

Uber suspends services in Tanzania over new fare rules

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Uber -- founded in 2009 -- arrived in Tanzania in 2016.

US ride-hailing giant Uber has suspended its services in Tanzania, saying government legislation that raises fares and cuts its commission made it difficult for it to operate.

Uber said it made the "[difficult decision](#) to pause operations" in the East African country from Thursday.

"The pricing order proposed by the Land Transport Regulatory Authority (LATRA) makes it challenging for platforms like Uber to continue to operate," Uber said in a statement on Thursday.

Under the new regulations which come into effect this month, fares doubled to 900 Tanzanian shillings (\$0.4, 0.3 euros) per kilometre.

Meanwhile, maximum commission for the ride-hailing companies was set at 15 percent from the previous 33 percent.

The transport regulator said the changes were aimed at maintaining competition and ensuring affordable taxis.

It defended the rules late Thursday, saying all providers save for Uber had conformed to the [new regulations](#).

"We remind all the ride-hailing companies to abide by the rules and regulations of doing business in order to boost the economy," LATRA director general Gilliard Ngewe said in a statement.

Uber—founded in 2009—arrived in Tanzania in 2016 and has capitalised in the country's low levels of personal car ownership and a lack of efficient mass transport system.

The San Francisco-based company said it remained committed to resuming [operations](#) in the long-term if the pricing tussle was resolved.

"We remain available to work with regulators on building a framework for technology to thrive, so that we can re-launch and provide a service loved by so many."

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