

THE UNITED REPUBLIC OF TANZANIA



Land Transport Regulatory Authority

LAND TRANSPORT REGULATORY AUTHORITY

IN THE MATTER OF LAND TRANSPORT REGULATORY AUTHORITY

AND

IN THE MATTER OF FARE REVIEW FOR INTERURBAN BUSES

**(Made under Section 19(1) of the Land Transport Regulatory Authority,
2019 and Regulation 13 (1) (b) of the Land Transport Authority
(Tariff) Regulations, 2020)**

ORDER NO. LATRA/03 /2022

1.0 BACKGROUND

The Land Transport Regulatory Authority (LATRA) is established under Section 4 of the Land Transport Regulatory Authority Act, 2019 to regulate land transport sector.

Subject to Section 19(1) of the Land Transport Regulatory Authority Act, 2019 and Regulation 13 (1) (b) of the Land Transport Authority (Tariff) Regulations, 2020, the Authority reviewed fares to be applicable for the interurban buses services in Mainland Tanzania.

2.0 RATIONALE FOR REVIEW

In mid April 2022, LATRA received three applications to review upwards passenger fares for Interurban buses. Individual operators of Interurban buses namely; Happy Nation Co. Limited, ABC Trans and Kilimanjaro Bus Service submitted the applications. The applications were made in accordance with Regulation 9 (1) of the Land Transport Authority (Tariff) Regulations, 2020.

LATRA is mandated under section 19(1) to set rates and charges of all regulated sectors stipulated under the Land Transport Regulatory Authority Act, 2019.

3.0 FACTORS TAKEN INTO ACCOUNT DURING FARE REVIEW

The analysis of the review was made pursuant to section 19(2) of Land Transport Regulatory Authority Act, 2019. Therefore, the Authority took into consideration the following factors:

- i. Need for a holistic approach by looking at all key variables such as fuel pump prices, capital, salaries and wages, repairs, maintenance etc.
- ii. Infrastructure (Roads) conditions and their effect on transport system;
- iii. Consideration of macro-economic variables such as currency depreciation and inflation rate which affect cost of operation;
- iv. Affordability of transport services; and
- v. Statutory requirements as provided under Sections 5, 6, 19, and 21 of LATRA Act, 2019.

4.0 BOARD'S ORDER

In view of the foregoing and in effort to maintain competition and affordable commuter services, the Board at its 8th Ordinary meeting held on 29th April, 2022 approved commuter services fares and ordered as follows:

4.1 Rates for Paved Roads

Economic bus fares for ordinary and semi-luxury buses are as shown on Table below:

Table 1: Recommended Fare per Passenger-km on Paved Roads

Bus Class	Existing Fare per Pax-km	New Fare per Pax-km
Ordinary	36.89	41.29
Semi Luxury	53.22	56.88

4.2 Rates for Unpaved Roads

Fare levels on unpaved roads is upward adjustment by 25% in relation to the rates on paved roads. The adjustments seek to accommodate additional costs, which arise due to difficult operating conditions. Thus, ordinary bus new fare per passenger-km on unpaved roads will be **TZS 51.61** per passenger km.

5.0 FOLLOW UP MEASURES

Bus operators must continue to comply with conditions of license including:

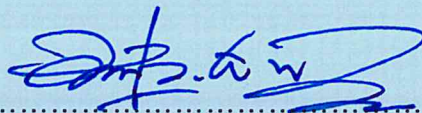
- i. Service providers must ensure they charge fares as per bus classes;
- ii. The Authority needs to device mechanisms, which facilitate passengers to recognize bus classes in order to avoid unfair charging of fares. Moreover, the measure seeks to discourage operators from non-observance of bus classes while charging fares;

- iii. Bus operators must charge fares appropriately basing on the distance travelled and refrain from a tendency of charging full trip fares to passengers embarking or disembarking at intermediate bus stops;
- iv. Bus owners should closely supervise over their bus crew to ensure observance of safety and conduct which is acceptable to the public;
- v. Bus operators must ensure that passengers are always given bus tickets, which are properly filled to reflect amount, paid as a bus fare.
- vi. The computation of the new tariff has considered 0.5% of levy payable to the Authority and therefore it will not be part of operational cost to transporters.

NB: This Order shall be executed in any number of counterpart, each of which, when executed, shall constitute a duplicate original, but all the counterparts of the Order shall together constitute one Order.

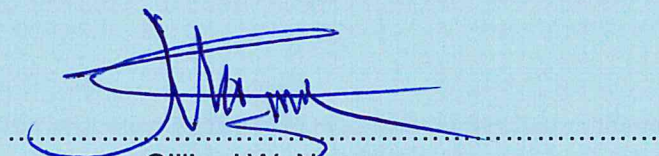
6.0 EFFECTIVE DATES

The Order shall be effective fourteen (14) days after the Order is published in the Gazette.



Henry Bantu
VICE BOARD CHAIRMAN

Dated and delivered under my hand and the SEAL of the Authority at Dar es Salaam this 30th day of April, 2022.



Gilliard W. Ngewe
SECRETARY OF THE BOARD