

GOVERNMENT NOTICE NO. 622 published on 1/9/2023

THE FOREIGN EXCHANGE ACT,
(CAP. 271)

REGULATIONS

(Made under section 6(1))

THE FOREIGN EXCHANGE (AMENDMENT) REGULATIONS, 2023

Citation
G.N NO.
294 of 2022

1. These Regulations may be cited as the Foreign Exchange (Amendment) Regulations, 2023 and shall be read as one with the Foreign Exchange Regulations, hereinafter referred to as the “principal Regulations”.

Amendment
of regulation
3

2. The principal Regulations are amended in regulation 3, by-

- (a) deleting subregulations (7) and (8); and
- (b) renumbering subregulation (9) as subregulation (7).

Amendment
of regulation
25

3. The principal Regulations are amended in regulation 25, by-

- (a) deleting the words “a penalty of Tanzania Shillings one million for each day the foreign credit accommodation remains unregistered” appearing in subregulation (7) and substituting for them the words “a penalty provided for in the Act”;
- (b) deleting the words “a penalty of Tanzania Shillings one million shall be imposed on the borrower for each day the foreign credit accommodation remains unregistered” appearing in subregulation (8) and substituting for them the words “the borrower shall be liable to a penalty provided for in the Act”;

- (c) deleting the words “a penalty of Tanzania Shillings one million for each day the failure to submit continues” appearing in subregulation (10) and substituting for them the words “a penalty provided for in the Act”; and
- (d) deleting the words “a penalty equivalent to ten percent of the amount externalized” appearing in subregulation (12) and substituting for them the words “a penalty provided for in the Act”.

Deletion and
substitution
of regulation
26

4. The principal Regulations are amended by deleting regulation 26 and substituting for it the following:

“Conditions for
foreign credit
accommodation

26. The Bank shall not register a foreign credit accommodation which contains the following unfavorable terms and conditions:

- (a) interest rate and other charges on foreign credit accommodation which do not reflect the prevailing market conditions for the relevant currency of borrowing; and
- (b) conditions precedent which require the borrower to open a foreign currency account outside the United Republic.”.

Dodoma,
16 August, 2023

EMMANUEL M. TUTUBA
Governor