven world, the efficiency of public institutions largely depends on their ability to ensure that their systems communicate and operate seamlessly together.

The Business Registrations and Licensing Agency (BRELA) has continued to take deliberate and strategic measures to strengthen systems interoperability, with the goal of delivering high quality, reliable, and efficient services to all stakeholders.

One of BRELA's key priorities is to ensure that its systems are fully integrated with those of other critical government institutions.

Through this integration, BRELA has significantly simplified processes such as company registration, business name registration, and access to essential information. This level of interoperability ensures that data is verified accurately, shared efficiently, and utilized effectively without unnecessary duplication.

Furthermore, BRELA has invested in modern digital systems that comply with both national and international



*BRELA ICT officer giving a demonstration on how BRELA is improving its registration systems, together with the servers that store various records and information*

standards. These systems are designed to be secure, stable, and user-friendly, thereby enhancing trust and confidence among users.

The integration of systems also improves the overall user experience, as clients are able to access multiple services through a single platform without navigating complex or time-consuming procedures. By strengthening interoperability, BRELA has been able to accelerate service delivery, reduce human errors, and enhance transparency across its operations. These improvements benefit not only current service users but also those who are expected to

access BRELA services in the future. Guiding all these efforts is BRELA's motto, "A Gateway to Business Success." This motto is more than just a statement, it reflects the Agency's commitment to enabling business success through efficient, accessible, and high-quality services.

As BRELA continues to enhance systems interoperability, it is laying a strong foundation for a more conducive business environment in Tanzania, one where efficiency, quality, and standards are upheld for the benefit of all.

# UNDERSTANDING BUSINESS REGISTRATION COMPLIANCE IN TANZANIA

By: Jessy Kalinjuna

In today's dynamic business environment, compliance with legal and regulatory requirements is not just a formality, it is a critical foundation for sustainable business growth.

The Business Registrations and Licensing Agency (BRELA) plays a central role in ensuring that businesses in Tanzania are properly registered, compliant with the law, and positioned for long-term success.

Business registration is the first and most essential step toward formalizing any enterprise.

Through BRELA, entrepreneurs and investors are able to legally establish companies, business names, and other entities recognized under Tanzanian law.

This process not only grants legal identity but also enhances credibility, access to financial services, and eligibility for government and private sector opportunities.

## Legal Framework Governing Business Registration

BRELA operates under key legal instruments, including the

Companies Act, the Business Names (Registration) Act, and other relevant regulations. These laws provide clear guidelines on how businesses should be formed, managed, and dissolved. They also define the responsibilities of directors, shareholders, and business owners, ensuring accountability and transparency in operations.

Understanding these laws is essential for every business owner. For instance, companies are required to maintain proper records, submit annual returns, and update any changes in company structure or ownership. Failure to comply with these requirements may result in penalties, restrictions, or even deregistration.

## The Role of Compliance in Business Success

Compliance is not merely about avoiding penalties, it is about building a strong, reputable, and trustworthy business.

A compliant business is more attractive to investors, partners, and financial institutions. It also contributes to a stable and predictable business environment, which benefits the broader economy.

BRELA continues to educate and support stakeholders to understand their obligations and fulfil them effectively.

By promoting awareness and simplifying processes, the agency ensures that compliance becomes a manageable and integral part of doing business, by embracing the Motto:

**"A Gateway to Business Success"** which reflects the agency's commitment to opening doors for entrepreneurs and businesses by providing reliable, efficient, and legally sound services.

As Tanzania continues to grow economically, the role of BRELA in facilitating business registration and ensuring legal compliance remains indispensable.

By understanding and adhering to the legal framework, business owners can not only avoid risks but also unlock new opportunities for growth and success.

Ultimately, a well-registered and compliant business is better positioned to thrive, and BRELA stands as a key partner in that journey.

# PROHIBITION OF 15 BUSINESS ACTIVITIES FOR NON CITIZENS “TANZANIA’S BOLD MOVE TO PROTECT LOCAL BUSINESS”

By: Tawi Kilumile

“

***REPOA Report of 2023 shows that 48% of Tanzanians believe in the need to protect local producers from foreign competition to ensure inclusive national development.***

Protection of Local Traders such as Wamachinga, Small to Medium Enterprises (SMEs) Owners is a Strategic Economic Priority of the 6<sup>th</sup> Government Phase led by the Her Excellency Dr. Samia Suluhu Hassan the President of the United Republic of Tanzania and the Chama Cha Mapinduzi Manifesto (CCM Manifesto 2025) that aims at enhancing livelihoods, creating jobs and ensuring economic and social stability in the country.

The Government has increasingly moved to protect these traders and SMEs from unfair foreign competition following their increasing presence in wholesale, retail and low level sectors.

On 28<sup>th</sup> July, 2025 the government issued the Order that prohibits non-citizens to engage in fifteen business activities through the Government Notice No. 487A.

The Order is called The Business Licensing (Prohibition of Business Activities for Non-Citizens) of 2025. The Order Specifies the 15 business activities which include sale of

goods on wholesale and retail basis, mobile money transfer, repair of mobile phones and electronic devices, salon business, home and office environmental cleanlines, small scale mining, Postal activities and parcel delivery within the country, tour guiding within the country, establishment and operation of radio and television, operation of museums and curio shops, Brokerage or agency in businesses and real estate, clearing and forwarding services, on-farm crop purchasing operations, ownership and operations of gambling machines and devices except in casino premises and ownership and operations of micro and small Industries.

This Government move is important in creating opportunities for Tanzanians to own and grow their businesses, empowering Local Entrepreneurship since trade is among a major source of employment, job creation to youth and women, creating more income generating opportunities, providing essential income for families



particularly for women and youth, reducing unemployment and enhancing economic resilience.

Economic inclusion and poverty deduction is among the Pillars of the Tanzania Vision 2050 and the Five Years Development Plan, Protection of Local Traders and SMEs by reserving Small-Scale Trade Sectors such as hair dressing, food vending, Motor Vehicle and Motor Cycles repairs, Wholesale and Retail trade in common goods and Services, the government ensures that economic growth benefits the local population directly rather than being captured by foreign investors.

The government move to protect local trader and SMEs is important in enhancing market integrity and Fair Competition

for which the local traders have faced unfair competition from unequal trade practices from foreign-owned businesses in areas like Kariakoo market. Protection of them results in protection of unethical trade competition such as tax evasion practices and counterfeit goods which ultimately result in unfair level playing field in the country.

Supporting the growth of the informal sector drives to the Tanzania government to protect local traders and SMEs by prohibiting non-citizen engagement in some trade and business ownership and operation since Informal Sector is a major contributor to Tanzania's GDP.

This move strengthens the

National Economy, supports domestic producers, creates a ready local market for goods produced within Tanzania, stimulates industrialization and reduces reliance on importation.

REPOA Report of 2023 shows that 48% of Tanzanians believe in the need to protect local producers from foreign competition to ensure inclusive national development, therefore, the current government move to prohibit non citizens to engage in some business balances protection of the grassroots economy while managing foreign investment in larger and high capital industrial sectors.

The general interpretation of the Business Licensing Order

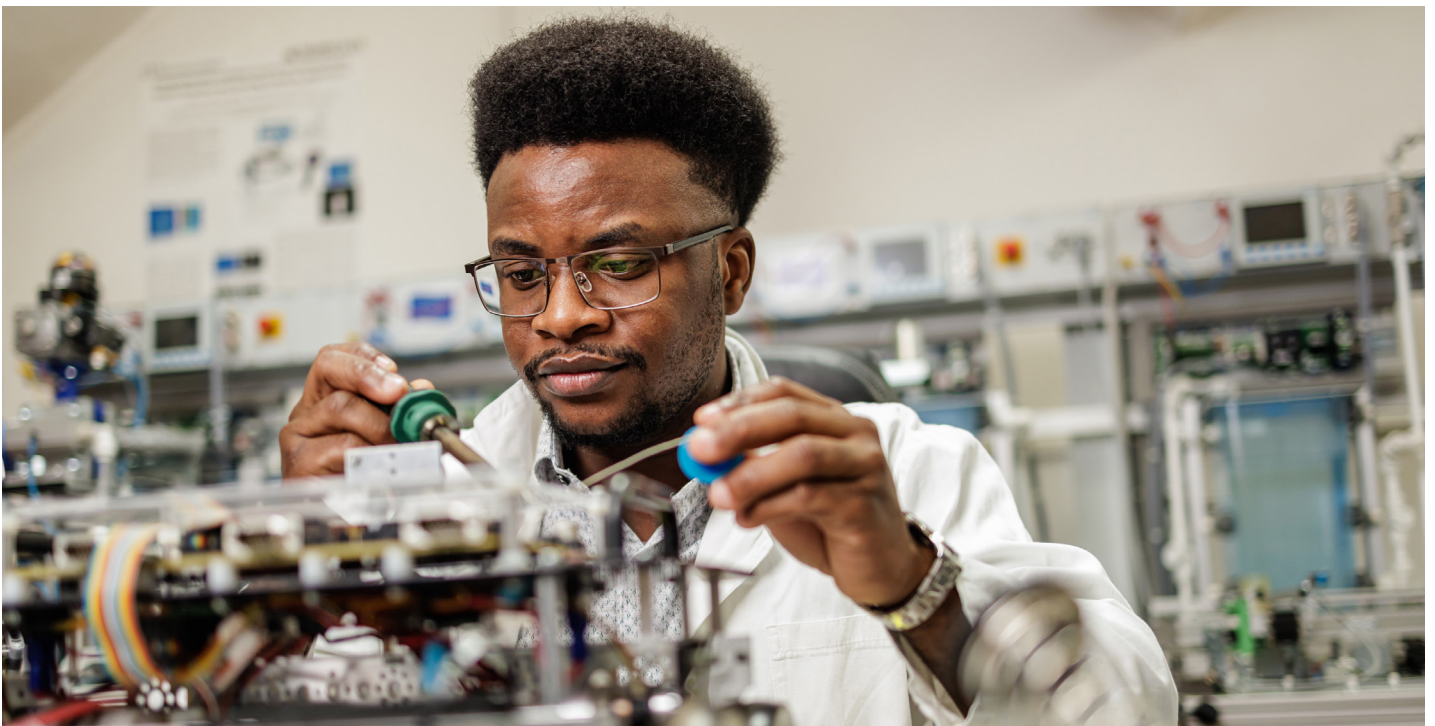
suggests that its provision apply to natural persons in whatever form they are found either as shareholders or owners of the Company or firm conducting the business since the Regulatory Framework in Tanzania do not allow non citizens to operate, control or own businesses under sole proprietorship.

Therefore in the context of Licensing and Permit issuance the prohibition in the listed business activities to non-citizens also apply to Companies owned and/or controlled by non citizens. A message to foreign Investors and Multinational Groups is that, following publication of the order they have to re-engineer their ownership and operations of the businesses by

diversifying into high capital investment potentials and sector such as manufacturing industries, Agro-processing and Value addition, Technology and Digital Services, Infrastructure support service and shy away from Low capital service models and mobile based trading.

The prohibition of certain business activities for non-citizens in Tanzania presents an opportunity for Local traders to enhance their market presence, competitiveness and participation in business activities. Local Traders should focus more in improving service delivery, formalizing businesses, ensuring fair competition, protecting their market share and improving profitability.

The move is part of the broader government effort to formalize the informal sector, improve revenue collection and boost participation and contribution of citizens in the overall economic growth of Tanzania. Tanzanians should use this prohibition as opportunity to strengthen local entrepreneurship, invest in businesses that were previously dominated by non citizens and increase innovation so as to compete on quality of goods and services rather than just competing in prices. It is high time for Tanzanian youth entrepreneurs to move into businesses such as retail shops, multicultural salons and barbershops, cleaning and waste management services, Agencies in businesses and real estates, small scale value





addition industries, mobile money services, online businesses brokrages and ventures which are now reserved for citizens.

In order to meet the demand of the current market, changes in technology and consumer preferences, the focus of the entrepreneurs should be innovation, creativity and inventions so as to bring new or high quality products and services in the market.

Example having modern retails shops with options for self services, online marketing and sales and product delivery services or having modern salons offering extra services such as spa, nail arts and massage.

Tanzanians especially women and youth should use the

opprrtunity for organising capital to expand their existing businesses due to increased demand of their products and services resulting from withdraw of the non citizens from the prohibited business activities. Capital organization may take different forms such as partnerships, formation of cooperatives such as SACCOS, use of the Government and bank loan schemes.Schemes like Local Government Loans (10% LGAs loan), Self Microfinance Fund.

The newly introduced Youth Development Fund (Mfuko wa Maendeleo ya Vijana na Biashara changa) by the President of the United Republic of Tanzania Dr. Samia Suluhu Hassan is also a huge opportunity to Youth and Start Up Tanzanian Businesses where entrepreneurs can get soft

loans for business facilitation and expansion.

Every opportunity comes with challenges that if when not addressed Tanzanians might not tap the benefits of such opportunity. Challenges such as lack of capital, strong competition and opposition from non citizens, Informal businesses and formalization bureaucracies may prevent or prohibit Tanzanians from entering the sectors.

Therefore, this move comes with a call for Tanzania to Learn and develop skills in the prohibited business sectors so that they deliver goods and services with high quality, quantity and affordable prices. Youth and Women should undergo training in phone repairs, environmental cleaning, tour guiding services,

salon services and customer care services. Also, government and private Institutions should set up tailor made training programs to support Tanzanians especially the youth and women entering these sectors. Government Institution should simplify registration, Licensing, Product standards procedures so that citizens do not face new barriers when entering the reserved business sectors.

Business Registrations and Licensing Agency (BRELA) is the first step in the formalization of businesses in Tanzania where the Legal entity of the business

is formed through Registration of Companies and Business Names, BRELA has modernised its Registrations and Licensing Procedures where all the processes and Procedures for registrations and Licensing are done online through Online Registration System (ORS).

This modernization reduced the cost associated with registration and Licensing Services and Improved service delivery on which currently the Registration and Licensing Services are completed within three working days from the date of application.

Also, the Agency is in the Process of upgrading its systems by forming one robust Online system that will handle all the Services it offers and integrate with the systems of other institutions for easy and seamless service delivery.

This calls for Tanzanian businesses, Youth and Women to consider BRELA as a Business Partner in facilitating formalization of their Businesses, Access to business information, capacity building in Innovation, branding and Protection of Intellectual and Industrial Properties. BRELA is indeed a gateway to business Success.



# YOUTH LOANS IN TANZANIA AND THE IMPORTANCE OF REGISTERING BUSINESS NAMES

By: Gerald Nyang`ali

“

*In recent years, there has been a notable increase in loan schemes targeting youth.*

Youth economic growth is one of the most critical pillars in the development of any nation including Tanzania whereby, the young people have the potential to become a powerful engine of economic transformation, when provided with the right opportunities through innovation, entrepreneurship, and productivity, youth can significantly contribute to national development.

In this context, for youth-driven economic growth to be sustainable, there must be an enabling environment that includes access to capital, business education, and user-friendly business registration systems.

In Tanzania, the government and various institutions have been providing loans to young people as a way of empowering them to become self-employed and start businesses. These loans have proven to be an important tool in nurturing new entrepreneurs and supporting the growth of small and medium-sized enterprises (SMEs).

These loans are intended to provide young people with capital to start and expand

small and medium enterprises. Within this allocation, 4 percent is specifically reserved for youth to support the establishment and development of income-generating projects.

In recent years, there has been a notable increase in loan schemes targeting youth. This includes loans issued by local government authorities through the allocation of 10 percent of their internal revenues. The government also pledged to allocate TZS 200 billion to support youth, women, and people with disabilities through such financial initiatives.

In such a credit-driven entrepreneurial environment, registering a business name through the Business Registrations and Licensing Agency (BRELA) becomes a fundamental step that should be prioritized, especially by young entrepreneurs, for many young people, access to loans has become a bridge of hope, enabling them to start businesses such as retail shops, small service ventures, and even agricultural and livestock projects.

However, registering a business name with BRELA is

not just an optional step, it is a foundation for entrepreneurial success and a bridge that connects business dreams to sustainable growth. Business name registration offers numerous benefits to young entrepreneurs.

It provides legal recognition in the market, which enhances credibility among customers, financial institutions and other stakeholders both local and international. Moreover, it becomes easier to access loan opportunities when a business is registered with BRELA.

Many lending institutions and group loan schemes require valid business documentation, including licenses or registration certificates, therefore, formal registration increases the chances of loan approval.

Additionally, a registered business can participate in tenders, secure contracts, and collaborate with larger institutions that require legal compliance.

Beyond that, registration protects the business name

from being used by others, helping to build a strong and lasting brand identity.

In conclusion, youth loans are a vital tool for economic development in Tanzania. However, for these loans to yield positive and sustainable results, they must be complemented by entrepreneurship education, financial discipline and well-structured, formally registered business plans.



*Officials from BRELA providing education on the importance of formalizing businesses during their visits to various stakeholders at their business premises.*

# SHARE DISPUTES AFTER DEATH: HOW BRELA RESTORES HARMONY IN COMPANIES

By: **Mohamed S. Ninje**

Beyond its core mandates of business registration and licensing, the Business Registrations and Licensing Agency (BRELA) has increasingly become an important institution in facilitating the resolution of disputes arising within companies, particularly those involving shareholders and their families.

One of the most common challenges arises when a shareholder passes away without ensuring that family members such as children or a surviving spouse have formal awareness or involvement in the ownership or management of the company.

This situation often leads to uncertainty regarding share ownership, distribution of dividends, and decision-making rights within the company.

In such circumstances, BRELA plays a mediation role by providing legal and administrative guidance to ensure that the rights of all parties are protected. Through mediation processes, BRELA brings together all relevant stakeholders including the family of the deceased, remaining shareholders, and in some cases legal advisors to

reach an amicable resolution that aligns with the law and the best interests of the company.

BRELA provides guidance on proper procedures for share transfer, identification of lawful beneficiaries, and the updating of company documents such as the Memorandum and Articles of Association to reflect the changes that have occurred. This helps to prevent prolonged disputes and safeguards the continuity of the business.

**Practical Example:** Consider a company where a major shareholder passes away without clearly designating beneficiaries of their shares. The family, comprising a widow and children may claim ownership of the shares, while

other shareholders may be concerned about potential interference in the company's management. In such a case, BRELA can intervene by advising the family to obtain legal estate documents (such as probate or letters of administration), and subsequently guide the lawful transfer of shares. Through this process, all parties are able to reach a mutual agreement that protects the family's rights without disrupting the company's operations.

In conclusion, BRELA's role in resolving such disputes is crucial in protecting the interests of investors, safeguarding the rights of shareholders' families, and ensuring the stability and sustainability of businesses.



*BRELA officers providing education on shares to a shareholder of a company.*

# PUBLIC ACCESS TO BENEFICIAL OWNERSHIP INFORMATION IN TANZANIA: CHALLENGES AND IMPLICATIONS FOR TRANSPARENCY

By: Grayson Moshi

Anonymous corporate ownership has long been a significant issue in lower-income countries, leading to tax evasion, fraud, and corruption. Studies suggest that developing nations lose approximately US \$1 trillion annually due to illicit financial activities, much of which is facilitated by the secrecy surrounding company ownership structures. This has fueled global discussions on beneficial ownership transparency, a crucial mechanism for combating illicit financial flows, improving corporate governance, and ensuring accountability.

Tanzania has been making pace in enhancing corporate transparency, particularly to attract foreign investment and strengthen economic governance. However, despite recent legal reforms introducing beneficial ownership disclosure requirements, the public still lacks access to this crucial information.

This contradicts global best practices and raises concerns about transparency, corruption, and financial accountability.

**A LEGACY OF CORPORATE SECRECY**

Corporate secrecy in Tanzania has deep historical roots, dating back to the German and British colonial periods. During this time, institutional records, including company ownership details were closely guarded.

The German East Africa Company (GEACO), for example, withheld information even when British authorities demanded transparency.

This tradition of secrecy persisted long after independence. The Companies Ordinance of 1932, which governed corporate affairs for decades, prioritized colonial economic interests over public accountability.

Even when the Foreign Investment Protection Act (1963) was introduced to encourage investment, corporate disclosure remained limited. It wasn't until the Companies Act, Cap 212 that more structured governance and transparency requirements were introduced.

However, despite these reforms, beneficial ownership disclosure was not explicitly addressed until 2014. The lack of transparency continued to enable tax evasion, illicit financial flows, and weak

corporate oversight, creating significant loopholes for financial crimes.

## THE PUSH FOR BENEFICIAL OWNERSHIP TRANSPARENCY

The global call for corporate ownership transparency has grown stronger over the years, particularly in industries vulnerable to corruption, such as oil, gas, and mining.

Tanzania, a member of the Extractive Industries Transparency Initiative (EITI), has been under pressure to adopt global standards requiring disclosure of company owners in the extractive sector.

In 2015, Tanzania participated in EITI's pilot projects, testing the feasibility of disclosing beneficial ownership information. This was followed by a workshop organized by the Natural Resource Governance Institute (NRGI) and Global Witness, where discussions focused on defining beneficial ownership and establishing disclosure mechanisms.

Tanzania's commitment to these principles was reinforced in 2016, when Prime Minister Kassim Majaliwa pledged at the Anti-Corruption Summit in

London that Tanzania would fully implement beneficial ownership disclosure for extractive companies.

## **LEGAL FRAMEWORK FOR BENEFICIAL OWNERSHIP DISCLOSURE IN TANZANIA**

### **Right to Information vs. Right to Privacy: The Constitutional Perspective**

The Constitution of the United Republic of Tanzania (1977) establishes the right to access information under Article 18(b), a fundamental principle for ensuring transparency and accountability in governance and corporate affairs.

However, the right to privacy also protected under the Constitution creates a complex legal balance, requiring authorities to ensure that disclosure laws prioritize public interest without violating personal data rights.

### **Strengthening Corporate Ownership Transparency: The Companies Act**

The Companies Act is the primary legislation regulating corporate entities in Tanzania. In 2020, key amendments introduced mandatory beneficial ownership disclosure, making it a requirement for companies to provide detailed information on their true owners.

The Act defines beneficial owners as individuals who

ultimately holds or controls shares or voting rights or possesses the ability to appoint and remove the majority of the board in a company incorporated in Tanzania. This also includes any legal or natural person owning 5% or more direct or indirect shareholding in such a company.

Mandatory disclosure of ownership details, including; full name, nationality, and identification details residential and postal addresses, level of ownership and control, declaration of politically exposed person (PEP) status.

The Act also established a centralized beneficial ownership register, managed by the Registrar of Companies under the Business Registration and Licensing Agency (BRELA).

In accordance with Section 14(2)(b) of the Companies Act, all companies incorporated in Tanzania are required to submit details of their beneficial owners to the Registrar via the Beneficial Owner Portal within 30 days.

### **Closing Loopholes in Financial Transactions: The Anti-Money Laundering Act:**

The Anti-Money Laundering Act plays a vital role in preventing financial crimes by imposing stricter reporting obligations on financial institutions, legal professionals, and real estate agents.

Key provisions include identifying beneficial owners who hold 5% or more of a company's shares or voting rights, mandating financial institutions to conduct due diligence before processing high-risk transactions, and granting the Financial Intelligence Unit (FIU), Tax Revenue Authority (TRA), and law enforcement agencies access to ownership data for investigations.

### **The Extractive Industries (Transparency and Accountability) Act: Transparency in the Extractive Sector**

Given Tanzania's rich natural resources, ownership transparency in the oil, gas, and mining industries is essential. The Extractive Industries Transparency and Accountability Act was introduced to ensure that extractive companies disclose their shareholders and beneficial owners and mandate public disclosure of ownership details through the Extractive Industries Transparency Committee and require the Minister responsible to publish beneficial ownership information.

### **Tackling Tax Evasion Through Ownership Disclosure: The Income Tax Act**

The Income Tax Act is crucial in ensuring that beneficial owners of companies are taxed appropriately. The law requires

taxation of beneficial owners who earn income through Tanzanian businesses and disclosure of ownership structures in transactions involving non-resident beneficial owners.

## THE IMPORTANCE OF PUBLIC ACCESS TO BENEFICIAL OWNERSHIP INFORMATION

### Strengthening corporate accountability

Public access to company ownership details allows reporting persons, investors, journalists, and civil society organizations to scrutinize corporate activities.

This discourages corruption, fraud, and tax evasion by making ownership structures more transparent.

### Enhancing investment confidence

When beneficial ownership information is made publicly accessible, investors can conduct proper due diligence before engaging in business. The lack of transparency raises concerns about hidden conflicts of interest, money laundering risks, and regulatory weaknesses, which can deter investment.

### Combating Illicit financial flows Illicit financial activities,

including money laundering and tax evasion, thrive in environments where corporate ownership is hidden. Access to ownership data enables

authorities and watchdog organizations to track suspicious transactions and hold fraudulent companies accountable.

## BARRIERS TO PUBLIC ACCESS

Despite its benefits, public access to beneficial ownership information in Tanzania faces several challenges:

### Legal restrictions on public access

Under Section 451B of the Companies Act, Cap 212 (as amended in 2020), only selected government institutions such as the Tanzania Revenue Authority (TRA), the Financial Intelligence Unit (FIU), and other national competent authority are permitted to access ownership information. The general public, journalists, and civil society organizations remain excluded.

### Lack of enforcement and compliance mechanisms

Although laws mandating beneficial ownership disclosure exist, enforcement remains inadequate. Some companies continue to evade reporting requirements or manipulate ownership information without facing significant repercussions. The lack of stringent monitoring and enforcement mechanisms allows such non-compliance to persist. Additionally, the relatively low penalties imposed for violations fail to serve as a strong deterrent, further weakening efforts to enhance

corporate transparency and accountability.

## Resistance from Corporate Entities

Many companies, especially those operating in high-value industries such as finance, extractives, and real estate, often resist full transparency. Their concerns stem from various factors, including the desire to protect sensitive business information, fear of losing a competitive edge, and apprehension about increased legal and regulatory scrutiny. Some businesses argue that publicly disclosing beneficial ownership details could expose them to security risks, corporate espionage, or unwarranted government intervention. This resistance creates significant challenges in implementing comprehensive public disclosure policies, as companies may lobby against stricter regulations, exploit legal loopholes, or withhold crucial ownership data. Consequently, efforts to promote financial integrity and combat illicit financial activities, such as money laundering and tax evasion, are often undermined.

## Political and Institutional Barriers

There may be political reluctance to implement full transparency measures, especially when certain business interests are linked to influential figures. Without strong political will and institutional reforms, achieving

meaningful corporate transparency remains challenging.

### **STRENGTHENING TRANSPARENCY FOR A MORE ACCOUNTABLE TANZANIA**

To strengthen beneficial ownership transparency, Tanzania should take several key steps. First, legal reforms should be introduced to amend the Companies Act and remove restrictions on public access to beneficial ownership information. Aligning the law with international transparency standards will ensure corporate ownership records are openly available, promoting accountability.

**Additionally**, Tanzania should establish a centralized, publicly accessible online register, similar to those in Norway, the UK, and Nigeria. Currently, both TEITI and the Registrar of Companies collect beneficial ownership data separately, leading to duplication and inconsistencies.

A single, well-maintained register will streamline access, improve accuracy, and enhance transparency.

Enforcement and compliance mechanisms also need to be strengthened to ensure companies provide accurate ownership details. Authorities should implement strict monitoring and impose significant penalties for non-compliance, including fines, license revocations, or legal action. Increasing public awareness and stakeholder

engagement is equally important.

Civil society organizations, journalists, and businesses should actively participate in discussions about beneficial ownership transparency. Public education campaigns can help raise awareness about its economic impact and encourage compliance.

Finally, Tanzania should adopt global best practices by following international models of open-access transparency and aligning with Extractive Industries Transparency Initiative (EITI)

recommendations. Doing so will enhance the country's global reputation as a transparent and investment-friendly economy. By implementing these measures, Tanzania can improve corporate accountability, combat financial crime, and create a more transparent business environment.

Tanzania has made remarkable progress in enhancing corporate transparency by introducing beneficial ownership disclosure requirements. These efforts demonstrate the country's commitment to combating financial crimes and promoting good governance. However, the current legal framework limits access to this crucial information, allowing only select government institutions to review ownership records while excluding the general public, journalists, and civil society organizations. This

restriction poses challenges to transparency, as independent oversight is essential in identifying and preventing corruption, illicit financial flows, and corporate fraud. Expanding public access to beneficial ownership data would strengthen Tanzania's corporate accountability, promote economic stability, and enhance investor confidence. When ownership information is readily available, businesses operate in a more transparent and competitive environment, discouraging fraudulent activities and unethical practices.

Additionally, aligning with international best practices such as those recommended by the Extractive Industries Transparency Initiative (EITI) and other global transparency frameworks would reinforce Tanzania's reputation as an investment-friendly nation.

By amending its legal framework to allow public access to beneficial ownership records, Tanzania can take a significant step toward fostering a more open and trustworthy business environment. Increased transparency will not only help detect and prevent financial misconduct but also build greater public trust in corporate governance, ultimately contributing to sustainable economic growth and development.

# WHAT TRADERS NEED TO KNOW: THE DIFFERENCE BETWEEN GROUP A AND GROUP B BUSINESS LICENSES

By: Gerald Nyang`ali



*A small-scale entrepreneur engaged in small business. This type of small business operates under a Category B of business license issued by the Local Government Authority.*

In the current environment of economic growth and the rapid increase in entrepreneurial activities in Tanzania, the government, through the Business Registrations and Licensing Agency (BRELA), has continued to improve business licensing systems to match the demands of a competitive market.

These improvements have led to the establishment of two main categories of business licenses that are Group A and Group B. Despite this

classification the primary objective remains to simplify regulations and enhance efficiency in service delivery.

The Group A Business Licenses are issued by BRELA and apply to businesses with a national or international scope, as well as those governed by specific policies and these typically include large-scale operations.

On the other hand, Group B Licenses are issued to businesses that do not operate at national or international

levels, these are mainly small and medium-sized enterprises (SMEs) operating within local government jurisdictions such as District and Municipal councils. Furthermore, Group A licenses cover major businesses such as large industries, international transport companies and specialized professional services. In contrast, Group B licenses are meant for everyday businesses such as retail shops, salons, small restaurants and other community-based services. To obtain a business license



*A cargo ship docked at the Dar Es Salaam port, carrying various goods. This type of business operates under a Category A business license issued by BRELA.*

issued by BRELA, an applicant must have a National Identification Number (NIDA), a Taxpayer Identification Number (TIN), proof of business location, a Tax Clearance Certificate and approval from relevant regulatory authorities. In executing its responsibilities, BRELA continues to support business operations by ensuring that traders comply with national laws through proper licensing.

This helps them avoid unnecessary disruptions and legal challenges while also promoting awareness of business formalization. Business reports indicate that

the classification of licenses is not merely administrative but also an economic strategy aimed at balancing business regulations.

Through this system, the government can effectively oversee large enterprises while simultaneously encouraging the growth of small businesses. Despite the progress made in improving licensing systems, challenges still exist. Some traders lack sufficient understanding of the appropriate license category for their businesses which can lead to delays in obtaining licenses or operating unlawfully.

However, economic experts emphasize the need for continuous improvement of these systems, particularly through the use of technology, public education, and further simplification of procedures. These measures will enhance transparency, reduce processing time, and attract more investors.

As Tanzania continues to build an industrial and service-based economy, a well-improved and properly managed licensing system will serve as a key driver for private sector growth and national development as a whole.

# THE IMPORTANCE OF SHARE REGISTRATION AND PROCEDURES TO FOLLOW

By: Lugano Mwakyombe

Shares are fundamental component of company ownership and play a vital role in promoting investment and economic growth. By acquiring shares, individuals and entities become part owners of a company and enjoy certain rights and benefits as provided under the law.

In Tanzania, the registration and maintenance of shareholding records are overseen by the Business Registrations and Licensing Agency (BRELA), which ensures that ownership information is properly documented and maintained in accordance with the Companies Act.

## Importance of Shares

Shares provide investors with legal rights to participate in company affairs. One of the key rights associated with share ownership is the ability to vote in general meetings and participate in important decisions, including the election of directors and approval of major corporate actions.

Shares provide investors with an opportunity to earn income through dividends whenever the company declares profits.

Shareholders may also benefit from capital gains as the value of their shares increases over time, thereby enhancing their wealth without necessarily participating in the day-to-day management of the company. Shares are equally important to companies because they provide an avenue for raising capital without relying heavily on debt financing.

Through the issuance of shares, companies can attract new investors and obtain funds necessary for expansion and growth. Any increase in share capital or transfer of shares must be reported to BRELA to ensure transparency and maintain accurate records.

Another significant benefit of share ownership is limited liability. Shareholders in a company registered with BRELA are protected from personal liability beyond the amount they have invested. In the event of insolvency, shareholders stand to lose only the value of their shares and not their personal assets.

Furthermore, legally registered shares may serve as security when obtaining loans from financial institutions, making them an important economic asset.

## Procedures for Share Registration

The process of share registration begins with the creation of an account in BRELA's Online Registration System (ORS). To create an account, an applicant must possess a National Identification Number (NIDA), which is used to verify personal information and facilitate access to the system.

At the incorporation stage, the founders determine the company's share capital structure by agreeing on the number of shares to be issued and their nominal value. These arrangements are reflected in the Memorandum and Articles of Association (MEMARTS), which provide the framework for the ownership structure of the company.

Once these preliminary arrangements are completed, the applicant proceeds to fill in the relevant forms through the ORS system. For a newly incorporated company, Form 201 is used and must contain accurate information regarding each shareholder, including their names, addresses and the number of shares subscribed. For existing companies intending to allot additional

shares, a Board Resolution approving the issuance of shares to new or existing members must be prepared and uploaded to the system. This requirement promotes accountability and ensures that changes in ownership are carried out in accordance with sound corporate governance principles.

Where shares are transferred from one person to another, the Transfer Instrument must first be submitted to the Tanzania Revenue Authority (TRA) for tax assessment. Applicable taxes, including Capital Gains Tax and Stamp Duty, must be paid before the transfer application can be submitted through the BRELA ORS system.

Evidence of payment is required before the registrar can affect the changes. In line with legal amendments

introduced in 2020, companies are also required to register information relating to Beneficial Owners. This requirement ensures that the natural persons who ultimately own or benefit from shares are identified, even where the shares are held through another entity. Relevant forms, including Form 14b or Form 14e, must be completed and submitted as part of the registration process to enhance transparency and combat illicit financial activities.

The process is finalized upon payment of the prescribed government fees through a Control Number generated by the ORS system. After reviewing and approving the application, BRELA issues the relevant documents, including a Certificate of Incorporation or Form 102 reflecting changes in share capital. To maintain

updated records, companies are required to file Annual Returns every year. This enables BRELA to maintain accurate information on shareholding structures and safeguards the legal rights of shareholders.

Shares are more than just instruments of investment; they are important legal and economic tools that enable individuals to participate in the ownership and growth of companies.

Through its registration and regulatory functions, BRELA plays a crucial role in ensuring that share ownership is transparent, legally recognized and properly documented. This contributes to investor confidence, strengthens corporate governance and supports sustainable economic development in Tanzania.



*Officers from the Business Registrations and Licensing Agency (BRELA) provide education to the public on how to submit various documents after company registration.*

# DISADVANTAGES OF NOT REGISTERING A FACTORY

By: Lugano Mwakyombe

In the current business and investment environment, registering a factory is an important step that enables an entrepreneur to operate in accordance with the laws and regulations of the country. However, some individuals still run factories without officially registering them.

This situation may seem easier in the short term, but it has significant negative impacts on the factory owner and society as a whole.

**Lack of Legal Protection**, an unregistered factory is not officially recognized by government authorities. As a result, the owner lacks legal protection in case of business disputes, theft of property, or other related issues.

Additionally, the government may shut down the factory or impose severe penalties for operating without proper authorization.

**Limited Access to Financial Opportunities**, many unregistered businesses are unable to access loans from banks and financial institutions. Investors are also hesitant to invest in informal businesses,

which limits the growth and expansion of the factory.

**Loss of Trust from Customers and Partners**, Customers and business partners prefer dealing with registered entities because they are more trustworthy. An unregistered factory may lose many potential customers due to a lack of legitimacy and transparency in its operations.

**Missing Out on Tenders and Major Opportunities**, Governments and large organizations usually offer tenders only to registered businesses. Therefore, an unregistered factory misses out on these important opportunities that could help increase revenue and business growth.

**Risk of Fines and Legal Penalties**, operating a factory without registration is against the law. The owner may face

heavy fines, business closure, or other legal actions. This can result in significant financial losses.

Operating a factory without proper registration exposes the owner to numerous legal, financial, and operational risks that can hinder business growth and sustainability. To avoid these challenges, stakeholders are strongly encouraged to formalize their businesses by completing the registration process.

This can now be done conveniently through the online platform provided by the Business Registrations and Licensing Agency (BRELA). By registering a factory, entrepreneurs not only comply with legal requirements but also unlock greater opportunities for growth, credibility, and long-term success in the competitive business environment.



*Business Registrations and Licensing Agency (BRELA) officers being briefed during the inspection exercise held at Kigamboni Industrial Area in Dar es Salaam.*

# RESPONSIBILITIES OF COMPANY SECRETARIES AND DIRECTORS IN A COMPANY

By: Gerald Nyang`ali

A company is an association of two or more persons formed for the purpose of carrying on business in accordance with the requirements of the Companies Act. In Tanzania, companies are generally categorized into three types: private companies, public companies and foreign companies.

Private companies restrict the transfer of shares, limit membership to fifty persons and prohibit the public from subscribing to their shares or debentures.

Public companies, on the other hand, have no limit on the number of shareholders and allow members of the public to subscribe to and freely transfer shares. Foreign companies are those incorporated outside Tanzania but which have established a place of business within the country.

Regardless of their category, companies are managed through a governance structure that includes directors and, where required, company secretaries. While directors provide leadership and



*BRELA registration officer, Mr. Englibert Barnabas, providing guidance to a company owner on the steps to take after registering a company.*

strategic direction, the company secretary plays a key role in ensuring proper administration and compliance with legal and regulatory requirements. Together, they contribute to effective corporate governance and the long-term success of the company.

### **Role of the Company Secretary**

The company secretary serves as the company's compliance

and administrative officer. One of the key responsibilities of the company secretary is to ensure that the company complies with applicable laws and regulatory requirements.

This includes maintaining statutory records and ensuring that the company meets its filing obligations. The company secretary is also responsible for coordinating and organizing board meetings, annual general meetings and other corporate

meetings. In doing so, the secretary prepares agendas, records minutes and maintains important documents that serve as a basis for decision-making and future reference. In addition, the company secretary acts as an adviser to directors on matters relating to corporate governance, legal duties and procedural requirements.

The secretary facilitates communication between the company, shareholders and regulatory authorities, ensuring that decisions made by the board are properly documented and communicated.

Through these functions, the company secretary helps the company maintain transparency, accountability and legal compliance.

### **Role of Directors**

Directors are responsible for the overall management and strategic direction of the company.

They make decisions regarding the company's operations, policies, investments and long-term objectives. Their leadership is essential in ensuring that the company's resources are utilized efficiently and that the business remains profitable and sustainable.

Directors are required to act in good faith and in the best interests of the company. They are accountable for the company's performance and are responsible for ensuring compliance with corporate legislation and reporting requirements. Directors must also identify and manage risks that may affect the company's operations and financial stability.

Furthermore, directors establish the company's vision and mission, approve budgets, authorize major transactions and make significant management decisions.

In performing their duties, directors are expected to exercise reasonable care, skill and diligence to safeguard the interests of the company and its stakeholders.

### **Matters Reserved for Shareholders**

Although company secretaries and directors play important roles in the management of a company, certain powers are reserved for shareholders.

These include providing capital to the company, appointing and removing directors, approving major changes to the company's constitution and approving certain fundamental transactions.

Shareholders also exercise their rights through voting, which plays a crucial role in promoting sound corporate governance and protecting the long-term interests of the company.

### **Promoting Good Corporate Governance**

The relationship between the company secretary and directors is fundamental to good corporate governance. While directors focus on leadership and decision-making, the company secretary ensures that these decisions are implemented in accordance with legal and regulatory requirements.

This collaboration promotes transparency, accountability and trust within the company. Ultimately, both company secretaries and directors are indispensable to the success and sustainability of a company.

Through effective leadership, proper administration and adherence to corporate governance principles, they contribute significantly to the achievement of the company's objectives and long-term growth.



## **BRELA BUILDING**

Plot No 20, Block No. 23,  
Shaban Robert Street/  
Sokoine Drive junction,  
P.O.Box 9393,  
Dar es Salaam,  
Tel +255 (0) 22 2212800  
Baruapepe: ceo@brela.go.tz,  
usajili@brela.go.tz

 @brela\_tanzania

 @brela\_tanzania@

 brela\_tanzania

[www.brela.go.tz](http://www.brela.go.tz)