



Inclusive Development for a Resilient Tomorrow

National Budget Bulletin –
Custom Changes

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Commentary

Commentary

On 20 May 2025, the East African Community Pre-Budget Consultative Meeting of the Ministers for Finance was held in Arusha. At this meeting, proposed amendments to the Common External Tariff (CET) for the financial year 2025/26 were agreed. The proposals aim to promote sustainable economic transformation by protecting local industries, enhancing domestic production capacity and improving the competitiveness of goods produced within the region.

Similar to prior years, the customs measures include a mix of duty remissions, stays of application and import duty rate amendments. The measures aim at reducing production costs for key sectors like manufacturing, dairy, energy, and information communication and technology (ICT). The changes are also designed to promote local value addition, reduce dependency on imports, and encourage industrial growth, with the broader objective of creating employment and stabilising prices amid inflationary pressures.

To achieve the above objectives, the EAC Partner States have agreed the following:

- Various changes of import duty rates in the Common External Tariff for the year 2025/2026 as summarised in the table below;
- Implement the EAC Assembling and Manufacturing of Goods Regulations effective from 1 July 2026. This regulatory framework aims to harmonise incentives for businesses across the region and encourage the development of cross-border value chains;

- Maintaining a 25% import duty on both consumption sugar (HS Code 1701.14.90) and industrial sugar (HS Code 1701.99.10) imported under South African Development Community (SADC) preferences. This measure, which deviates from the applicable preferential rates under SADC, is intended to protect local sugar manufacturers from market distortions that may result from cheaper imports; and
- Continue implementing certain changes that were introduced in the year 2023/24 to promote various industries such as agriculture, manufacturing, health, etc.

There are no changes to the East African Community Customs Management Act of 2004 ('EACCMA 2004').

The proposed changes reaffirm Tanzania's commitment to industrialisation, self-reliance and regional economic integration, while continuing to leverage customs policy as a tool for achieving long-term fiscal and developmental objectives.



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Common External Tariff Amendments

Common External Tariff Amendments

1. The proposed changes to the Common External Tariff for the year 2025/2026:

The proposed changes in the Common External Tariff ("CET")	Item	HS Code	Old rate	New rate	Intention/Objective
Stay of application (Increase) for one year	Flat-rolled products of iron or non-alloy steel	7210.49.00; 7210.61.00; 7210.69.00; 7210.70.00; and 7210.90.00	25% or USD 200/MT	25% or USD 350/MT whichever is higher	To protect local manufacturers, employment creation and increase Government revenue
	Unbleached kraft paper and paperboard	4804.51.00	10%	25%	To protect domestic industry
	Refined vegetable oil	1507.90.00; 1508.90.00; 15.09; 15.10; 1511.90.30; 1511.90.90; 1512.19.00; 1512.29.00; 1513.19.00; 1513.29.00; 1514.19.00; 1514.99.00; 1515.19.00; 1515.29.00; 1515.50.00; 1515.60.00; and 1515.90.00	35%	35% or USD 300/MT whichever is higher	To protect and promote the processing of vegetable oils in the country using locally grown seeds and imported crude palm oil, employment creation and increase Government revenue

Common External Tariff Amendments

	Fibreboard of wood or other ligneous materials such as medium density fibreboard (MDF)	44.11	25%	35%	To protect local manufacturers
	Plywood, veneered panels and similar laminated wood	44.12	25%	35%	To protect local manufactures
	Worked monumental or building stone	68.02	25%	35%	To promote the use of local stone
	Ceramic tiles	6907.21.00; 6907.22.00; 6907.23.00; 6907.30.00; and 6907.40.00	35%	Higher of 35% or USD 3 per square meter	To protect local manufacturers of ceramic tiles from cheap and substandard imports
	Bars and rods of iron or non-alloy steel	72.14	35%	35% or USD 250/MT whichever is higher	To protect local manufacturers, attract investment, employment creation and increase Government revenue
Stay of application (Decrease) for one year	Flat-rolled products of iron or non-alloy steel	7212.40.00; and 7212.50.00	35%	25% or USD 350/MT whichever is higher	To protect local manufacturers, employment creation and increase Government revenue
	Buses for transportation of more than 25 persons	8702.10.99; 8702.20.99; and 8702.90.99	25%	0%	To de-congest the city and ease the transportation system within the country

Common External Tariff Amendments

Duty remission for one year	Inputs such as metalized paper, phenolic impregnated film paper used to manufacture labels, thermal paper rolls for cash registers, POS & EFD Machines and plywood	4811.90.00	25%	10%	To reduce costs of these inputs used by local manufacturers
	Inputs used by local manufacturer of waterproofing membranes	2713.20.00; 5603.14.00; 2710.19.59; 3920.10.10; and 6802.99.00	35% and/or 10%	10 and/or 0%	To reduce costs of these inputs used by local manufactures
Increase in duty with no timeframe limit	Toys	9503.00.00	25%	35%	To increase Government's revenue

Common External Tariff Amendments

2. The proposed measures that were taken into effect in the financial year 2024/25 which continue to be implemented in 2025/26

Proposed Common External Tariff ("CET") changes	Item	HS Code	Old rate	New rate	Intention/Objective
Duty remission	Packaging materials for packing processed coffee	7310.21.00; 6305.10.00; 4819.20.90; and 5407.44.00	25%	0%	To reduce packaging material costs for coffee processors in the country
	Packaging materials for seeds used by local producers of agricultural seeds	6305.10.00; 4819.40.00; 7310.29.90; 6305.33.00; 6305.20.00; 6304.91.90; and 7607.19.90.	25%	0%	To reduce the cost of packaging materials for domestic producers of agricultural seeds.
	Imported wheat grain	1001.99.10; and 1001.99.90	35%	10%	To reduce the cost of production for manufacturers of wheat flour in the country and relieve citizens from high prices of wheat products
	Refined Bleached Deodorized (RBD) Palm Stearin	1511.90.40	10%	0%	To promote the domestic manufacturers of soaps
	Organic surface-active agents	3402.31.00; 3402.39.00; and 3402.49.00	10%	0%	To reduce the cost of inputs for detergents and liquid soaps manufacturers in the country

Common External Tariff Amendments

	Raw material used in leather processing	3208.20.10; 3208.20.20; 3208.90.20; and 3210.00.10	35% or 10%	0%	To promote growth of local leather industries
	Raw materials used to manufacture different types of fertilizers	2710.99.00; 2528.00.00; and 3505.20.00	25% or 10%	0%	To promote growth of local manufacturers of fertilizers
	Packaging materials for processed tea for local manufacturers of tea (blenders)	4819.20.90; 5407.44.00; 3923.29.00	25%	0%	To promote growth of local manufacturers of tea in the country
	CKD for three-wheel motorcycle excluding chassis and its components	8704.21.90	25%	10%	To reduce cost of production for local manufacturers of three-wheel motorcycles used for cargo transportation
	Inputs used to manufacture glass reinforced plastic pipes.	3920.61.10; 7019.39.00; 7019.31.00; 6006.90.00; 7019.12.00; 3920.10.10; 4016.93.00; and 3907.91.00	25% or 10%	0%	To promote local manufacturers of glass reinforced plastic pipes and create more employment in the country
	Paper products as raw materials used for manufacturing of packaging materials (corrugated boxes)	4804.39.00; 4805.11.00; 4805.19.00; 4805.24.00; and 4805.25.00	10% or 25%	0%	To encourage domestic investment in production of corrugated boxes and reduce the cost of packaging materials
	Inputs used to manufacture soaps	3401.20.10	35%	10%	To reduce the cost of these inputs to promote growth of local manufacturers of soap, employment creation and increase Government revenue

Common External Tariff Amendments

	Inputs used to manufacture electrical cables	7312.10.00; 7217.20.00; 7408.19.00; 7409.11.00; 7605.21.00; 2710.19.56; 3815.90.00; 5402.19.00; 5903.90.00; 7907.00.00; and 2712.10.00	10% or 25%	0%	To reduce the cost of these inputs used by local manufacturers to promote the establishment of import substitution industries of electrical cables
	Inputs/raw materials used to manufacture capital goods/equipment for various sectors	73.07; 83.11; 85.44; 68.06; 74.19; 72.08; 73.12; 73.15; 73.18; 84.82; 84.83; 72.22; 73.04; 84.81; 84.84; 7325; 40.10; and 76.06	10%, 25%, or 35%	0%	This measure is intended to reduce cost of production and encourage production of capital goods/equipment in the country
	Inputs used to manufacture radiators	7409.11.00; 7409.19.00; 7410.11.00; 7410.12.00; 7409.21.00; 8001.10.00; and 3810.90.00	10%, 25%, or 35%	0%	To reduce cost of production and encourage domestic investment in production of radiators
	Inputs used to manufacture wiring harnesses for vehicles and motorcycles	8538.90.00; 4016.99.00; 8205.59.00; 8536.10.00; 8536.69.00; 8536.90.00; 8547.20.00; 3926.90.90; 3917.32.00; and 8544.30.00	10% or 25%	0%	To reduce cost of production and encourage domestic investment in production of wiring harnesses for vehicles and motorcycles

Common External Tariff Amendments

	Lithium-ion electric accumulators used in the assembling / manufacturing of vehicle and motorcycles	8507.60.00	25%	0%	To reduce cost of assembling / manufacturing and encourage local investment in vehicles and motorcycles manufacturing or assembling, ensuring availability of the final product at an affordable price in the country
	Inputs used by domestic manufacturers of yoghurt, powdered or UHT milk	3923.50.90; 4819.20.90; 4819.30.00; 4819.50.00; 4821.90.00; and 7607.19.90	25%	0%	To reduce costs of milk production in the country, employment creation and promote local investment in dairy sector
	Inputs and raw materials used to manufacture optical fiber cables	3215.19.00; 3403.99.00; 3506.91.00; 3818.00.00; 3907.99.00; 3907.99.00; 3916.90.00; 3917.39.00; 3919.90.90; 3920.69.90; 3920.99.90; 3921.14.90; 3921.90.90; 5402.11.00; 5404.90.00; 7019.90.90; 8536.90.00; and 8544.49.00	Various rates	0%	To reduce production costs of optical fiber cables in the country, employment creation and promote local investment in communication sector
Stay of Application (Increase)	Cocoa powder, not containing added sugar or other sweetening matter	1805.00.00	0%	10%	To promote domestic cocoa seeds processing and enhance value addition in the country as well as increase Government revenue

Common External Tariff Amendments

	Iron and steel products	7209.16.00; 7209.17.00; 7209.18.00; 7209.25.00; 7209.26.00; 7209.27.00; 7209.28.00; 7209.90.00; 7211.23.00; 7211.90.00; 7226.92.00; and 7225.50.00	10%	Higher of 10% or USD 125/MT	To protect manufacturers of iron and steel products in the country, attract investment, increase Government revenue as well as employment creation
	Iron and steel reinforcement bars and hollow profiles	7213.10.00; 7213.20.00; 7213.99.00; 7306.30.00; 7306.50.00; 7306.61.00; 7306.69.00; and 7306.90.00	25% or USD 200/MT whichever is higher	25% or USD 250/MT whichever is higher	To protect iron and steel manufacturers in the country, encourage local investment, employment creation and increase Government revenue
	Monofilament of which any cross-sectional dimension exceeds 1mm, rods, sticks and profile shapes whether or not surface worked but not otherwise worked of plastics	3916.10.00; 3916.20.00; and 3916.90.00	0%	10%	These are intermediate products and are used to perform similar function as of aluminium profiles (substitute) falling under Heading 76.04 The measure is intended to increase Government revenue
	Safety matches	3605.00.00	25%	Higher of 25% or USD 1.35/kg	To protect the domestic manufacturers of safety matches

Common External Tariff Amendments

	Mineral water	2201.10.00	25%	60%	To protect domestic producers of mineral and aerated water as there is enough capacity in the country
	Gypsum Powder	2520.20.00	0%	10%	To protect the gypsum powder producers in the country
	New pneumatic tyres of rubber, of a kind used on motorcycles	4011.40.00	10%	25%	To encourage domestic investment in production of pneumatic tyres in the country
	Flat-rolled products	7212.20.00	10%	Higher of 10% or USD 125/MT	To protect local manufacturers against undervalued imports, attract investment, employment creation and increase Government revenue
	Baby diapers	9619.00.90	25%	35%	This measure is intended to protect local manufacturer of baby diapers as they have production capacity to meet the demand in the country, employment creation and increase Government revenue
	Cotton yarns	52.05; 52.06; and 52.07 except subheading 5205.23.00	10%	25%	There is a great potential of producing cotton yarns in the country by increasing value addition of cotton and enhance cotton to cloth (C2C) strategy

Common External Tariff Amendments

	Horticultural products	0604.20.00; 0604.90.00; 0808.10.00; and 0808.30.00	25%	35%	To protect local producers of these products
	Polyester / Nylon Twine	5607.50.00	10%	25%	To protect local manufacturer of polyester/nylon twine and employment creation
	Cotton grey fabric	5208.11.00; 5208.12.00 5208.13.00; 5208.19.00; 5209.11.00; 5209.12.00; 5209.19.00; 5210.11.00; 5210.19.00; 5211.11.00; 5211.12.00; 5211.19.00; 5212.11.00; and 5212.21.00	25%	25% or USD 0.25 per meter whichever is higher	To protect local manufacturer and encourage production of cotton grey fabric in the country, employment creation and increase Government revenue
	Other paper, paperboard, cellulose wadding and webs of cellulose fibres	4811.90.00	10%	25% NB: CET rate (i.e. 10%) will continue to apply for 1 year for manufacturers who use these products as raw materials	To protect local manufacturers of POS and Thermal paper rolls used in issuing EFD receipts and to reduce costs of these inputs used by local manufacturers
	Nails, tacks, drawing pins, corrugated nails staples (other than those of heading 83.05) and similar articles of iron or steel, whether or not with heads of other materials	7317.00.00	35%	35% or USD 350/MT whichever is higher	To protect local producers of these products, attract investment and employment creation as well as increase Government revenue

Common External Tariff Amendments

	Inputs used to manufacture toughened glass	7005.10.00; 7005.21.00; 7005.29.00; 7005.30.00; 7007.19.00; 7007.29.00; and 7008.00.00	10%	0%	To protect domestic glass manufacturers and promote competitiveness of the domestic products with similar products imported from the rest of the world
	Flat-rolled products of iron or non-alloy steel	7212.60.00	10%	10% or USD 300/MT whichever is higher	To protect iron and steel manufacturers in the country, employment creation and increase Government revenue
	Iron and steel flat products	7225.91.00; 7225.92.00; and 7225.99.00	10%	25% or USD 300/MT	To protect manufacturers of iron and steel products in the country, employment creation and increase Government revenue
	Corrugated iron sheets	7210.30; and 7210.41.00	35%	35% or USD 500/MT	To protect manufacturers of corrugated iron sheets in the country, employment creation and increase Government revenue
	Table salt	2501.00.90	35%	50%	To protect local manufacturer of salt
	Semi-finished flat-rolled products	7226.99.00	10%	Higher of 10% or USD 300/MT	To protect local manufacturers against undervalued imports, employment creation, encourage local investment and increase Government revenue
	Crude vegetable oils of soya-beans, groundnuts, coconuts, mustard and linseed	1507.10.00; 1508.10.00; 1513.11.00; 1513.21.00; 1514.11.00; 1514.91.00; and 1515.11.00	0%	10%	To align with sunflower, cotton and other crude oils which attract 10 percent so as to promote domestic production of vegetable oils

Common External Tariff Amendments

	Flat-rolled products of iron or non-alloy steel	7210.30.00.	25%	Higher of 25% or USD 250/MT	To protect local manufacturers, employment creation and increase Government revenue
Stay of Application (Decrease)	Cash registers and Other Electronic Fiscal Device (EFD) Machines and Point of Sale (POS)	8470.50.00; and 8470.90.00	10%	0%	To encourage the use of electronic devices for accounting of Government revenues
	Worn items of clothing, footwear and articles	6309.00.10; 6309.00.20; and 6309.00.90	35% or USD 0.40/Kg	35%	To protect the consumer welfare
	Iron and steel cans	7310.10.00 and 7310.29.90	25%	0%	To provide relief for the dairy sector in the country
	Smart cards	8523.52.00	25%	0%	In order to facilitate issuance of National Identification Cards imported by National Identification Authority (NIDA)
	Imported Vitenge	5208.51.10; 5208.52.10; 5209.51.10; 5210.51.10; 5211.51.10; 5212.15.10; 5212.25.10; 5513.41.10; and 5514.41.10	50%	35%	To protect consumer welfare
	Cane sugar (imported under a permit issued by the Tanzania Sugar Board)	1701.14.90	100% or USD 460/MT whichever is higher	35%	To cover the sugar production gap in the country

Common External Tariff Amendments

General comment – duty remission and stay of application	Tanzania together with other EAC partner States to continue grant duty remission on raw materials and industrial inputs used to manufacture textiles and footwear				To promote textiles and footwear manufacturers in the country
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