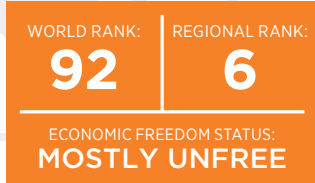


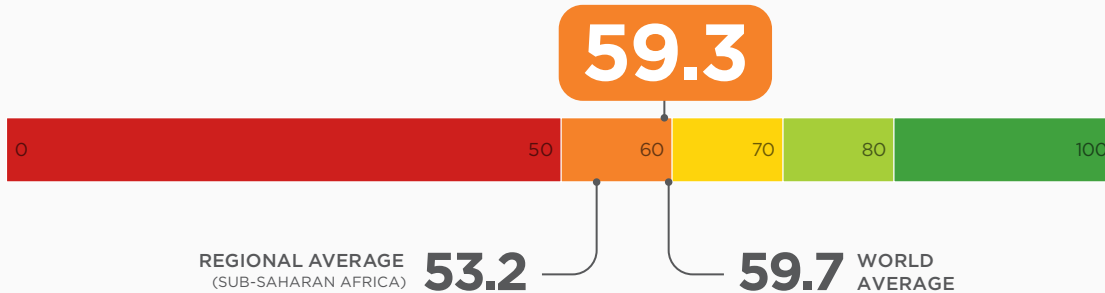
TANZANIA



Tanzania's economic freedom score is 59.3, making its economy the 92nd freest in the 2025 *Index of Economic Freedom*. Its rating has increased by 0.2 point from last year, and Tanzania is ranked 6th out of 47 countries in the Sub-Saharan Africa region. The country's economic freedom score is lower than the world average and higher than the regional average. Tanzania's economy is considered "mostly unfree" according to the 2025 *Index*.

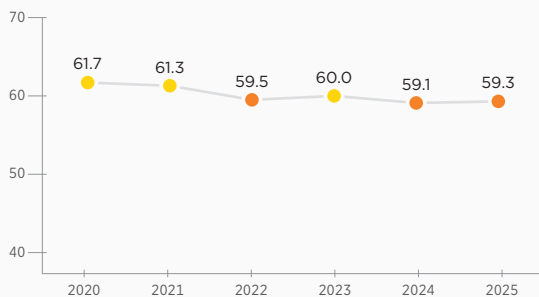
Tanzania has achieved some income growth and poverty reduction over the past decade. The small financial sector has undergone modernization, and credit is increasingly allocated at market rates, supporting the development of a more vibrant entrepreneurial sector. Nevertheless, deeper institutional reforms remain critical to the country's broader long-term economic development. Long-standing structural problems include poor management of public finance and an underdeveloped legal framework that interferes with regulatory efficiency. Corruption further undermines the weak rule of law.

ECONOMIC FREEDOM SCORE



HISTORICAL INDEX SCORE CHANGE (SINCE 1995): +2.0

RECENT FREEDOM TREND



QUICK FACTS

POPULATION:
63.3 million

GDP (PPP):
\$249.8 billion
5.1% growth in 2023
3-year average growth rate: 4.9%
\$3,944 per capita

UNEMPLOYMENT:
2.6%

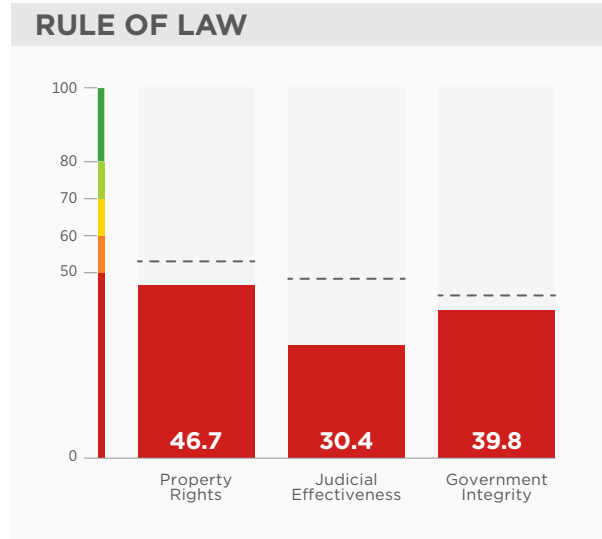
INFLATION (CPI):
3.8%

FDI INFLOW:
\$1.1 billion

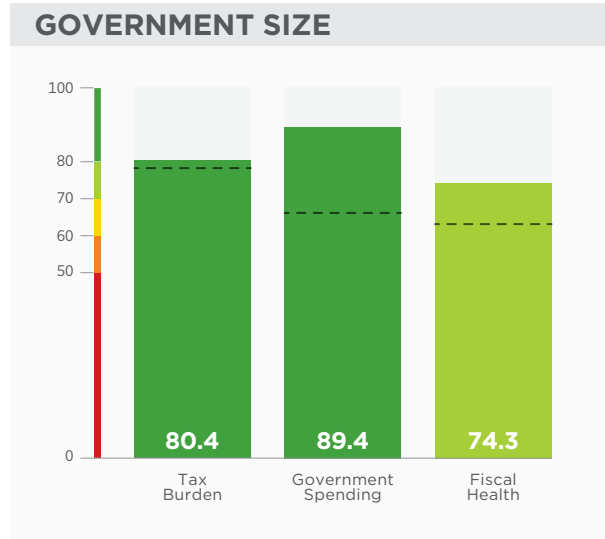
PUBLIC DEBT:
46.9% of GDP

2023 data unless otherwise noted. Data compiled as of November 2024.

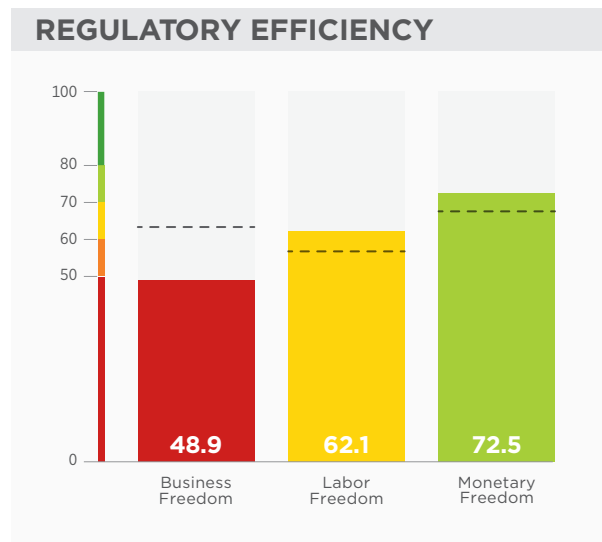
12 ECONOMIC FREEDOMS | TANZANIA



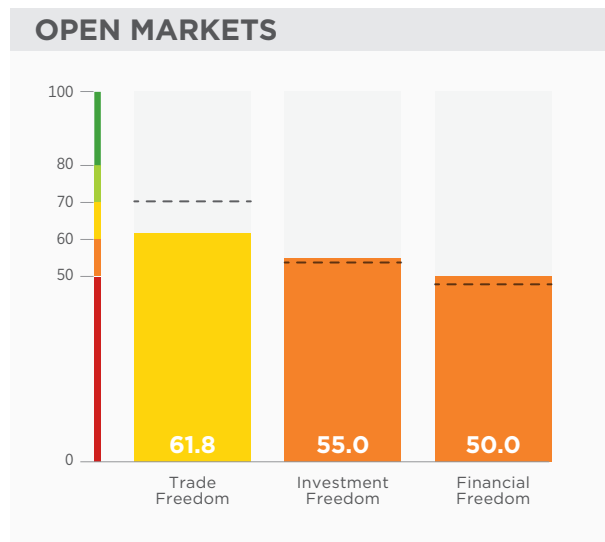
The overall rule of law is weak in Tanzania. The country's property rights score is below the world average; its judicial effectiveness score is below the world average; and its government integrity score is below the world average.



The top individual income tax rate is 30 percent, and the top corporate tax rate is 30 percent. The tax burden equals 12.6 percent of GDP. Three-year government spending and budget balance averages are, respectively, 18.8 percent and -3.7 percent of GDP. Public debt amounts to 46.9 percent of GDP.



Tanzania's overall regulatory environment is relatively well institutionalized but lacks efficiency. The country's business freedom score is far below the world average; its labor freedom score is above the world average; and its monetary freedom score is above the world average.



The trade-weighted average tariff rate is 9.1 percent, and costly nontariff barriers further inhibit trade. Investment regulations are outmoded, and burdensome bureaucracy is an ongoing deterrent to investment growth. A range of commercial credit instruments is available to the private sector.