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2022

# Speech of Government Budget for the year 2022-2023

Tanzania, United Republic

Ministry of Finance and Planning

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**THE UNITED REPUBLIC OF TANZANIA**

**SPEECH BY THE MINISTER FOR FINANCE AND PLANNING,  
HON. DR. MWIGULU LAMECK NCHEMBA MADELU (MP)  
PRESENTING TO THE NATIONAL ASSEMBLY, THE ESTIMATES OF  
GOVERNMENT REVENUE AND EXPENDITURE FOR 2022/23**

**14 JUNE 2022**

**DODOMA**



## **I. INTRODUCTION**

- 1. Honourable Speaker**, I beg to submit to your **esteemed Parliament** to receive, debate and approve the Government's Revenue and Expenditure Estimates for 2022/23. This submission is in accordance with Article 137 of the Constitution of the United Republic of Tanzania of 1977; Section 23 (3) of the Budget Act, CAP 439; and Article 124 (4) of the Standing Orders of Parliament, June 2020 Edition.
- 2. Honourable Speaker**, in addition, I submit four volumes of budget books: Volume I provides Revenue Estimates; Volume II provides Recurrent Expenditure Estimates for Ministries, Independent Departments and Agencies; Volume III covers Recurrent Expenditure Estimates for Regional Secretariats and Local Government Authorities; and Volume IV is for Development Expenditure Estimates for Ministries, Independent Departments, Agencies, Regional Secretariats and Local Government Authorities. Further, the Finance Bill 2022 and the Appropriation Bill 2022 form part of this budget.
- 3. Honourable Speaker**, the Government budget estimates for the Financial year 2022/23 have been prepared in line with various policies, laws and guidelines including: the Third - Five Year National Development Plan (2021/22-2025/26) which has been prepared in accordance with the National Development Vision 2025; CCM Election Manifesto 2020; East African Development Vision 2050, Africa Agenda 2063, The 2030 Agenda for Sustainable Development Goals; Development Cooperation Framework; and other regional and international agreements that Tanzania has ratified.

4. **Honourable Speaker**, I would like to take this opportunity to thank the Almighty God for allowing me to stand before your esteemed House and present the Government Budget for the year 2022/23. Gratefully, I thank **Her Excellency Samia Suluhu Hassan, President of the United Republic of Tanzania** for continuing having trust in me to lead the Ministry of Finance and Planning.

## **II. PERFORMANCE OF REVENUE COLLECTION AND EXPENDITURE FOR 2021/22**

### **Revenue Collection Performance**

5. **Honourable Speaker**, in year 2021/22, the Government projected to collect 37.99 trillion shillings from both internal and external sources. As of April 2022, a total of 29.84 trillion shillings has been collected. The breakdown of resources mobilized up to April 2022 is as follows:

- i. Revenue collected by Tanzania Revenue Authority (TRA) amounted to 17.20 trillion shillings of the annual target of 21.78 trillion shillings;
- ii. Non-tax revenue amounted to 2.03 trillion shillings of the annual target of 3.05 trillion shillings;
- iii. Revenue from Local Government Authorities (LGAs) own sources amounted to 759.0 billion shillings of the annual target of 863.9 billion shillings;
- iv. Grants and concessional loans received from Development Partners amounted to 3.93 trillion shillings, equivalent to 92.0 percent of the annual target of 4.25 trillion shillings;
- v. Borrowings from domestic market amounted to 4.12 trillion shillings of the annual target of 4.99 trillion shillings; and

- vi. External non-concessional loans amounted to 1.81 trillion shillings of the annual target of 3.05 trillion shillings.

### **Expenditure Performance**

6. **Honourable Speaker**, from July 2021 to April 2022, a total amount of 29.4 trillion shillings was released for recurrent and development expenditures. Out of which, 18.79 trillion shillings was recurrent expenditures. The figure included 6.73 trillion shillings for wages and salaries, as well as 7.27 and 4.79 trillion shillings for respective Government debt services and other charges. So far, a total amount of 10.61 trillion shillings equivalent to 74.1 percent of the annual target has been released for implementation of development projects. The amount excludes some of the funds that were channeled to projects which will be accounted for at the end of the current financial year.

### **Debt Sustainability Analysis**

7. **Honourable Speaker**, public debt stock as of April 2022 was 69.44 trillion shillings equivalent to 14.4 percent increase as compared to 60.72 trillion shillings in April 2021. This amount includes domestic debt of 22.37 trillion shillings equivalent to 32.2 percent of the debt stock and external public debt was 47.07 trillion shillings, equivalent to 67.8 percent of the debt stock. The stated amount for external public debt, covering external non-concessional loans amounting to 14.27 trillion shillings equivalent to 30.3 percent of the debt stock. This means that, a large portion of the external public debt is concessional.
8. **Honourable Speaker**, in November 2021, the Government conducted the Debt Sustainability Analysis (DSA). Such an

exercise was done in accordance with the Government Loans, Guarantees and Grants Act, CAP 134. The conducted DSA revealed that debt burden indicators are within sustainability thresholds that are internationally acceptable during short, medium and long term. Furthermore, the analysis revealed that: the present value of public debt to GDP is 31.0 percent which is less than a threshold of 55.0 percent; the present value of external debt to GDP is 18.8 percent as compared to the established benchmark of 40.0 percent; and the present value of external debt to export is 142.4 percent as compared to the cut-off threshold of 180 percent.

### **Sovereign Credit Rating**

9. **Honourable Speaker**, in 2021/22, the Government resumed the process of the country's credit rating exercise under the guidance and advisory services of Citibank. By May 2022, the Government had finalized the procurement process and successfully selected two internationally reputable credit rating agencies. Discussions with respective agencies are ongoing and preparation of various data to be used in the rating exercise has commenced and is expected to be completed in 2022/23. I therefore, take this opportunity to request all stakeholders in public and private sectors as well as financial institutions which will be approached for interviews and information and data collections by experts from these agencies to accord them with maximum co-operation on the broader interests of the country. The completion of this exercise is critical in enhancing our ability to access international capital markets and widen our development financing options.

### III. BUDGET FOR THE FINANCIAL YEAR 2022/23

10. **Honourable Speaker**, the budget for 2022/23 is the second in the implementation of the Third-Five Year National Development Plan (2021/22 – 2025/26) with the theme of ***“Realising Competitiveness and Industrialisation for Human Development”***. Further, the main theme for the 2022/23 budget as agreed by the East African Community Partner States is ***“Accelerating Economic Recovery and Enhancing Productive Sectors for Improved Livelihoods”***. Accordingly, our priorities will be in the productive sectors including agriculture, livestock, fisheries, energy, investment and trade. Moreover, the presented budget commensurate with the objective of the Government led by **Her Excellency, Samia Suluhu Hassan, the President of the United Republic of Tanzania and the Chairperson of CCM to build the economy, reduce poverty and unemployment especially to youth.**

#### **Macro-economic Policy Targets**

11. **Honourable Speaker**, the estimates of Government budget for 2022/23 have been prepared based on macroeconomic assumptions and targets as follows:
- (i) Real GDP growth rate of 4.7 percent in 2022 and 5.3 percent by 2023;
  - (ii) Containing inflation at single digit between an average of 3.0 to 7.0 percent in the medium term;
  - (iii) Domestic revenue collection is estimated at 14.9 percent of GDP in 2022/23;
  - (iv) Tax revenue collection is projected at 11.7 percent of GDP in 2022/23; and



(v) Maintaining foreign reserves sufficient to cover for at least four months (4) of imports of goods and services.

#### **IV. KEY ISSUES FOR THE FINANCIAL YEAR 2022/23**

12. **Honourable Speaker**, given the level of integration and interdependence of global economic and social activities, the COVID-19 pandemic and the war between Russia and Ukraine have continued to impact various countries around the world including Tanzania negatively. In addition to an already distressed global economy, the war between Russia and Ukraine has exacerbated the shortage of wheat, edible oil and barley due to distortion in the production and global supply chain. According to the World Food Program, Russia and Ukraine are among the largest producers and exporters of the same products.
13. **Honourable Speaker**, the impact is also experienced in energy related products, as Russia is ranked the second largest producer of natural gas and petroleum products in the world. Further, Ukraine is one of the world's largest producers of sunflower oil. Following these effects, it is clear that the world economy and the life in general will change. In view of this, **Her Excellency Samia Suluhu Hassan, President of the United Republic of Tanzania and the Chairperson for CCM**, has directed that this year's budget should focus on providing relief to people and accelerating economic recovery. This budget will therefore base on **revenue and expenditure policies, value for money, fight against corruption and investing in productive sectors so as to create jobs for youth.**

## **Strategies to Increase Revenue for year 2022/23**

14. **Honourable Speaker**, I commend the Tanzania Revenue Authority and other institutions that collect Government revenue. The Government has made significant progress in domestic revenue collection whereby as of April 2022, tax and non-tax revenue including Local Government Authorities revenue were 19.99 trillion shillings equivalent to 93.3 percent of the estimates of 21.42 trillion shillings for the period. Out of the collected amount, tax revenue amounted to 17.20 trillion shillings equivalent to 94.5 percent of the targeted 18.2 trillion shillings, non-tax revenue amounted to 2.03 trillion shillings equivalent to 81.2 percent of the targeted 2.5 trillion shillings and revenue from Local Government own source amounted to 759.0 billion shillings equivalent to 104.8 percent of the targeted 724.1 billion shillings for the period.
  
15. **Honourable Speaker**, there are still corruption practices in tax collection, especially on large taxes, where some of the Government revenue tend to go into private pockets. This is done through over estimation of the tax amount so that during negotiations, the appropriate tax is paid and the difference goes into private pockets. Those who refuse to offer bribes are subjected to unreasonable estimates of taxes and threatened with bankruptcy. I am closely following on this and have received several reports of such incidents. Indeed, this practice is not acceptable and cannot be tolerated. Let us stop the bargaining on paying taxes. The tendencies of tax and non-tax revenue collectors asking businessmen to lower their tax obligations so as receive the difference of what was supposed to be paid to the Government are criminal act which undermine our efforts to strengthen economy. There are also traders who offer

customers price options with or without Electronic Fiscal Devices (EFD) receipt so as to persuade them to avoid paying relevant amount of Government taxes. This is also, economic sabotage. I order these actions to stop immediately.

16. **Honourable Speaker**, I urge all Tanzanians to pay taxes as required, report all acts of corruptions, not to be afraid of threats of revenge, if so, report to the nearest **PCCB** and/or relevant authorities. If not addressed, come to my office, I will refund the fare and reward you for exposing corrupt practices. You will never find such staff at TRA offices, neither will they be transferred to other offices, **we will dismiss and prosecute them. We must completely stop corruption practices in Government revenue and expenditure.**
  
17. **Honourable Speaker**, in addition, the Government intends to implement the following revenue policy measures; strengthen use of ICT systems in tax estimation for small entrepreneurs who are incapable of maintaining records and preparing their accounts, invest in the use of technology to facilitate electronic filing of tax returns and timely payment of taxes; to strengthen the Government electronic Payment Gateway (GePG) and emphasize on the use of control numbers and strengthen control systems in Government Agencies, Public Institutions and Corporations to increase efficiency and ensure appropriate dividends and contributions are timely paid. In order to increase private sector's contribution to the economy, employment opportunities and revenue collections at large, the Government intends to continue improving business environment and open up more opportunities for the private sector. Furthermore, the Government plans to continue

establishing one stop centers to ensure all requirements for business services are available in one area.

### **Strategies for Expenditure Management**

18. **Honourable Speaker**, expenditure policies for 2022/23 will focus on minimizing spending. The Government has planned to conduct an analysis of how best to implement and control the procurement and use of vehicles. The initiatives are in accordance with Presidential Circular No. 1 of 1998 on measures to curb Government spending and also, the Public Service Circular No. 2 of 2021 regarding the use of public vehicles considering type and statutory benefits. Some of the areas with huge expenditure to the Government are: procurement of vehicles, spare parts, lubricants, fuel and maintenance. To address this and other related challenges, the Government will put in place both short and long-term measures. The short-term measures to be taken are: to minimize spending on domestic and foreign travels, reduce procurement costs, reduce delegation sizes for domestic and foreign meetings and enhance control of fuel consumption of Government vehicles. **I instruct the Paymaster General** to conduct a thorough analysis on the use of fuel depending on responsibilities, necessity and ranks in public service.
  
19. **Honourable Speaker**, for the medium and long-term measures, I propose that the Government should transform from the existing system by lending vehicles to the qualified Government officials. In that stance, maintenance costs will be upon themselves, and fuel will be provided in an appropriate manner. Currently, the Government has **more than 15,742 vehicles, 14,047 motor cycles and 373 machines** and spends more than **558,453,134,226.05 shillings** annually in purchasing vehicles, fuel, spare parts

and maintenance. This arrangement is proposed to exclude Security and Defence organs, Judiciary, top leaders for Ministries, Corporations, Agencies, Regions, Districts and Project Supervisors whereby they won't exceed five (5) for each institution. Other officials entitled with motor vehicle facilities will be provided with loan for motor vehicle, in doing so, the Government will minimize cost of maintenance, fuel and spare parts of vehicles.

20. **Honourable Speaker**, with this approach, the cost of maintenance, fuel and spare parts of the Government for motor vehicles will amount to approximately **50,508,038,843.09 shillings**. A saving of more than **500 billion shillings** will be realized and allocated to procurement of essential medicines, providing loans to students for technical colleges and implementation of development projects.
21. **Honourable Speaker**, Moreover, the Government will abandon the current transactional procurement practice which compares open tenders instead of the market prices of goods and services such a tendency has shown significant weaknesses whereby the bid prices have always been higher than those in the wholesale and retail markets. I propose that, public procurement be strategic sourcing function that is linked with a prudent functional supply base. In that sense, I propose we embark on relevant supply chain management approaches that enable the Government to utilize its synergies.
22. **Honourable Speaker**, the Government will enhance the public procurement system to ensure value for money objective is achieved. In doing so, we intend to improve the

Tanzania National e-Procurement System (TANePS) including setting price ceilings for goods and services to be acquired. The Government will also ensure that, all prices for cataloged goods and services used are captured in the TANePS and effectively applied. This will prohibit providers and other suppliers who inflate prices.

23. **Honourable Speaker**, the Government is facing the problem of price variation of commonly used goods and services. The current arrangement for such items, leads the Government to purchase similar goods and services at different prices. To address this challenge, the Government will instruct Accounting Officers to ensure Ministries, Departments, Agencies and Government Institutions procure such goods and services within the indicated prices. Further, the Government will negotiate and enter into a framework agreement with car manufacturers that will enable the procurement of vehicles at affordable prices as it is for the international organizations such as UNDP. The aim of the proposed arrangement is to reduce the costs related to acquisition of vehicles and spare parts. This exercise will be conducted by the Ministry of Finance and Planning in collaboration with the Ministry of Works and Transport. **The savings realized will be allocated to building technical colleges in districts for our children.**
24. **Honourable Speaker**, the Government will strengthen the use of information and communication technology in its operations in order to curb expenditures. All regional conference rooms should have ICT facilities for virtual meetings. This will reduce costs to the Government by avoiding Regional Commissioners, Heads of Departments, District Commissioners and District Executive Directors

travelling from their respective areas. Regarding this situation, we want to replace the expression “Government works on papers” with “Government works on records”.

25. **Honourable Speaker**, the Controller and Auditor General’s (CAG) report has revealed some shortfalls in Government spending particularly on bulky procurement and development projects. The Government has followed up and realized some shortcomings in compliance and financial audits. Whereas in some circumstances all procedures, rules as well as audit requirements are adhered to, yet there are incidents of misuse of public funds. To address these problems, the Government will review procurement procedures and ensure value for money is observed.
26. **Honourable Speaker**, the Government will review the Public Procurement Act, 2011 in order to address the loopholes that provide opportunities for projects to be implemented without observing value for money. Likewise, the Government intends to increase the budget for CAG office to recruit adequate staff, relocate Government staff from other Government departments and build their capacity in value for money audits to address this problem.
27. **Honourable Speaker**, the Government will continue to strengthen the Internal Audit Units by providing them with capacity building programmes and increasing human capital in diverse fields such as ICT, engineering, quantity surveying, laboratory technicians, lawyers, and other fields to get rid of the notion that audit is all about financial audit. In addition, the Government will amend public financial regulations to allow audit committees to include the three external members, one being committee chairperson so as

enhance independency and efficiency of audit committees through proposed Finance Bill of 2022. With these amendments, the regulation will allow the audit committees to submit quarterly reports to the Internal Auditor General.

28. **Honourable Speaker**, the Government will review the scheme of service of Internal Auditors. In the same way, facilitate its participation in bench marking programs from peer countries. These interventions will ensure the department executes its mandates efficiently and independently. Meanwhile, I propose, the office of Internal Auditor General to be assigned an Independent Vote in order to strengthen and improve operational performance.
29. **Honourable Speaker**, on the other hand there are times when projects are completed below standard. To address this, the Government will strengthen the Internal Auditor General Department to be able to conduct performance audit instead of just financial audit to minimize loopholes of losing Government revenue through weak revenue collection systems.
30. **Honourable Speaker**, on public financial management, the Government will ensure Public Finance Act, Cap 348 is adhered to. Failure to comply, and respond to CAG and IAG queries, Accounting Officer of a respective Vote and responsible officers will be punished according to 2005 Public Finance Regulations. Some of those punishments include, deducting 5 to 30 percent of salary per month depending on the magnitude of the mistake; and suggest their disciplinary authorities to relieve them from their positions.



31. **Honourable Speaker**, on the other hand, the Government has issued **Monitoring and Evaluation** Guidelines and is developing a Monitoring and Evaluation Policy which will be followed by enacting the law. **Her Excellency Samia Suluhu Hassan, President of the United Republic of Tanzania** is concerned with the weaknesses of our monitoring and evaluation units. The plan is to increase personnel and budget for the very units as well as provide measurable targets. Furthermore, the Government recommends that from the 2022/23 monitoring and evaluation reports should be submitted to Task Force to be chaired by the Prime Minister's Office.
32. **Honourable Speaker**, *corrupt practices* lead to substandard implementation of projects as funds allocated are diverted to the hands of unpatriotic civil servants. **Her Excellency Samia Suluhu Hassan, President of the United Republic of Tanzania** has strongly condemned this practice. The Government will conduct the performance audits from this financial year. The Government will neither stop release nor withhold funds for any council due to qualified opinion and negligence of some public servants respectively. **The Government will identify, arrest and prosecute the negligent.**
33. **Honourable Speaker**, public servants play major role in national development and have many responsibilities include: engaging in contracts; procurement; implementation of Government projects; and collecting revenues. However, other public servants behave unethically, a tendency that reduce efficiency of the public service delivery. I propose all superlative positions in the

public service to be on contractual basis. This aims at improving the efficiency of the public service.

34. **Honourable Speaker**, the ongoing practice of continuing to pay salaries and other related benefits to demoted Permanent Secretaries, Regional and District Commissioners, Directors and the like is unnecessarily costing a lot to the Government. As we are all aware, currently we have 25 Ministries but there are 200 or more Permanent Secretaries on the payroll. Similarly, we have 185 Local Government Authorities but the list of DEDs includes 500 persons who are paid the salary related to the position. In that stance, the Government plans to correct the ongoing anomaly by paying salaries of demoted officials commensurate with their current positions. This measure will relieve the Government from shouldering unnecessary costs accruing out of such a practice.
35. **Honourable Speaker**, the Government recommends the public commercial entities to ensure that, at all times they undertake their duties diligently, efficiently and with clear business focus in order to achieve the value and objectives in which they were established for. As for the public non-commercial entities, they will be assessed and benchmarked on their ability to be the catalyst in all facades of the economy as well as their service value addition to the respective sectors. Some of the State-Owned Enterprises (SOEs) have become a burden to the economy by solely depending on the Government for their total operation. In developed countries, major sources of revenue are from public institutions, hence reduce tax burden to citizens. Thus, I propose the appointment of all CEOs of the SOEs to be done competitively for the relevant positions. The

announcement for filling the respective positions should be made immediately once the same falls vacant. It should also apply to the Board of Directors. Only the names of the successful candidates will be submitted for vetting and shall be offered performance-based contracts.

36. **Honourable Speaker, I am aware that some proposed reforms may affect various laws and regulations. Her Excellency Samia Suluhu Hassan, President of the United Republic of Tanzania** has instructed that no law shall act as a barrier towards enhancing efficiency. The Government will propose amendments of such laws based on President's directives. I understand that these initiatives geared towards expenditure control, curbing corruption practices, negligence and plugging loopholes in procurement will affect the interests of some individuals and I may be regarded as an unpopular Finance Minister. **Honourable Speaker**, I swear that, I will stand firm to implement those reforms so as to safeguard public interests. **I have been assigned by Her Excellency the President, to manage the country's revenue and expenditure. I reiterate my commitment in discharging this role and humbly request all Honourable Members of this Parliament to support our President with her good intention to lift Tanzanians out of poverty.**

### **Productive Sectors**

37. **Honourable Speaker**, with regard to National Bureau of Statistics report of December 2021, Tanzania population was estimated at 57 million out of which 34.9 percent represented youth population (15-35 years) and 2.9 percent was elderly aged above 64. Notwithstanding the fact that large percent is youth population, it is quite normal to find

an elderly person in the village or a retired person taking care of the youths. This leads to distribution of having a large proportion of unemployed work force despite the investment done in them. **Therefore, the Government policies and plans are now required to address the unemployment challenges.**

### **Agricultural Sector**

38. **Honourable Speaker**, regarding investment in the productive sectors that generate youths' employment, the CCM led Government under **Her Excellency Samia Suluhu Hassan, President of the United Republic of Tanzania** has increased the agricultural budget from 294 billion shillings to 954 billion shillings and will continue to increase the budget each year. The aim is to achieve more than 10 percent growth for the agricultural sector by 2030 and the 2022/23 budget is a cornerstone towards achieving this goal. Other goals are ensuring food security and supply to cater for domestic demand and export, increasing the value of export of agricultural produce from USD 1.2 billion to more than USD 5 billion by 2030 to improve the liquidity ratio indicators for public debt sustainability. The Government intends to increase sales of horticulture produce from USD 750 million per annum to USD 2 billion per annum by 2030.

39. **Honourable Speaker**, the CCM led Government under **Her Excellency Samia Suluhu Hassan** aims to create more than 3 million jobs for youths and women in the agricultural sector by 2025 in order to reduce the unemployment. This will be done through expanding the irrigation area to 8,500,000 hectares equivalent to 50 percent of the total area cultivated in the country by 2030. The Government will

scale-up small-scale irrigation schemes across the country by constructing irrigation infrastructure including the construction of dams for harvesting rainwater and use available water bodies like **Lake Victoria, Tanganyika, Nyasa and large rivers like Malagarasi, Ruvuma, Rufiji, Mara, Pangani and Ruvu**. With the arable land, water and workforce, Tanzania intends to increase agricultural productivity and addressing shortages of wheat and edible oil intensified by the Russia and Ukraine war.

40. **Honourable Speaker**, the Government aims to increase the number of large-scale farms from 110 in 2020 to 10,000 in 2030 with focus on commercializing palms and sunflowers farming. The Government is encouraging the transformation from small to large scale farming. I urge farmers from Kigoma, Tabora, Katavi, Coastal, Geita and Kagera regions to amalgamate farms to become plantation at the same time everyone owns plot to enable construction of infrastructure. Meanwhile, the Government intends to either reduce or relocate the few livestock at Kongwa ranch in order to transform about 30,000 acres into Sunflower plantation and construct the largest edible oil processing factory in East Africa. The Government aims at constructing a big dam at Mtanana so that the whole valley will be for sunflower outgrowers.
41. **Honourable Speaker**, The Government will continue ensuring availability of raw materials in the value-added industries of agricultural products by 100 percent by 2030, and increase agricultural production through irrigation from 10 to 50 percent. The oranges, pineapples, sunflower oil sold along road sides may seem to be abundant but in reality, are not sufficient to feed industries' raw materials requirements.

This is a missed opportunity for our youths and economy at large.

### **Livestock Sector**

42. **Honourable Speaker**, the number of livestock is estimated to: 33.9 million cattle; 25.6 million goats; 8.8 million sheep; 92.8 million chickens; and 3.2 million pigs. However, the contribution of this sector to foreign earnings is low, and its impact in transforming the livelihood of farmers is still minimal. Despite that number of livestock, our abattoirs in Rukwa, Longido, Kibaha, and Mwanza experiencing shortage of raw materials and at the same there are youth unemployment. There is mismatch of goals between the farmers and the factory owner. The goals of most farmers are non-commercial; they breed to increase numbers of livestock and no interest with the factory. **Honourable Speaker**, my relatives Sukuma tribe when cattle have a fractured leg, they will treat it, even in a family festival, they won't slaughter, will go to buy from the market. All cattle have names like, Chitamakuwi, Maagulya, Nshoshawiye and other family names of aunt, uncle, or grandmother not for slaughter while factory owner sets up the meat and dairy processing industries based on livestock statistics provided by the region.

43. **Honourable Speaker**, the Government is embarking on the transformation of Livestock and Fisheries sectors by increasing the budget of Ministry of Livestock and Fisheries by 100 billion shillings from 168.3 billion shillings to 268.3 billion shillings. Out of the increased amount, 40 billion shillings is for the Livestock Sector and 60 billion shillings for the Fisheries Sector. Out of this amount 92.1 billion shillings is for the Livestock Sector and 176.2 billion

shillings is for the Fisheries Sector. The Government will continue to improve this sector with a view of modernizing and increasing productivity. In 2022/23, the Government will strengthen the Sao Hill, Kitulo and Mabuki breeding farms by providing the prenatal cows and equipment including 3 tractors and their equipment; will buy 366 male breeds for breeding herds; and will produce 3,500 in calf heifers and distribute them to farmers. The Government planned to increase the production of animal feed, as of now production has increased from 1.2 million tons in 2020/21 to 1.38 million tons in 2021/22.

44. **Honourable Speaker**, the CCM led Government under the leadership of **Her Excellency Samia Suluhu Hassan, President of the United Republic of Tanzania**, intends to establish eight (8) youth incubation centers starting with 1,000 beneficiaries, who will work to fatten cattle and selling to the meat processing industries with insufficient raw materials. Moreover, the Government has planned to use machines to drill and construct watering trough for small-scale farmers. In addition, the Government intends to prepare regulations for collection and protection of revenue for each district with more than 100 livestock groups for infrastructure development. **Honourable Speaker**, the Sixth Phase Government, continues to encourage more investment in meat processing industries for the domestic and foreign markets, especially in the Middle East. Currently, there are 24 abattoirs and meat processing industries that meet the standards for meat exportation, of which five have started exporting. The number of dairy processing industries in the country has increased from 99 in 2020/21 (which processed 75.9 million litres) to 105 industries in 2021/22 (processed 77.6 million litres) which is an increase of 2.3 percent.

Further, the leather goods manufacturing industry has the capacity to produce 2.9 million pairs of shoes annually.

### **Fisheries Sector**

45. **Honourable Speaker**, in 2021, the fishery sector grew by 2.5 percent and contributed 1.8 percent to GDP. In addition, the industry provides employment to approximately 4.5 million Tanzanians in the entire value chain where direct employment for fishermen is 194,804 and aquaculture growers are 31,998. The Government plans to: start construction of a fishing port in the Kilwa Masoko (Lindi); procure two fishing vessels in the blue economy zone; procure Fish Aggregate Devices (FADs); procure and distribute 250 modern fiber-type boats for fishing cooperatives; continue with the revival of the Tanzania Fisheries Corporation-TAFICO; capacity building to professionals specialized in fisheries; strengthen fisheries education and training Agency (FETA); strengthen the Tanzania Fisheries Research Institute (TAFIRI); complete the construction of the Igabiro, Mbamba Bay and Chifunfu fish catchment sites and build six (6) fish markets in various strategic areas; rehabilitate the Bukoba fisheries security and management center; procure two boats for marine tourism; construction and rehabilitation of aquaculture facilities; and intensify monitoring and evaluation activities of fisheries sector so as to ensure the project is implemented as planned.

### **Financial Sector**

46. **Honourable Speaker**, the financial sector has continued to provide loans to businesses in different sectors of the economy. Despite these efforts, there are some borrowers who do not honour their obligations, an act that undermines



the performance of the sector and the economy. As of March 2022, Non- performing loans were 8.12 percent which is beyond the threshold set by the Bank of Tanzania. This is due to lending practices that do not comply with regulations and involves lack of professionalism and untrustworthy of some bank employees. I urge authorities and law enforcement agencies to strengthen their supervisory role in the financial sector.

47. **Honourable Speaker**, I commend women for compliance in honouring their debt obligations as highlighted in different reports. Most of the family loans raised by women, are usually used for intended purposes and repaid as planned unlike loans raised by men. Let us build a borrowing culture that adheres to regulations so as to strengthen the financial sector and boost the economy. In some incidents, some untrustworthy bank employees collude with brokers who craves for customers' collaterals and expedite auction of collaterals even when more than 90 percent of the loan has been repaid. I plea to the authorities and law enforcement agencies to closely monitor auctions.

### **Energy Sector**

48. **Honourable Speaker**, achievements in the energy sector include continued implementation of: Julius Nyerere Hydropower Project - 2,115 MW whereby up to April 2022 implementation has reached 60.22 percent; projects of distributing electricity to rural areas; Pipeline construction project of East African Crude Oil Pipeline (EACOP) from Hoima, Uganda to Tanga, Tanzania; and a project to process and distribute natural gas. In addition, the Government has continued to encourage local contents in the operations of

the processing plants, transportation and distribution of natural gas.

49. **Honourable Speaker**, the Government will continue to implement various projects for the generation, transmission and distribution of electricity. For 2022/23, the Government led by **Her Excellency Samia Suluhu Hassan, President of the United Republic of Tanzania and Chairperson of the Ruling Party (CCM)** will continue with the National Grid Stabilization Project with a view of strengthening access to reliable electricity in the country as well as implementing rural energy projects through the Rural Energy Agency (REA). Other projects to be implemented include Ruhudji (358 MW), Kinyerezi I - Extension (185 MW), Rusumo (80 MW) and Kikonge (300 MW). In addition, the Government will continue to build ring circuits to prevent the loss of electricity by enabling alternatives passage when infrastructure encounter fault. The power line projects that will continue to be implemented include 400 kV Rufiji - Chalinze - Dodoma and Chalinze - Kinyerezi; 400 kV Singida - Arusha - Namanga; 400 kV North - West Grid Extension (Iringa - Mbeya - Sumbawanga - Mpanda - Kigoma - Nyakanazi); as well as building electrical infrastructure for Standard Gauge Railway (SGR).
50. **Honourable Speaker**, the Government continued to connect Kigoma and Katavi Region with the National grid. The Nyakanazi-Kakonko-Kasulu-Kigoma kV 33 project is ongoing under Sinotech contractor, the Nyakanazi-Kigoma kV 400 project, the contractor is on site and the project cost is amounting to USD 168 million, and the funds for this project already secured. In addition, regarding the Malagarasi generation project 49.5 MW, the fund for the

implementation of this has been secured. The Government will continue with the implementation of two large energy projects which will connect Sumbawanga-Katavi-Kigoma region and Tabora-Katavi-Kigoma region. **Honourable Speaker**, for the Katavi lot the contractor is on site and started building of substation at Ipole Sikonge and Inyonga with a contract sum amounting to 124 billion shillings. I want to assure the citizen of those regions that in the near future you will be connected to National Grid as it has been presented by Hon Minister for Energy. The Member of Parliament representing these regions who came to my office should now majestically be proud of, **the promise of Her Excellency Samia Suluhu Hassan President of the United Republic of Tanzania to those regions, after this budget session you will go back to your constituencies as heroes and majestically.**

### **Works and Transport Sector**

51. **Honourable Speaker**, as of April 2022, construction of the Central Corridor Standard Gauge Railway (SGR) for the Dar es Salaam - Morogoro lot (300 km) has reached 96.54 percent and the Morogoro - Makutupora lot (422 km) 85.02 percent. Further, the Government has signed a contract for the construction of SGR for the third lot from Makutupora - Tabora (km 368) worth 4.4 trillion shillings. The Government is in the final stages of signing a contract of SGR construction of Tabora - Isaka for 163 km worth USD 695.7 million (1.62 trillion shillings). **Furthermore, the Government has started the process of procuring a contractor for the Tabora - Kigoma 514 km worth USD 2.1 billion and the lot of Uvinza - Malagarasi - Msongati - Gitega - Kindu (DRC).**

52. **Honourable Speaker**, the Government has completed the construction of a total of 216.26 km of trunk road and 34.8 km of regional roads to bitumen standards. In addition, 307.41 km of regional roads were rehabilitated at gravel level. Similarly, the Government has started the construction of the Outer Ring Road (112.3 km) in Dodoma City as well as the continuation of the eight-lane expansion of the Kimara-Kibaha Road (19.2 km). Likewise, the Government has completed the construction of bridges: Tanzanite (Dar es Salaam), Kiyegeya (Morogoro), Ruhuhu (Ruvuma) and continue with construction of bridges of J.P Magufuli (Kigongo - Busisi, Mwanza) where progress is at 40.2 percent, Kitengule - Kagera (90 percent) and Wami - Coastal Region (72.9). The Government is also rehabilitating Songea, Mtwara, Iringa, Musoma and Songwe airports.
53. **Honourable Speaker**, the CCM led Government **under Her Excellency Samia Suluhu Hassan, President of the United Republic of Tanzania** will continue to emphasize on the construction of roads to open up economic opportunities and those connecting Tanzania with neighboring countries in the form of Engineering, Procurement, Construction and Financing (**EPC + F**) including: (1) Kidatu - Ifakara - Lupilo - Malinyi - Londo - Lumecha (Songea) Roads, (499 km); (2) Handeni - Kibirashi - Kibaya - Kwa Mtoro - Singida (460Km); (3) Karatu - Mbulu - Haydom - Sibiti River - Lalago - Maswa (Simiyu) (389 km); (4) Kibaha - Mlandizi - Chalinze - Morogoro Expressway (158 km); and (5) Igawa - Songwe - Tunduma (Expressway) (218.0 km). All these roads qualify to operate through road tolls, including Tanzanite bridge. **In addition, the Government will complete ongoing construction of road networks that connect Regions, including Tabora - Kigoma and Nyakanazi -**

**Kigoma and prioritise in construction of roads networks important for the economy including Makongorosi – Itigi – Mokiwa, Mafinga – Mtwango – Nyololo – Mlololo, Kahama – Nyang’wale – Geita and others.**

54. **Honourable Speaker**, the Sixth Phase Government will continue to improve ports to facilitate economic activities, water transport and deep-sea fishing. In achieving this, the Government continued with construction, expansion and rehabilitation of port infrastructure in the Indian Ocean zone. The projects include: completion of the construction of a special car berth (RoRo berth), Container service yard and upgrade of berth number 1-7 at the Port of Dar es Salaam; completion of feasibility study and signing of a contract with China Harbor Engineering Co. Ltd for the construction of Fisheries port at Kilwa Masoko - Lindi; completion of construction of one 300-meter berth; proceed with the construction of fences and hard floors in an area of 75,807 square meters in Mtwara Port; and increasing the depth of berth from 4 to 13 meters as well as the installation of navigation equipment at Tanga Port. In addition, the Government is in discussions with investors who will invest in the Bagamoyo Special Investment Zone especially in the three core projects which are: Modern Seaport Component; Special Zone Section for Logistics Park and Port side Industrial City.
55. **Honourable Speaker**, during the 2021/22, the Government constructed slipway for building and rehabilitation of Ships in Mwanza Port and also rehabilitation of New Ships (MV Butiama Hapa Kazi Tu and New Victoria Hapa Kazi Tu). In addition to that, the Government continued building New Ship (MV Mwanza Hapa Kazi Tu) with capacity to carry

1,200 passengers and 400 tons of cargo whereby completion stage is 66 percent. **Honourable Speaker**, in 2022/23, the Government will build new ships: (1) in Lake Victoria; (2) in Lake Tanganyika; and (1) in Indian Ocean. In addition, the Government will continue with construction of MV Mwanza in Lake Victoria, and rehabilitation of MV Umoja; MT Sangara; MV Liemba-Ukerewe, MT Nyangumi; and one Express boat (Sea Worrios) in Lake Tanganyika. Furthermore, the Government will conduct a thorough inspection of MV Mwongozo ship in Lake Tanganyika and will continue installing ICT systems in Great Lakes Centers (Victoria, Tanganyika and Nyasa).

56. **Honourable Speaker**, the Government has continued to strengthen Air Tanzania whereby in 2021/22 the Government has received three (3) aircrafts. Out of these, two (2) aircrafts are Airbus A220 300 and one Dash 8 Q400. Similarly, the Government has made initial payments for the purchase of five (5) new aircrafts of which two (2) are Boeing 737-9, one (1) De Havilland Dash 8-Q400, one (1) Boeing 787-8 Dreamliner, and one (1) Boeing 767-300F cargo aircraft.
57. **Honourable Speaker**, the improvement of airports infrastructure in various parts of the country is ongoing. In the implementation of that, the Government has signed a contract for the construction of Msalato International Airport in the first phase which involves the construction of a runway and a passenger terminal. In addition, the Government has completed expansion of the runway and the aircraft control system at Dodoma Airport; as well as architecture and preparations for the construction of a passenger terminal at Mwanza Airport. The airports under

construction and rehabilitation stages are: Songea (96 percent); Mtwara (89 percent); Iringa (44.65 percent); Songwe (95 percent); and Musoma (10 percent). Similarly, the Government will continue with the construction and expansion of Shinyanga, Kigoma, Tabora and Sumbawanga airports at a cost of 50 million Euros equivalent to 136.85 billion shillings.

### **Education, Science and Technology**

58. **Honourable Speaker**, the Government has completed construction of 15,000 classrooms in secondary and satellite schools and 50 dormitories for students with special needs. This has enabled all 907,803 students who passed the standard seven examination in 2021 to be enrolled in Form One in January 2022. Similarly, the Government has completed construction of 560 block structures of classrooms in secondary schools using funds obtained from mobile phones money transaction fees amounting to 7.0 billion shillings. In addition, the Government has provided loans worth 569 billion shillings to 177,777 higher education students.
59. **Honourable Speaker**, in 2022/23, the Government will implement the Higher Education for Economic Transformation (HEET) Project worth USD 425 million. The project entails construction of universities infrastructures in existing universities and new colleges for Lindi, Kagera, Rukwa, Katavi and Manyara regions. The Project will also finance the completion of the Institute of Marine Science Zanzibar and construction of a new ICT center in Dodoma.
60. **Honourable Speaker**, the Government has continued to finance the fee free primary education program where up to

April 2022, a total of 244.5 billion shillings was disbursed. **Her Excellency Samia Suluhu Hassan, President of the United Republic of Tanzania and chairperson of CCM** has been deeply concerned by school drop-outs for various reasons including household income poverty, teenage pregnancies, poor education awareness in some communities, absenteeism and those who do not continue based on the prevailing rules including examination performance. **To deal with drop-out of children from poor families, the Government recommends setting up a special window amounting to 8 billion shillings through TASAF which will assist children from poor families.**

61. **Honourable Speaker**, to address teenage pregnancies the Government will continue to build dormitories for girls. In order to provide opportunities for children who do not proceed with high school and higher learning education, the Government will continue to strengthen vocational education with the aim of building their capacities for self-employment or employment. So far, we have 77 Districts with Vocational Education Training Authority (VETA) out of 138 Districts across the country, and we have 25 Regions with VETA out of 26 Regions. Songwe Region still has no VETA college. I recommend approving 100 billion shillings for the construction of technical colleges in Songwe Region and 36 Districts with no technical colleges in order for all 138 Districts to have technical colleges. **Honourable Members of Parliament “Huyo ndiyo MAMA SAMIA”.**
62. **Honourable Speaker**; currently, form five and six students are 90,825 and 56,880 respectively with financial needs amounting to **10,339,350,000 shillings**. As directed by **Her Excellency President, I recommend fee free education**



**for form five and six students. In this regard, fee free education will be from primary to high level secondary schools.** The Government is planning on how to accommodate technical colleges in this programme once the economic situation allows. **“Nani kama Mama?” “Nani kama CCM?” “CCM ni No 1”.**

### **Health Sector**

63. **Honourable Speaker;** in 2021/22, the Government has constructed, expanded and rehabilitated health infrastructures including: 66 Intensive Care Units (ICUs); 100 Emergency Medical Departments (EMDs); 150 staff houses; 7 Regional Referral Hospitals and 1 Specialized hospital (Mirembe); and 304 health centers for Comprehensive Emergency Obstetric and Neonatal Care (CEmONC) to improve maternal and child care. In addition, the Government has released **23.32 billion shillings** to Local Government Authorities in order to complete the construction of block structures for 564 dispensaries. Also, construction of 99 hospitals is ongoing and construction of 28 new hospitals has commenced. Further, the Government has constructed 234 health facilities using revenue from mobile phone money transaction fees amounting to 86.0 billion shillings.
64. **Honourable Speaker,** the Government has continued to strengthen health services by improving diagnostic services whereby, as of April 2022, there were a total of 11 CT scan machines, 7 MRI machines and 105 digital X - rays machines in operation in various hospitals. Out of these, 42 digital X - rays machines are located in national, regional and specialized hospitals and regional referrals and 63 machines are located in different health facilities under PO -

RALG. The Government has procured the following diagnostic equipment: 4 MRI; 31 CT— Scan; 130 Digital X - rays; 1 mini angio suite and 7 Echo Cardiography. In addition, the Government is continuing with installation of oxygen generating plants whereby a total of 13 plants have been installed in various hospitals thus bringing health care services closer to citizen.

65. **Honourable Speaker**, the CCM Government led by **Her Excellency Samia Suluhu Hassan, President of the United Republic of Tanzania and Chairperson of CCM** will continue to improve the health sector by building, rehabilitating and expanding health care infrastructure. These include: construction of Special Maternal and Child Hospital in Dodoma; commence the construction of Western Region Referral Hospital; complete the construction of 5 Regional Referral Hospitals in the new regions of: Katavi, Geita, Njombe, Songwe and Simiyu; and complete the expansion of eight (8) Regional Referral Hospitals. In addition, the Government will continue to improve specialized and super specialized services in National and Regional Hospitals by improving infrastructure as well as equipping Jakaya Kikwete Cardiac Institute (JKCI), Chato, Mtwara, KCMC, Bugando and Mbeya Regional Referral Hospitals.

### **Water Sector**

66. **Honourable Speaker**, the President has facilitated the completion of 303 rural water projects and 40 urban projects including major projects in Misungwi, Orkesumet, Chalinze - Mboga and Longido; an increase in access to water services in the country from 72.3 percent in rural areas and 86 percent in urban areas in 2020/21 to 74.5

percent in rural areas and 86.5 in urban areas in 2021/22; improved water resources management by continuing to identify, demarcate and conserve 178 water sources as well as preparing water conservation plans for all water intake in the country.

67. **Honourable Speaker**, the Government has also completed procurement process of 25 sets of drilling rigs which will be distributed to all regions except Dar es Salaam; five (5) sets of dam construction machinery that will be deployed in each region; and four (4) sets of groundwater research equipment. These drilling rigs are expected to be delivered by the end of June, 2022. In addition, on 6<sup>th</sup> June 2022, the Government signed contracts for water supply projects in 28 towns to be financed with a loan worth USD 500 million from Exim Bank - India. Of this amount, USD 35 million will be used for implementation of water projects in Zanzibar.

### **Natural Resources and Tourism Sector**

68. **Honourable Speaker**, in April 2022, **Her Excellency Samia Suluhu Hassan, the President of the United Republic of Tanzania**, launched the film named **The Royal Tour** which aims at showing opportunities available in Tanzania in the tourism as well as investment opportunities in other sectors. Through this Parliament, I would like to invite the diaspora and investors from all over the world to visit Tanzania for tourism as well as investing in various opportunities, as we aim to promote private sector investment. We are committed to transforming Tanzania to be a **HUB** and **MODEL** of strategic and attractive investments destination. Following the launching of Royal Tour, already statistics indicate that there has been an overbooking in the most of the tourist destinations. **I would like to call upon all investors and**

**inform you that the doors are open for investment in Tanzania, you are all welcome to invest for mutual benefits.**

### **Minerals Sector**

69. **Honourable Speaker**, under the Sixth Phase regime, the contribution of the Mining Sector to GDP has increased from 6.7 percent in 2020 to 7.2 percent in 2021. The sector ranks fifth among all economic sectors in the country. In addition, the growth rate of mining activities in the country has been steadily increasing whereby in 2021 the Mining Sector grew by 9.6 percent compared to 6.7 percent in 2020 and thus, ranked third in that period. This trend has been attributed to an increase in investment in large, medium and small-scale mining. The Government's goal for the Mining Sector is to contribute 10 percent of GDP by 2025 as outlined in the National Development Vision 2025.
70. **Honourable Speaker**, in enabling more participation of small - scale miners in the mining activities, the Government urges Banking and Financial Institutions in the country to provide loans to the small-scale miners, with the aim of enabling them to grow and increase productivity. Currently, some banks including NMB, NBC, CRDB and KCB have extended loans amounting to 36 billion shillings to small-scale miners. These are among the efforts that the Government has made to ensure small-scale miners grow to medium and ultimately large scale hence increase their contributions to GDP. Likewise, the same Government's efforts have enabled the small-scale miners revenue contribution to increase to 40 percent. Thus, the Government will continue to ensure small-scale miners are

empowered to continue contributing more to the country's economy.

71. **Honourable Speaker**, the Government through the Geological Survey of Tanzania (GST) has managed to achieve a geological extension of 96 percent nationwide, a geophysical extension of Low Resolution with 100 percent and High Resolution by 16 percent and 25 percent of geochemistry extension nationwide. Through Geological Survey of Tanzania, the Government has identified new areas with mineral resources and advertise them with the aim of attracting investment. Some of the resources discovered in the previous year include: Gold (Malinyi-Morogoro and Liwale-Lindi); helium gas (Masware-Babati and Lake Natron-Arusha); Lime and Feldspar (Kiteto-Manyara) and Lime (Mkalama-Singida).
72. **Honourable Speaker**, the existing major mines such as Geita Gold Mining Limited (GGML), Bulyanhulu North Mara, and the new Kabanga Nickel and Nyanzaga mines resulted from previous geological information obtained from GST. Consequently, the Government will continue to facilitate GST to conduct further high-resolution geophysical surveys with a target of 65 percent from the current 16 percent. The benefits to be gained include: Possibility of establishing new mines that will contribute to GDP through the Mining Sector; cross-sectoral growth that mostly rely on the Mining Sector such as Agriculture, Construction and Water; Establishment of industries that rely on the availability of mineral raw materials such as cement, fertilizer and marble industries; and increased awareness of the country's geology and thus stimulate exploration and mining activities that will contribute to the National Development.

73. **Honourable Speaker**, the Government aims at providing Tax Identification Number (TIN) for every Tanzanian aged 18 years and above. All Tanzanians earning income are required to pay tax. The National Identity Authority (NIDA) procedures require for every person aged 18 years and above to register under NIDA. The Government proposes all citizens registered with NIDA who are around 19 million throughout the country to be provided with TIN that will be used in every transaction involving buying and selling in the country. The tax estimates for every person with TIN will be provided and respective payment be made online.
74. **Honourable Speaker**, in some of the regions, TRA offices are at regional Headquarter thus, 'bodaboda' drivers spend much time to obtain their driving licenses. For Instance, Bodaboda drivers travel from Mererani to Babati which is the Headquarter of Manyara region, from Kakonko to Kigoma, from border between Lindi, Mtwara and Ruvuma to obtain their license at Morogoro while all required details are available through their NIDA. The Government proposes NIDA Identity Card information to be used in processing driving licenses therefore, after completion of driving trainings, TRA and Police Forces should harmonize information and send the driving license through the driver's mobile phone. Further, we urge all citizens with TIN to submit their annual returns to TRA. This process will provide incentive among Tanzanians to pay taxes as a result increase revenue particularly from livestock, agriculture, fishing and other sectors that do not contribute to Government revenue but have major contribution to the National Income.

## **The Parliament**

75. **Honourable Speaker** the Government recognizes the significant roles of the Parliament and will continue to ensure that the Parliament is facilitated financially and capacitated to increase efficiency in the implementation of its core legislative, advisory and oversight functions. In that regard, the 2022/23 budget for the Parliament has been increased by 5 billion shillings for other charges to facilitate implementation of its responsibilities including capacity building to the Members of Parliament (MPs) for them to oversee the Government operations. The Government has also increased the budget for the Constituency Development Fund to enable the MPs to participate in their Constituencies. The Government will ensure the funds are timely disbursed and will continue to provide necessary information to the Parliament as required including the Internal Auditor General (IAG) quarterly reports and monitoring and evaluation reports to assist MPs on their project field visits as I proposed earlier.

## **Good Governance**

76. **Honourable Speaker**, the Government will continue to strengthen administration of justice and its delivery systems by enabling the Judiciary to expedite case disposal and thus reduce the backlog of litigation. Moreover, the Government has continued to improve infrastructure in justice delivery through construction and rehabilitation of court infrastructure including, strengthening the use of ICT especially the online conference, e-filing systems and Electronic Case Management System. The interventions aim at improving efficiency of the judiciary to modernize control to enable all citizens to promptly access rights and fair justice.

77. **Honourable Speaker**, in 2022/23, the Government will continue to finance implementation of various activities in the Office of the Attorney General focusing on dispense of justice to citizens and combating corruption. The activities to be implemented include the construction of Integrated Justice Centers and law interpretation whereby 5.7 billion shillings have been increased. Further, the Government has increased 20 billion shillings to the budget of the Public Prosecutor's Office to finance witnesses on criminal offences and the construction of Integrated Justice Centers (IJC).

### **Defence and Security**

78. **Honourable Speaker**, in 2021/22, the Government through its defence and security organs has continued to maintain national peace and security which led to Tanzanians carry out various social and economic activities fearlessly. Further, the Government has continued to strengthen defence and security cooperation with various countries and believe that security organs will continue to fulfil their duties of protecting borders with a patriotic spirit, thus strengthening peaceful and stable environment for attracting trade and investment. In 2022/23, the Government will continue to strengthen and build capacities of the defence and security organs so as to effectuate its responsibilities professionally and patriotically.

79. **Honourable Speaker**, in line with the ongoing residential address exercise, the Government will intensify household level security to combat all forms of crime. The procedure includes ensuring that village and ward officials are involved in the rental of residential houses so that each rental house uses Village/Street Government contract stamped with the



respective office. Similarly, real estate transactions must involve officials from the relevant Government even if the parties have private lawyers as the Village/Street Government officials must be aware of ongoing issues in their areas.

### **Engagement with Development Partners**

80. **Honourable Speaker**, the efforts made by **Her Excellency President Samia Suluhu Hassan** to strengthen cooperation with Development Partners and different Nations in the World have facilitated the signing of loans and grant agreements to finance various projects including: Land tenure Improvement; improving Primary Education; and a Judicial modernization to bring Judicial services closer to the citizens. In addition, some of the agreements to be signed include: Tanzania Transport Integration Project (TanTIP) which aims at upgrading and integrating regional highways and regional airports; and the Tanzania Statistics Master Plan (TSMP II).
  
81. **Honourable Speaker**, the Government is finalizing negotiations for a concessional loan from the World Bank worth USD 500 million, equivalent to 1.17 trillion shillings. Further, the Government is at the final stage of securing a concessional loan of 2.57 trillion shillings, equivalent to USD 1.1 billion through the Extended Credit Facility (ECF) under the International Monetary Fund (IMF). The loan will be disbursed in seven tranches over a period of 40 months from July 2022 to July 2025. The funds will be used to strengthen productive sectors, social services, improving the business and investment environment as well as uplifting the most affected sectors by the Russia-Ukraine war.

## **Public Servants and Retirees welfare**

82. **Honourable Speaker**, what is the reward for hardworking and patriotic public servants? What are the rewards of the dedicated service and the integrity of those servants? who should recognize and value their efforts? The voices were heard by **Her Excellency** who is attentive, humble and caring and finally approved an increase of **a minimum wage by 23.3 percent** for Public Servants. **Her Excellency, Samia Suluhu Hassan, the President of the United Republic of Tanzania and the Chairperson of CCM** has continued to care and value for Public Servants welfare by endorsing increment in local subsistence allowance rates. ***Whoever believes in goodness and caring, lives and practices it.*** In this regard, **Her Excellency, Madam President** is a good living example.
83. **Honourable Speaker**, the Government will continue to: pay arrears; promote qualified staff; improve working environment and welfare based on country economic performance without affecting other services to the society and development projects. In ensuring that the patriotic retirees who served the nation tirelessly benefit from their contributions made to the social security funds, the Government has increased the lumpsum pension to 33 percent from 25 percent as proposed in 2018.
84. **Honourable Speaker**. The Government will continue with various strategies for paying social security funds debts. In 2021/22 the Government issued non-cash special bonds worth 2.18 trillion shillings in order to pay Public Service Social Security Fund (PSSSF) emanated from unremitted contributions for pre-1999 retirees. In 2022/23, the Government will continue to verify and pay the debts of

social security funds. The aim is to ensure public servants are paid lumpsum benefits and start paying monthly pension immediately after retirement.

### **Business Environment for Small Entrepreneurs and Private Sector**

85. **Honourable Speaker**, the Government has continued to identify, allocate, supervise, protect and enable small scale entrepreneurs (Machingas) as one of the key drivers of the economic growth. The Government is doing all these efforts to implement **Her Excellency's** intention to improve business environment. Further, the Government will continue to identify and link them with Financial Institutions to access affordable loans, and will continue to allocate areas and construct enabling infrastructure for doing business. The President has pledged 10 million Shillings for each region for strengthening Machinga's leadership including construction of their offices. Further, I recommend the allocation of 10 percent of LGAs own source as follow: 5 percent for infrastructure and Machinga's markets, 2 percent for youth, 2 percent for women and 1 percent for disabled. Furthermore, the Government has allocated 45 billion shillings for infrastructure and capital provision to the Machingas where by each region needs to have 1 billion shillings revolving fund for the Machingas based on the procedures put in place.
86. **Honourable Speaker**, in formalizing the informal sector to take advantage of the formality, the Government has planned to: create conducive legal and regulatory environment in business registration and operation; ensure business registration is completed within a day provided all requirements are met by applicants; increasing access to

credit for the formal business; and increase availability of services such as business infrastructure, training, technology and markets. Further, the Government has planned to increase incubation centers and special economic zones.

87. **Honourable Speaker**, in recognition of the Private Sector contribution through various investment, the Government has continued to improve business environment and investment climate in the country through implementation of the Blueprint for Regulatory Reforms to Improvement of Business Environment, to enable private sector participation in economic growth. In 2021/22, the Government in collaboration with Private Sector discussed challenges facing private sector in doing business in various international markets including Kenya, whereas 42 out of 64 non-tariff barriers were discussed and made resolutions which enhanced business between Tanzania and Kenya. Further, in improving the business environment and investment climate the Government has proposed to amend various laws in 18 areas through the 2022/23 Finance Act, as I will explain later.
88. **Honourable Speaker**, the Government has continued to coordinate and emphasize citizens' participation in strategic projects and investment in the country. As a result, 72,395 direct and indirect employments were created in 2021. Further, strategic projects resulted to signing of 2,019 local sub-contracts in provision of services such as catering, security, building materials including cement, iron bars gravel and sand. Other sub-contracts were transport and logistics, insurance and oil companies. Similarly, the Government has put in place strategies to ensure that

investment contracts are aligned with tax laws in order to address project implementation challenges resulting from contradiction between contracts and tax laws.

**Public Private Partnership (PPP)**

89. **Honourable Speaker**, in the implementation of PPP projects, five (5) projects are at the advanced stage of procuring prospective partners. I would like to inform your Esteemed Parliament that the Bus Rapid Transit Project (Phase I) has procured a partner and the next step is to engage with the respective partner. This initiative will increase efficiency in operations and service delivery in Bus Rapid Transit Project. This will be a flagship project which has undergone all the required steps in line with the PPP Act, Cap. 103. Acquisition of partners in PPP projects will bring relief to the Government budget thus enabling increased financial resources in other areas, to bring development to Tanzanians. The Government will continue to evaluate and provide more enabling environment for the private sector to participate in PPP projects in order to improve provision of public goods and social services.
90. **Honourable Speaker**, in order to ensure an enabling business environment and investment climate, the Government will continue to: implement the Blueprint for Regulatory Reforms to Improve the Business Environment by strengthening transport and energy infrastructure; ensure the sustainability of macroeconomic indicators; and harmonize various levies and fees charged by the Ministries and Regulatory Authorities with the aim of reducing and simplifying its payment as well as eliminating nuisance levies and fees. Further, in 2022/23, the Government will continue to amend tax rates, levies and fees charged under

respective laws. The reforms aim to accelerate economic growth, especially in the industrial, investment and trade sectors as well as increasing employment, exports, revenues and foreign reserves. Furthermore, to avoid accumulation of VAT refund and reduce the burden of arrears due to delays in repayment to the private sector, the Government will start verifying VAT refunds electronically from 2022/23.

### **Population and Housing Census**

91. **Honourable Speaker**, financing of Population and Housing Census which is expected to take place on **23<sup>rd</sup> August, 2022** is another priority in 2022/23 budget. To facilitate this important exercise, the Government has allocated a total of 400.9 billion shillings. I would like to take this opportunity through your Esteemed Parliament to encourage all citizens to cooperate on that day considering that it is everyone's responsibility. Our participation will enable the Government, Non-Governmental Organizations and the Private Sector to obtain accurate data that will be the basis for developing, implementing and evaluating various development policies and plans in our country.

### **Swahili Language**

92. **Honourable Speaker**, Swahili is the national and official language, the second language in rural areas, it's the first language for majority of the current generation, the primary language and the language of Parliament. When I was a Minister for Constitutional and Legal Affairs, I presented a Bill for Swahili to be official Court language and it is currently used for judgment. Further, it is among official language in East African Community (EAC), Southern African Development Community (SADC) and the African Union (AU). In the efforts of promoting Swahili, United

Nations Educational, Scientific and Cultural Organization (UNESCO) has recognized the Swahili language and is celebrated on 7<sup>th</sup> July every year. If Swahili is the official language, why then most job interviews are conducted in English even for Civil Servants including extension officers who serve ordinary Tanzanians? I recommend that all interviews be conducted in Swahili and all conference halls and government offices be equipped with foreign languages translation devices and interpreters to honor our national language.

### **Sports Sector**

93. **Honourable Speaker**, the Government will restore the national lottery through the Private Sector. Along with that, the Government through the Gaming Board, TRA and the Private Sector will start running the lottery through EFD receipts to motivate citizens to have habit of claiming receipts when purchasing goods. In addition, the Government will use a portion not exceeding two (2) percent of the Corporate Social Responsibility to promote sports in the country whereby companies will be allowed to recognize that amount in taxable income. I would like to take this opportunity to reassure Tanzanians' that we will put artificial turf in five stadiums starting with Mwanza, Arusha, Tanga, Dodoma and Mbeya to promote the sports sector in our country. In 2022/23, the tax exemption granted on artificial turf and its associated equipment will be extended to District Councils. I use this opportunity to congratulate Serengeti Girls and Tembo Warriors Teams who have qualified to represent the country in the World Cup tournaments. I wish all the best to our National Team, Taifa Stars which is still in the race of qualifying for Africans Cup of Nations (AfCON).

## **Blue Economy Strategy**

94. **Honourable Speaker**, the blue economy is not a new phenomenon as various economic activities have been taking place in Tanzania. Investment opportunities available in those areas include: fishing; fish farming; salt mining; oil and gas exploration; seaweed farming; beach tourism; transport and logistics; environmental conservation; and irrigation farming. Despite many opportunities in this area, its contribution to the economy is still low compared to its potential. This is due to ineffective system to guide harvesting and sustainable use of the resources for the benefit of current and future generations. **Honourable Speaker**, the existing sectors in this area have not been well coordinated and lack adequate stakeholder participation. If the opportunities were fully utilized, they could stimulate economic growth, be a source of food and employment, become a base for socio-economic development, industrial development, poverty reduction and increase Government revenue.
95. **Honourable Speaker**, following the importance of this sector, the Government of Tanzania is finalizing the preparation of the Blue Economy Strategy to recognize the sector's contribution to the economy as part of the implementation of Section 27 of the CCM Election Manifesto 2020. This strategy is prepared in a participatory approach involving stakeholders from the public sector, private sector, Development Partners, and the Community at large. **Honourable Speaker**, the private sector is expected to play a key role in funding the strategy as most of the activities carried out in the blue economy sector are commercial. The Government will focus on creating an enabling environment to attract private sector investment. Further, the



Government will finance areas where the private sector has less interests including enabling infrastructure, setting up a policy, and legal and institutional frameworks for the management and sustainable use of those resources for the benefit of present and future generations.

### **The Strategy for Reducing Cost of Living and Strengthening the Productive Sectors**

96. **Honourable Speaker**, the Government will take deliberate measures to reduce cost of living caused by the effects of Russia-Ukraine war. Measures to be taken includes: **Regarding price hikes in petroleum products:** The Government has reduced several levies that are factored in the computation of CAP prices for petroleum products. Further, the Government paid 100 billion shillings as subsidy to contain rising fuel price in the country. Other measures will include: to continue providing fuel subsidies; allow suppliers who are capable of importing fuel at affordable prices; and establish Fuel Price Stabilization Fund after price stability in the world market, National Strategic Petroleum Reserve and Single Receiving Terminal (SRT).
97. **Honourable Speaker, regarding price increase for edible oils**, the Government will impose strategic fiscal measures to contain rising prices in the importation of crude edible oils to local producers so as to increase production, reduce prices and increase employment. Further, Agricultural Seed Agency (ASA) produced and distributed to farmers 2,000 tons of sunflower seeds worth 5.8 billion shillings in form of subsidies in order to increase edible oils production and on average, 400,000 tons of sunflower seeds will be produced which in turn will produce 100,000 tons of edible oils. Furthermore, to increase palm oil production, ASA produced

121,292 pre-geminated palm seeds. These measures altogether expect to increase availability of edible oils and minimizing surge in prices. **I propose a zero-rated Value-Added Tax to locally produced edible oils.**

98. **Honourable Speaker**, regarding subsidies to fertilizers, we all recognize the importance of agriculture in our economy and livelihood of our people. The sector is faced with a number of challenges including climate change, low productivity and impacts resulting from the Russia-Ukraine war. In order to increase agricultural production and productivity and relieve farmers, the Government will subsidize agricultural input including fertilizers, farming equipment, pesticides, quality seeds and enhancing irrigation farming. The subsidies will increase fertilizers production to suffice domestic market, whereby preference will be given to local fertilizer industries. **I propose a zero-rated VAT for locally produced fertilizer and this rate is strictly for fertilizer producers. I further propose to reduce royalty charges on minerals used in energy and fertilizers production in industries.**
99. **Honourable Speaker**, the Government is taking these measures to reduce cost of living and provide relief to Tanzanians. I urge business community not to take advantage of prevailing crisis at the expense of the citizens in order to earn more profit, as subsidies are meant for citizens and not companies. In addition, we urge all citizens to adjust their lifestyle during periods of economic challenges. The subsidies put in place aim at relieving the citizens, through reducing cost of production in proportion to the subsidies provided. **I instruct all authorities in charge of the service provision to uphold peoples' rights**

**so that the commitment by President, Her Excellency Samia Suluhu Hassan to provide relief to the citizen can be realized.**

## **V. REFORMS ON TAX, FEE AND CHARGES AND OTHER REVENUE MEASURES**

100. **Honourable Speaker**, since 2019/20, the world has experienced economic challenges following the outbreak of COVID-19 pandemic, followed by Ukraine and Russia war in February 2022. The economic challenges have disrupted product supply chains in the World raising inflation resulting into increased cost of living and decrease in the rate of economic growth. The already felt adverse economic effects from this situation include the decline in agricultural and industrial production due to scarcity of raw materials and inputs such as wheat, fertilizer and crude edible oil. The proposed tax measures for the year 2022/23 aim at *“accelerating economy recovery and enhancing productive sectors for improved livelihood”*.

101. **Honourable Speaker**, it is from the aforesaid background that, I propose to make amendments to the tax structure that will include changes on the tax rates, levies and fees imposed under various laws and also propose to amend administrative procedures on Government tax administration. These amendments are intended, among other things, to maintain stability and predictability in the tax system. In addition, reforms are expected to enhance economic growth particularly in strategic sectors such as agriculture, livestock and fisheries, electricity and power infrastructure, transport and transportation, education and health sector so as to increase production and employment. In addition, these measures are aimed at improving revenue

collection and management so as to minimize revenue leakages. The proposed amendments will cover the followings laws: -

- (a) The Value Added Tax Act, CAP 148;
- (b) The Income Tax Act, CAP 332
- (c) The Excise Duty Act, CAP 147;
- (d) The Tax Administration Act, CAP 438;
- (e) Local Government Finance Act, CAP 290;
- (f) The Workers Compensation Fund Act, CAP 263;
- (g) The Mining Act, CAP 123;
- (h) The Cashew nut Industry Act, No. 18;
- (i) The Export Levy Act CAP, 196;
- (j) The National Payment Systems Act CAP, 437;
- (k) The Insurance Act, 394;
- (l) The Foreign Vehicle Transit Charges Act, CAP 84;
- (m) The Bank of Tanzania Act, CAP197,
- (n) East African Community Customs Management Act, 2004;
- (o) Implementation of the BLUEPRINT for Regulatory Reforms to improve Business Environment by amending various fees and levies;
- (p) Minor amendments in tax laws and other laws.

**(a) The Value Added Tax Act, CAP 148**

102. **Honourable Speaker**, I propose to make amendments in the Value Added Tax Act, CAP 148 as follows: -

- i. Exempt Value Added Tax on standing trees. The measure is intended to stimulate growth of the Forest Sector for employment creation and ensure sustainable management of forest resources. This measure is expected to directly reduce the Government revenue by shillings 8,814 million. However, the expected future revenue due to increase in

processing of forest products is shillings 16,125 million making a net increase of shillings 7,311 million, attributable to growth in production and forest products value chain;

- ii. Exempt Value Added Tax on inputs for the local manufacture of gas cylinder with HS Code 7229.90.00, 3810.90.00, 3401.19.00, 7904.00.00, 4016.93.00, 8481.10.00, and 8309.90.90. This measure is intended to create a level playing field of domestic manufactured gas cylinder with the imported ones which are also exempted. However, the exemption will be granted after signing Performance Agreement with the Government for control of abuse;
- iii. Amend the Value Added Tax Act so as to recognise equivalent financing arrangement similar to conventional borrowing in order to enhance financial inclusion and accessibility of financial services. The objective of the measure is to treat financial products equally;
- iv. Zero rate Value Added Tax on double refined edible oil manufactured locally for one year in order to provide relief to consumers especially in this period of global recession;
- v. Zero rate Value Added Tax on fertilizer manufactured locally for one year. This measure is intended to provide relief to farmers especially in this period of global recession. The rate will be applicable only at ex-factory sales by manufacturers;
- vi. Grant the Minister responsible for Finance powers to exempt Value Added Tax on strategic investors after approval by National Investment Steering Committee (NISC) as indicated in section 20 (8) of the Investment Act CAP 38

and subsequently the Cabinet. This measure is intended to attract investment in the country and align the provisions of the Value Added Tax Act and Investment Act for better implementation of Government undertakings;

- vii. Amend Section 11 (10) of the Value Added Tax Act to accommodate capital goods falling under HS Code 87.16 and HS Code 8701.20.90 in the list of capital goods that qualify for deferment. This measure is intended to reduce investment costs and stimulate industrial development in the country;
- viii. Exempt Value Added Tax on sensor arrays and chameleon sensor reader HS Code 9026.10.00; Wetting Front Detectors HS Code 9031.80.00, electronic conductivity meter HS Code 9027.80.00, and Nitrate test strips HS Code 9027.90.00. These equipment are used for soil testing. The measure is intended to promote research and development in the agriculture sector for sustainable growth and improved productivity. The exemption will be granted upon approval of the Ministry responsible for Agriculture. This measure is expected to reduce Government revenue by shillings 2,995 million but with multiple effects to the agricultural value chain;
- ix. Exempt Value Added Tax on Agro-net HS Code 56.08. This measure is intended to reduce acquisition cost of Agro-net, to support the growth of Agriculture Sector, ensure high productivity, good yield and improve livelihoods.
- x. Exempt Value Added Tax on moisture meter HS Code 9003.18.00; rain gauge for weather stations HS Code 9023.00.90; pH meter HS Code 38220090; tissue culture equipment HS Code 8419.89.60; and tensiometers HS Code 9031.80.00. This measure is intended to improve weather

forecasting, to inform proper planning and reduce risks associated with uncertainty of climate and soil conditions. The exemption will be granted upon approval of the Ministry responsible for Agriculture. This measure is expected to reduce Government revenue by shillings 1,634.52 million. However, implementation of this measure will have great impact on farmers in making informed decisions.

- xi. Exempt Value Added Tax on refrigerated trucks HS Code 8704.21.90, 8704.22.90, 8704.23.90, 8704.31.90, 8704.32.90, 8704.90.90 and Cold rooms for perishable agricultural products under HS Code 9406.10.10 and 9406.9010. This measure is intended to enhance the growth of Agricultural Sector, increase exports as well as reduce post-harvest losses. The exemption will be granted on non-convertible refrigerated trucks and cold rooms upon approval of the Ministry responsible for Agriculture or Livestock & Fisheries. This measure is expected to reduce Government revenue by shillings 3,744.47 million, but the measure will in the medium term enhance revenue collections;
- xii. Exempt Value Added Tax on raw materials under HS Code 2528.00.00; 2710.99.00; and 3505.20.00 and machineries under Chapter 84 and 85 of the East African Community Common External Tariff solely and directly used in the manufacturing of fertilisers by an approved manufacturer. Exemption will be granted upon approval of the Minister responsible for Agriculture. This measure is intended to promote growth of Local industries manufacturing Fertilizers and attract investment in the country. This measure is expected to reduce Government revenue by shillings 139 million;

- xiii. Exempt Value Added Tax on unprocessed green vanilla pods HS Code 0905.10.00 for equity purpose as treatment of other unprocessed agricultural products that are exempted from Value Added Tax. This measure focuses on attracting processing of vanilla in the country and thus increase employment and foreign exchange. Locally grown vanilla does not satisfy the factory capacity and export demands. This measure is expected to reduce Government revenue by shillings 38 million in short term; but in the long run, it has multiplier effects to the economy;
- xiv. Exempt Value Added Tax on locally manufactured Sisal twine. This measure is intended to promote growth of sisal twine production and job creation locally;
- xv. Exempt Value Added Tax on Ultra High Temperature (UHT) milk and yoghurt. The measure is intended to enable domestic milk processors to compete in the Regional and international market and create more employment for improved livelihood. This measure is expected to reduce Government revenue by shillings 480 million but with great impact on enhancing processing domestically for value addition and employment creation;
- xvi. Exempt VAT on dairy packaging materials HS Code 3923.30.00, 4819.10.00, 4819.20.00, 4819.20.90 (Boxes, bottles and plastic packaging satchels). This measure is intended to provide relief to the dairy industry in the country and enable local producers to compete in the Regional and international markets. This measure is expected to reduce Government revenue by shillings 1,197 million but will enhance local production and improve community welfare;



- xvii. Exempt Value Added Tax on Automatic Turning Table for the Lessor Machines (Ear tag supporting table) HS Code 8207.30.00; Ear tag HS Code 3926.90.90 (Male and Female); Ear tag Applicators HS Code 8456.90.00; and Lessor beam Machines HS Code 9402.90.90. This measure is intended to enhance identification, registration and traceability of livestock in the country. This measure is expected to reduce Government revenue by shillings 794 million;
- xviii. Exempt Value Added Tax on stunning box under HS Code 8438.50.00 and Skinning & dehiding pulling machines under HS Code 8453.10.00. This measure will improve the quality of hides and skins as well as better quality of meat for domestic consumption and exports. The measure will also ensure availability of sufficient and sustainable raw materials for local industries. Exemption will be granted upon approval of the Minister responsible for Livestock and Fisheries to minimise abuse of the exemption. This measure is expected to reduce Government revenue by shillings 331.95 million but it is of great impact on value addition;
- xix. Exempt Value Added Tax on Pasture Seeds (pasture grass seeds) under HS Code 1209.25.00; pasture legumes seeds under HS Code 1209.21.00; pasture multiple tree seeds and pasture cuttings, and rhizomes and stolons 1209.29.00. This measure is intended to ensure sufficient availability of pasture seeds and promote the growth of the Sector;
- xx. Amend Item 18 Part I to the VAT Exemption Schedule to incorporate exemption on machines and tools solely and directly used by the military and armed forces. The exemption will be granted upon approval of the goods by the Minister responsible for defence and security. This measure

is intended to reduce acquisition costs in strengthening improve defence and security systems;

- xxi. Exempt Value Added Tax on meteorological equipment and instruments imported by Tanzania Meteorological Agency (TMA). The measure is intended to promote modern weather forecasting services for proper planning and national security;
- xxii. Exempt Value Added Tax on float for fishing net under HS Code 3926.09.10, fishing hooks under HS Code 9507.20.00 and fishing lines under HS Code 9507.90.00 and 9507.30.00. This measure is intended to enhance production of fisheries for improvement of food security and increase Government revenue;
- xxiii. Amend the Value Added Tax Act CAP, 148 to accommodate taxation of the Digital Services without imposing obligation under the Income Tax Act, CAP 332. Tanzania Revenue Authority shall establish a simplified registration process to accommodate digital economy operators who have no presence in Tanzania. This measure is intended to keep pace with rapid growth in the digital economy. This measure is expected to increase Government revenue by shillings 34,240 million;
- xxiv. Abolish Value Added Tax exemption on smart phones with HS Code 8517.12.00, Tablets with HS Code 8471.30.00 or 8517.12.00 and Modems with HS Code 8517.62.00 or 8517.69.00 as the sought exemption didn't lead to reduction of prices to final consumers rather benefited traders. This measure is expected to increase Government revenue by shillings 33,705 million; and

- xxv. Abolish Value Added Tax exemption on Supply of air charter services. This measure is expected to increase Government revenue by shillings 36,545 million.

The Value Added Tax measures altogether are expected to increase Government revenue by shillings 87,523 million.

**(b) The Income Tax Act, CAP 332;**

103. **Honourable Speaker**, I propose to make amendments to the Income Tax Act, CAP 332 as follows: -

- i. Amend Subparagraph 3 paragraph 2 of the First Schedule of Income Tax Act, CAP 332 to introduce a rate of 3.5 percent for taxpayers with turnover exceeding 11,000,000 million but does not exceeding 100,000,000 million in a year. This measure is intended to increase transparency, simplify tax assessment and enhance voluntary compliance. Further to that, I propose to improve TRA systems to enable payments of taxes through mobile wallets. This measure is expected to increase Government revenue by shillings 60,413.37 million;
- ii. Amend the Income Tax Act, Cap 332 to recognise alternative financing as approved by the Bank of Tanzania to be the same as conventional borrowing in order to enhance financial inclusion and access to finance. The measure is intended to promote growth of these financial products and hence economic activities;
- iii. Grant the Minister responsible for Finance powers to waive income tax for strategic investors after approval by NISC, as indicated under section 20(8) of the Investment Act, and as subsequently approved by the Cabinet. This measure is intended to attract investment in the country and align the

provisions of the Income Tax and Investment Acts for better implementation of business undertakings;

- iv. Abolish exemption to withhold income tax on individuals and particularly on rentals paid for residential houses, apartments and commercial premises. This measure is intended to enable tenants to collect rental tax and remit to the Government. Further to that, the Commissioner General of the Tanzania Revenue Authority will enter into Agency Memorandum of Understanding with President's Office Region Administration and Local Government (PO-RALG) on the administration and collection of this tax on behalf;
- v. Amend the Income Tax Act, CAP 332 to exempt Capital Gain Tax on any transactions involved on the entry into force and implementation of Agreements involving the transfer or surrender to the Joint Venture Company of any project or the authorisation, issue, distribution or transfer to the Government of the Free Carried Interest shares. This measure is intended to ensure timely transfer of mineral rights and information to the Joint Venture Company and transfer of Free Carried Interest to the Government;
- vi. Exempt Capital Gain Tax (CGT) on equity shares freely surrendered to the Government through the Treasury Registrar. This measure is intended to resolve the existing challenges and ensure timely transfer of shares.
- vii. Exempt withholding tax on Coupon for Corporate and Municipal Bond. This measure is in line with Alternative Financing Strategy aimed at raising alternative financing for implementation of Development Projects. Adopting the measure will increase investment products in the market;

- viii. Reduce Withholding Tax on film industry from 15 percent to 10 percent. This measure is intended to support the growth of film industry, enhance knowledge transfer for employment creation and improved livelihood;
- ix. Introduce Digital Service Tax at the rate of 2 percent on the turnover of the non-resident service providers. This measure is intended to expand tax base and uphold equity principles of taxation. This measure is expected to increase Government revenue by shillings 4,889.35 million;
- x. Introduce final Withholding Tax at a rate of 2 percent of payments made to Small Scale Miners. The measure is intended to introduce special regime of taxation to small scale miners due to challenges encountered in collecting tax in these Sectors. This measure is expected to increase Government revenue by shillings 37,290.40 million;
- xi. Introduce income tax of 3,500,000 shilling on each truck and passenger buses per year. This measure is intended to increase Government revenue, predictability of the tax regime, and enhance transparency in tax assessment. This measure is expected to increase Government revenue by shillings 141,052 million; and
- xii. Introduce an advance income tax at the rate of 20 shilling per litre for retailers of petroleum products. The tax will be collected from retailers by importers of respective product and be remitted to the Government. This measure is intended to simplify the payment of income tax by petrol stations and reduce operation cost. This measure is expected to increase Government revenue by shillings 59,820 million.

The Income Tax measures altogether are expected to increase Government revenue by shillings 102,593 million.

**(c) The Excise (Management and Tariff) Act, CAP 147**

104. **Honourable Speaker**, the Excise Tax (Management and Tariff) Act, CAP 147 Section 124(2), provides for annual adjustments of the specific excise duty rates of non petroleum products indexed to cater for inflation and other key macroeconomic indicators. However, due to the current economic conditions stated earlier, I propose not to amend the specific excise duty rates for all non-petroleum products. This measure takes into account the inflationary trend in the country and the Government's intention to build an industrial economy, thereby encouraging manufacturing sector, protecting domestic industries and ultimately enhancing employment and increase the sector's contribution to GDP.

105. **Honourable Speaker**, I propose to amend the Excise Tax (Management and Tariff) Act, to undertake the following: -

- i. Reduce license fee from shilling 500,000/= to 300,000/= for manufacturers and importers of excisable goods. This measure is intended to reduce cost to the manufacturers of excisable goods, to support economic growth and recovery of the Sector after COVID 19 effects and on-going economic consequences of the Russian-Ukraine conflict. This measure is expected to reduce Government revenue by shillings 77.4 million;
- ii. Exempt excise duty on plastic sleeves puneet, plastic cryovac bags, modified atmosphere packaging – MAP bags, plastic sleeves, perforated bags and poly packaging bags HS

3923.29.00, Cling film HS 3921.12.90, Plastic liners HS 3902.90.00 for Horticultural export. This measure is intended to provide relief to farmers and promote export of horticultural products. This measure is expected to reduce Government revenue by shillings 653.12 million;

- iii. Impose excise duty at the rate of shilling 500 per kilogram on locally manufactured sugar confectionery and shilling 700 per KG on imported sugar confectionery with HS Code HS Code 1806.31, 1806.31,1806.31 (chocolate); 1905.31 (biscuits) and 1704 (chewing gum). Differentiated rate for domestic and imported sugar confectionery has been proposed in order to protect domestic industries. This measure is expected to increase Government revenue by shillings 34,453.87 million; and
- iv. Impose excise duty at the rate of five percent on Lead-acid, of a kind used for starting piston engines HS 8507.10. This measure is intended to reduce environmental effects caused by consumption of lead acid batteries. This measure is expected to increase Government revenue by shillings 1,864.85 million.

The Excise Duty measures on non-petroleum products altogether are expected to increase Government revenue by shilling 50,292 million.

**(d) The Tax Administration Act, CAP 438**

106. **Honourable Speaker,** I propose to amend the Tax Administration Act, CAP 438 to reinstate power of the Minister responsible for Finance and Planning to remit interest or penalty after being advised by the Commissioner General of Tanzania Revenue Authority. This measure is intended to resolve the existing challenges and simplify the

process of accessing remission. The Minister responsible for Finance and Planning will issue Regulations as to the procedures of accessing the remission.

**(e) The Local Government Finance Act, CAP 290;**

107. **Honourable Speaker**, I propose to amend the Local Government Finance Act, CAP 290 as follows:

- i. To distribute 10 percent of the revenue collected by Local Governments as follows: 5 percent to improvement of the entrepreneur's infrastructures, 2 percent to youth loans, 2 percent to women and 1 percent to people with disabilities. This measure is intended to spell the efforts of the Government in availing small entrepreneurs with infrastructure to ensure that they have conducive business environment;
- ii. Further to that, Councils shall assess the revenue potential before entering into agreement with third party collection agencies to ensure that the amount collected commensurates with the potential of the source. Along with that, I direct that all revenue collected through Point of Sale (POS) be deposited to the bank within a period not exceeding seven days from the date of collection. This measure is intended to ensure that the funds collected by the Councils are fully accounted;
- iii. Exempt crop cess on seeds. This measure is intended to provide relief to farmers and enhance productivity;
- iv. Reduce forest produce cess from 5 to 3 percent. This measure is intended to provide relief to forestry traders and support growth of the Forestry Sector.



- v. Amend Section 16(7) of the Local Government Finance Act to indicate that corporate entities paying service levy in one Council is liable to pay produce cess in another Council from which it sources agricultural or other produce. This measure is intended to make sure that every Council benefits from economic activity taking place in their area of jurisdiction so as to be able to serve the community;
- vi. Amend Section 16 of the Local Government Finance Act to grant Minister responsible for Local Government power to issue Regulations as to sharing of moneys collected as service levy from an entity/person among Local Government Authorities. The clause will assist the Minister to provide guidance on distribution of the collected service levy as deemed fit.

**(f) The Workers Compensation Fund Act, CAP 263**

108. **Honourable Speaker**, I propose to amend the Workers Compensation Fund Act, CAP 263 to reduce the Workers Compensation Fund contribution rate from 0.6% to 0.5%. This measure is intended to bring equity in the contribution between Private and Public Sector employees.

**(g) The Mining Act, CAP 123**

109. **Honourable Speaker**, I propose to amend the Mining Act, CAP 123 as follows:

- i. Reduce the rate of royalty from 3 to 1 percent on coal used as energy raw materials in factories. This measure is intended to reduce production cost, attract investment and increase employment; and

- ii. Reduce the rate of royalty from 6 to 4 percent on gold minerals to be sold to the refinery centres. This measure is intended to support growth of the Mining Sector and ensure that refineries perform to the intended capacity. Adopting the measure will also create employment and increase Government revenue;

**(h) The Cashewnut Industry Act, No. 18**

110. **Honourable Speaker**, I propose to amend the The Cashewnut Industry Act, No. 18 so that revenue from the export levy from raw cashew nuts is divided as follows: 50 percent to the Ministry of Agriculture for input subsidy and the Agriculture Development Fund (ADF); and 50 percent be remitted to Consolidated Fund. This measure is intended to support the growth of Agricultural Sector and facilitate access to financial resources for input subsidization, Research and Development.

**(i) The Export Levy Act CAP, 196**

111. **Honourable Speaker**, I propose to amend the Export Levy Act CAP, 196 to introduce export levy of 30 percent or USD 150 per metric tonne (whichever is higher) on copper waste and scrap metals HS Code 7204 and 7404. This measure is intended to protect local manufacturers and ensure sufficient availability of raw materials to the respective industries.

**(j) The National Payment System Act, CAP 437**

112. **Honourable Speaker**, I propose to make amendments to the National Payment System Act, CAP 437 by reducing mobile money transaction levy on sending and withdrawing monies

from a maximum of 7,000 shillings currently in existence to a maximum of 4,000 shillings on each transaction. This is equivalent to a reduction of 43 percent of the current levy. Along with that, I propose to extend the base and include all electronic transactions. This measure is intended to reduce the cost of living for Tanzanians, especially during the current period of ongoing economic crisis, and to rationalize the transaction levy.

**(k) The Insurance Act, CAP 394**

113. **Honourable Speaker**, I propose to amend the Insurance Act CAP, 394 to expand the scope for mandatory insurance to include public markets, Commercial buildings, imported goods, marine vessels, ferries and pontoons. This measure is intended to enhance financial inclusion and increase insurance uptake.

**(l) The Foreign Vehicle Transit Charges Act, CAP 84**

114. **Honourable Speaker**, I propose to amend the Foreign Vehicle Transit Charges Act CAP, 84 to reduce transit charges for vehicles exceeding 3 axles from USD 16/100 km to USD 10 or its equivalent in convertible currency for every 100 kilometres. This measure is intended to align with charges of COMESA for the purpose of resolving the existing challenges in charging road user fee on trucks entering United Republic of Tanzania from other EAC countries.

**(m) The Bank of Tanzania Act, CAP 197**

115. **Honourable Speaker**, I propose to make amendments to the Bank of Tanzania Act, by setting a limit on Government borrowing to not exceed 18 percent of approved domestic

revenue in the current fiscal year instead of the current rate of one-eighth of the domestic revenue collected in the preceding fiscal year. This measure is intended to harmonize the borrowing rates with other East African Community countries as well as to enable the Government Budget execution.

**(n) The East African Community Customs Management Act, 2004**

116. **Honourable Speaker**, the EAC Pre-Budget Consultative Meeting of the Ministers for Finance which was held on 13<sup>th</sup> May 2022, Mombasa Kenya agreed to effect changes in the Common External Tariff (CET) rates for year 2022/23. The proposed changes are aimed at **“Accelerating Economic Recovery and Enhancing Productive Sectors for Improved Livelihood”**.

117. **Honourable Speaker**, the Ministers for Finance proposed to effect new changes in the Common External Tariff (CET) for the year 2022/2023 and also agreed to continue with some measures that were taken into effect in the financial year 2021/22.

- i. The proposed new changes in the Common External Tariff are as follows: -
  - a) Stay of application of the EAC CET rate of 25% and apply a duty rate of 35% or USD 1.5 per square meter, whichever is higher for one year on ceramic tiles under HS Codes 6907.21.00; 6907.22.00; and 6907.23.00. This measure is intended to protect local manufacturers of ceramic tiles against cheap, substandard and undervalued imports;

- b) Stay of application of EAC CET rate of 10% and apply a duty rate of 10% or USD125/MT whichever is higher for one year on flat-rolled products under HS Codes 7212.20.00 and 7226.99.00. The objective of this measure is to protect local manufacturers against undervalued imports;
- c) Revert back to EAC CET rate of 0% instead of 25% on Crude Palm Oil (CPO) under HS Code 1511.10.00. This measure is intended to protect consumer welfare against skyrocketing price, enhance economic growth, employment creation and value addition;
- d) Stay of application of EAC CET of 0% and apply a duty rate of 10% for one year on crude vegetable oils of soya-beans, groundnuts, coconuts, mustard and linseed under HS Codes 1507.10.00; 1508.10.00; 1513.11.00; 1514.91.00; and 1515.11.00. The objective of this measure is to align with sunflower, cotton and other crude oils which attract 10% so as to promote domestic production of vegetable oils;
- e) Stay of application of EAC CET rate of 35% and apply a duty rate of 25% or USD 500/MT whichever is higher for one year on semi-refined and refined vegetable oils under HS Codes 1507.90.00; 1508.90.00; 15.09; 1510.10.00; 1510.90.00; 1511.90.10; 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; and 1515.90.00. This measure is intended to protect and promote the processing of vegetable oils in the country using locally grown seeds and imported crude palm oil, as well as employment creation;

- f) Stay of application of EAC CET rate of 25% and apply a duty rate of 35% for one year on baby diapers under HS Code 9619.00.90. 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;
- g) Stay of application of EAC CET rate of 10% and apply a duty rate of 25% for one year on cotton yarn under heading 52.05; 52.06; and 52.07 except subheading 5205.23.00. The measure is intended to protect and promote production of cotton yarns in the country by increasing value addition of locally grown cotton and enhance cotton to cloth (C2C) strategy;
- h) To increase import duty from 25% to 35% on windows and doors made of aluminum, iron and steel with HS Codes 7610.10.00 and 7308.30.00. This measure is for protection and promotion of growth of small and medium enterprises engaged in making windows and doors, employment creation and increase Government revenue;
- i) Grant duty remission at a duty rate of 0% instead of 10% for one year on raw materials under HS Codes 1901.90.10; 3302.10.00; and 3505.10.00 used to manufacture food flavors. This measure aims at promoting growth of local manufacturers of food flavors;
- j) Grant duty remission at a duty rate of 0% instead of 10% or 25% for one year on inputs under HS Codes 4804.19.90; 4804.39.00; 4804.42.00; 4804.51.00; 4804.52.00; 4805.11.00; 4805.19.00; 4805.24.00; 4805.25.00; 4805.93.00; 4810.13.00; 4810.19.00; 4810.31.00; and 4810.32.00 used to manufacture corrugated boxes. The objective of this measure is to

encourage domestic investment in production of corrugated boxes and reduce the cost of packaging materials;

- k) Grant duty remission at a duty rate of 0% instead of 10% for one year on inputs under HS Codes 7005.10.00; 7005.21.00; 7005.29.00; and 7005.30.00 used to manufacture toughened glass. This measure is intended to reduce costs of these inputs used by local manufacturer of toughened glass;
- l) Grant duty remission at a duty rate of 0% instead of 10% or 25% for one year on inputs under HS Codes 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; 7217.20.00; 7907.00.00; 7312.10.00; and 2712.10.00 used to manufacture electrical cables. The objective of this measure is to reduce the cost of these inputs used by local manufacturers so as to promote the establishment of import substitution industries of electrical cables;
- m) Grant duty remission at a duty rate of 10% instead of 25% for one year on inputs under HS Code 3401.20.10 used to manufacture soap. This measure is intended to reduce the cost of these inputs so as to promote growth of local manufacturers of soap, employment creation and increase Government revenue;
- n) Stay of application of EAC CET rate of 100% or USD 460/MT whichever is higher and apply a duty rate of 25% for one year on cane sugar under HS Code 1701.14.90 imported under a permit issued by the Tanzania Sugar Board. This measure is intended to cover the sugar production gap in the country;

- o) Grant duty remission at a duty rate of 0% instead of 25% for one year on prefabricated building under HS Code 9406.20.90. This measure intends to promote livestock sector, attract investment, employment creation and increase Government revenue through multiplier effect from the investment;
- p) Tanzania together with other EAC Partner States agreed to increase import duty from 25% to 35% on wigs, false beards, eyebrows and eyelashes, switches of human or animal hair or of textile materials under Heading 6704. This measure will protect local manufacturer of these products, employment creation and increase Government revenue;
- q) Tanzania together with other EAC Partner States agreed to assign a duty rate of 10% instead of 25% on other petroleum oil products partly refined under HS Code 2710.19.10. This measure is intended to protect consumer welfare;
- r) Tanzania together with other EAC Partner States agreed to introduce new HS Codes of 8543.40.00 containing Electronic Cigarettes and assign a duty rate of 35% since it is tobacco substitute. The objective of this measure is to create a level playing field for local manufacturer of tobacco against importers of electronic cigarettes and employment creation;
- s) EAC Partner States agreed to amend the description of the HS Codes 7310.29.20 and 7612.90.10 to read “Cans and ends for beverages and food” in order to provide a room for cans and ends for packaging food to enjoy import duty relief (0%) as it has been applied to cans and ends for packaging beverages only while these two



products compliment each other and serve the same purpose.

- ii. The proposed measures that were taken into effect in the financial year 2021/22 which continue to be implemented in 2022/23 are as follows: -
  - a) Continue to grant duty remission at a duty rate of 0% instead of 25% or 10% on inputs used to manufacture essential medical products and supplies for fighting COVID-19 including masks, sanitizers, coveralls, face shields and ventilators for one year. The objective of this measure is to continue promoting domestic production of items for fighting COVID-19 pandemic;
  - b) Continue to grant stay of application of EAC CET rates of 10% and apply a duty rate of 0% for another year on cash registers and other Electronic Fiscal Device (EFD) Machines and Point of Sale (POS) of HS Codes 8470.50.00 and 8470.90.00. The objective of this measure is to encourage the use of electronic devices for accounting of Government revenues at reduced costs of the machines;
  - c) Continue to grant duty remission at a duty rate of 0% instead of 25% for one year on other packing containers, including record sleeves under HS Code 4819.50.00 used as inputs by domestic manufacturers of UHT milk in order to promote growth of domestic milk processing industry;
  - d) Continue to grant duty remission at a duty rate of 0% instead of 10% for another year on corks and stoppers under HS Code 4503.10.00 used as inputs by domestic

manufacturers of local wines so as to promote the growth of grapes farming and wine industries in the country;

- e) Continue to grant stay of application of EAC CET rate of 0% and apply a duty rate of 10% for one year on cocoa powder, not containing added sugar or other sweetening matter under HS Code 1805.00.00. The measure is intended to promote domestic cocoa seeds processing and enhance value addition in the country;
- f) Continue to grant duty remission at a duty rate of 0% instead of 25% for one year on packaging materials under HS Codes 7310.21.00; 6305.10.00; 3923.50.10; 3923.50.90 and 3920.30.90 used for packing processed coffee. This measure aims at reducing packaging material costs for coffee processors in the country;
- g) Continue to grant duty remission at a duty rate of 0% instead of 25% for one year on sacks and bags of polymers of ethylene under HS Code 3923.21.00 used as inputs by domestic processors of cashew nuts. The objective of this measure is to reduce cost of sacks and bags for domestic cashew nuts processing industry in the country;
- h) Continue to grant duty remission at a duty rate of 0% instead of 25% for one year on inputs under HS Code 3920.30.90; 6305.39.00; and 7217.90.00 used by domestic processors of cotton lint. This measure is intended to promote cotton processing industry in the country;
- i) Continue to grant duty remission at a duty rate of 0% instead of 25% or 10% on raw materials under HS code 3506.91.00 (Hot Melt Adhesive); HS Code 3920.10.90 (*PE*

*film*); HS Code 6305.33.00 (*Empty bag for Baby Diapers*); HS Code 3926.90.90 (*Plastic cask*); HS Code 3906.90.00 (*Super Absorbent Polymer*); HS Code 4803.00.00 (*Wet strength paper*); HS Code 5603.11.00 (*Non-woven*); HS Code 5903.90.00 (*Polyethylene laminated Nonwovens*); HS Code 5402.44.00 (*Spandex*); and HS Code 4803.00.00 (*Dust free paper*). These materials are used to manufacture baby diapers. This measure is intended to reduce the cost of production for manufacturers of baby diapers in the country;

- j) Continue to grant duty remission at a duty rate of 0% instead of 25% or 10% for one year on inputs under HS Codes 6804.10.00; 7018.90.00; 7020.00.99; 3606.90.00; 6813.20.00; 8202.20.00; 8202.99.00; 8203.20.00; 8205.10.00; 8423.89.90; 8513.10.90; and 9002.19.00 used by domestic minerals processors. This measure is intended to create value addition of gemstones and employment creation;
- k) Continue to grant duty remission at a duty rate of 0% instead of 25% for one year on packaging materials for seeds under HS Codes 3923.29.00; 6305.10.00; 4819.40.00; 7310.29.90; 6305.33.00; 6305.20.00; 6304.91.90 and 7607.19.90 used by local producers of agricultural seeds. This measure is intended to reduce the cost of packaging materials for domestic producers of agricultural seeds;
- l) Continue to grant stay of application of EAC CET rate of 10% and apply a duty rate of 10% or USD 125/MT whichever is higher for one year on iron and steel products under HS Code 7209.16.00; 7209.17.00; 7209.18.00; 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. This measure is intended to protect manufacturers of iron and steel products in the country against undervalued imports;

- m) Continue to grant stay of application of EAC CET rate of 25% or USD 200/MT whichever is higher and apply a duty rate of 25% or USD 250/MT whichever is higher for one year on flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more plated or coated with zinc under HS Codes 7210.49.00; 7210.61.00; 7210.69.00; 7210.70.00; and 7210.90.00. This measure is intended to protect local manufacturers against undervaluation of these products when imported in the country;
- n) Continue stay of application of EAC CET rate of 10% and apply a duty rate of 10% or USD 250/MT whichever is higher for one year on flat-rolled products of iron or non-alloy steel, of a width of less than 600 mm, clad under HS Code 7212.60.00. This measure is intended to protect iron and steel manufacturers in the country against undervaluation;
- o) Continue to grant stay of application of EAC CET rate of 25% or USD 200/MT whichever is higher and apply a duty rate of 25% or USD 250/MT whichever is higher for one year on flat-rolled products of iron or non-alloy steel, of a width of less than 600 mm, clad, plated or coated under HS Code 7212.30.00. This measure is intended to protect iron and steel manufacturers in the country against undervaluation;
- p) Continue stay of application of EAC CET rate of 25% or USD 200/MT whichever is higher and apply a duty rate of 25% or USD 250/MT whichever is higher for one year on Iron and steel reinforcement bars and hollow profiles

under HS Codes 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. This measure is intended to protect iron and steel manufacturers in the country;

- q) Continue stay of application of EAC CET rate of 10% and apply a duty rate of 25% or USD 250/MT whichever is higher for one year on Flat-rolled products of other alloy steel, of a width of 600 mm or more under HS Codes 7225.91.00; 7225.92.00; and 7225.99.00. This measure is intended to protect manufacturers of iron and steel products in the country, employment creation and increase Government revenue.
- r) Continue to stay of application of the EAC CET rate of 0% and apply a duty rate of 10% for one year, on 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 under HS Codes 3916.10.00; 3916.20.00; and 3916.90.00. These are intermediate products and are used to perform similar function as of aluminum profiles (substitute) falling under Heading 76.04;
- s) Continue to grant stay of application of EAC CET rate of 10% and apply a duty rate of 25% on the paper and paper products under HS Code 4804.29.00. This measure is intended to protect domestic industry and enhancing competitiveness of domestically produced paper and paper products;
- t) Continue to grant duty remission at a rate of 10% instead of 35% on imported wheat grain under HS Codes 1001.99.10 and 1001.99.90. This measure is intended to reduce the cost of production for manufacturers of wheat

flour in the country and relieve citizens from high prices of wheat products;

- u) Continue to grant duty remission at a rate of 0% instead of 25% on Printed Aluminum Barrier Laminates (ABL) under HS Code 3920.10.90. This measure is intended to promote competitiveness of domestic industries of toothpaste;
- v) Continue to grant duty remission at a rate of 0% instead of 10% on Refined Bleached Deodorized (RBD) Palm Stearin under HS Code 1511.90.40. This measure is intended to promote the domestic manufacturers of soaps and address price increase of soap;
- w) Continue to grant stay of application of the EAC CET rate of 25% and apply a duty rate of 25% or USD 1.35/kg whichever is higher for one year on safety matches under HS Code 3605.00.00. This measure is intended to protect the domestic manufacturers of safety matches;
- x) Continue to grant stay of application of EAC CET rate of 25% and apply rate of 25% or USD 350 per metric ton whichever is higher on 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 under HS Code 7317.00.00. The objective of this measure is to protect local producers of these products against imported cheap or undervalued products;
- y) Continue to grant stay of application of the EAC CET rate of 25% and apply a duty rate of 60% for one year on mineral water under HS Code 2201.10.00. The objective

of this measure is to protect domestic producers of mineral water as there is enough capacity in the region;

- z) Continue to grant stay of application of EAC CET rate of 0% and apply 10% for one year on gypsum powder under HS Code 2520.20.00 in order to protect the gypsum powder producers against imports in the country;
- aa) Continue to grant stay of application of EAC CET rate of 35% or USD 0.40/Kg whichever is higher and apply a duty rate of 35% on worn items of clothing, footwear and articles under HS Code 6309.00.10; 6309.00.20 and 6309.00.90 for one year. This measure is intended to protect the consumer welfare;
- bb) EAC partner States agreed to continue grant duty remission on raw materials and industrial inputs used to manufacture textiles and footwear. This aims at promoting textiles and footwear manufacturers in the country;
- cc) Continue to grant stay of application of the EAC CET rate of 25% and apply a duty rate of 10% for buses for transportation of more than 25 persons under HS Codes 8702.10.99 and 8702.20.99 imported for rapid transport project for one year. This measure is intended to de-congest the city and ease the transportation system within the country;
- dd) Continue to grant stay of application of the EAC CET rate of 10% and apply a duty rate of 25% for one year on new pneumatic tyres of rubber, of a kind used on motorcycles under HS Code 4011.40.00. This measure is intended to encourage domestic investment in production of pneumatic tyres in the country;

- ee) Continue to grant Stay of application of the EAC CET rate of 10% and apply a duty rate of 0% for one year on Wires of other alloy steel under HS Codes 7229.20.00 and 7229.90.00 in order to reduce the costs of these inputs used by local manufacturers;
- ff) Continue to grant stay of application of the EAC CET rate of 25% and apply a duty rate of 0% for one year on milk cans under HS Codes 7310.10.00 and 7310.29.90 in order to provide relief to the dairy sector in the country.
- gg) Continue to grant duty remission at a duty rate of 0% instead of 10% for one year on organic surface-active agents (Anionic) under HS Code 3402.11.00 used by manufacturers of detergents and liquid soaps. The objective of this measure is to reduce the cost of inputs for detergents and liquid soaps manufacturers in the country;
- hh) Continue to grant duty remission at a duty rate of 0% instead of 25% or 10% for one year on raw material under HS Codes 3208.20.00 and 3210.00.10 used in leather processing in order to promote growth of local leather industries.
- ii) Continue to grant duty remission at a duty rate of 0% instead of 25% or 10% for one year on raw materials under HS Codes 2710.99.00; 2528.00.00; and 3505.20.00 used to manufacture different types of fertilizers. This measure aims at promoting growth of local manufacturers of fertilizers;
- jj) Continue to grant duty remission at a duty rate of 0% instead of 25% for one year on packaging materials for



processed tobacco under HS Code 5310.10.00 in order to reduce costs to processors of tobacco;

- kk) Continue to grant duty remission at a duty rate of 0% instead of 25% for one year on packaging materials under HS Codes 4819.20.90; 5407.44.00; and 3923.29.00 used by local manufacturers of tea (blenders). The objective is to reduce costs of tea blenders in the country;
- ll) Continue to grant duty remission of 10% instead of 25% for one year on CKD for three-wheel motorcycle excluding chassis and its components under HS Code 8704.21.90. The measure is intended to reduce cost of production for local manufacturers of three-wheel motorcycles used for cargo transportation.
- mm) Continue to grant duty remission at a duty rate of 0% instead of 25% or 10% for one year on inputs used to manufacture glass reinforced plastic pipes (Polyester Film 50mm & 200mm; Tissue Mat 30gr; Chopped Strand Mat/Knitted glass Mat; Mesh cloth liner; Sand holding cloth (Polyester Mesh); Direct Roving (2400 TEX); Direct Roving (600 TEX); Chop Roving; Surface Liner; Rubber O-ring; Rubber Gasket; and Resin Cystitis) under HS Codes 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. The objective of this measure is to promote local manufacturers of glass reinforced plastic pipes and create more employment in the country;
- nn) Continue to grant stay of application of the EAC CET rate of 100 % or \$ 460/MT whichever is higher and apply a duty rate of 10% for one year on refined white sugar (sugar for industrial use) under HS Code

1701.99.10. This measure is intended to reduce the cost of this input used by local manufacturers.

- iii. Partner States of the EAC agreed on the maximum rate for products classified under the 4<sup>th</sup> band of the revised Common External Tariff to be 35%. The products under the 4<sup>th</sup> band include products of animals such as fish, meats and diaries, agro-processing products including tea and coffee, horticultural products, luxurious goods such as human air, wigs, cosmetics, perfumes and beverages, refined edible oils, salt, cement, paints, soaps, tanks, packaging items, wood products, leather products, ceramics, furniture, iron and steel products, sugar confectionery such as chewing gum, biscuit, and chocolates, tomato sauces, sausages, peanut butter. The effective date of implementation of the revised EAC CET is expected to be 01<sup>st</sup> July, 2022.

The Import Duty measures altogether are expected to increase Government revenue by shillings 66,791 million.

**(o) Implementation of BLUEPRINT for Regulatory Reforms to improve the Business Environment by amending Various Fees and Levies.**

118. **Honourable Speaker**, the Government continues to implement Blueprint for Regulatory Reforms to improve the Business Environment. The proposed amendments include the following: -

**i. Ministry of Livestock and Fisheries**

**a) Livestock Sector**

I propose to amend different fees charged by Livestock Sector as shown in **Annex No.5**;

## **b) Fisheries Sector**

I propose to amend different fees charged by Fisheries Sector as shown in **Annex No.6**;

### **ii. Ministry of Agriculture**

a) I propose to abolish impoundment fee of Tsh. 200 per square meter of surface area for water stored in irrigation dams. This measure is intended to provide relief to farmers dealing with irrigation farming; and

b) I propose to amend The Fertilizer Regulations 2017 to increase export permit application fee for manufactured fertilizer from 0.2 to 0.5 USD per tone. This measure is intended to promote production and utilization of fertilizer in the country and enhance employment. The measure is also in line with Industrialization Policy.

### **iii. Ministry of Information, Communication and Information Technology**

Introduce a fee of between 1,000 shilling to 3,000 shilling on the Television decoder subscription depending on the use. The purpose of this measure is to increase Government revenue.

### **iv. Ministry of Culture, Arts and Sports**

I propose to introduce a levy of 1.5 percent on equipment used to produce, distribute, duplicate and preserve works of art, writing and other creative works such as music, films, books, photography and other forms of creative work. The proposed equipments are Radio / TV set enabling recording; analogue audio recorders; analogue video recorders; CD / DVD Copier; Digital Jukebox and MP 3 Player. This measure is expected to increase Government revenue by shillings 9,600 million;

### **v. Tanzania Bureau of Standards**

I propose to reduce batch certification fee on imported sugar from shilling 6 per kilogram to 2.5 shilling per kilogram. This measure is intended to reduce cost to sugar importers and subsequently provide relief to consumers ;

**vi. Occupational Safety and Health Authority (OSHA)**

I propose to abolish peak expiratory of 10,000 shillings and flow test fee of 25,000 shillings. This measure is intended to improve business environment especially in industrial areas.

**vii. Tanzania Atomic Energy Commissions**

- a) I propose to reduce radiation test fee from 0.2 percent of FOB to 0.1 percent of FOB on exports of Food Chain Materials including fertilizers, tobacco and tobacco products, and imported relief food. This measure is intended to improve business environment, promote export of value added finished products and control illicit trafficking ; and
- b) Amend various fees and levies charged by Tanzania Atomic Energy Commissions as shown in **Annex No. 7**.

**viii. Fire and Rescue Forces**

I propose to amend Fire and Rescue Act, CAP 427 to reduce various fees and charges as shown in **Annex No. 8**. This measure is intended to reduce cost of doing business.

**ix. Gaming Board of Tanzania**

I propose to amend the Schedule of gaming fees and levies made under the Gaming Act, CAP 41 as shown in **Annex No. 9**.

## **x. Immigration Department**

In the Financial year 2021/22 the Government abolished Student VISA/PASS fee for higher learning institution students in Tanzania - Mozambique students exchange programme (TAMOSE). Further to that, I propose to abolish student residence permit fee for higher learning institution students from Mozambique. This measure is intended to promote and facilitate exchange programs.

119. **Honourable Speaker**, I propose to amend various laws as part of the Government plans to improve the business environment by reducing legal interactions. The proposals are as follows:

- i. Delete section 6(10) (b) (ii) and (iii) of the Tanzania Communications Authority Act No. 12, 2003 and consider section 4 (3) of the Standards Act No. 2, 2009 in order to have National Standards. This measure is intended to retain the responsibility of national standards to the Tanzania Bureau of Standards. TCRA will have to provide communication equipment standards to TBS regarding requests for standards;
- ii. Delete section 7 (1) (b) (ii) and (iii) of the Energy and Water Utilities Regulatory Authority Act, CAP. 414 so as to relinquish the responsibility of national standards to the Tanzania Bureau of Standards. EWURA will provide standard requirements to TBS together with experts needed to regulate;
- iii. Delete section 5 (1) (c) (i) and (ii) of the Land Transport Regulatory Authority Act No. 3, 2019 so as to surrender the responsibility of standards to the Tanzania Bureau of Standards. LATRA will provide standard requirement to TBS together with the experts if needed be;

- iv. Delete section 5(2) (c) of the Cotton Industry Act No. 2, 2001 in order to retain the responsibility of national standards to the Tanzania Bureau of Standards. Tanzania Cotton Board will provide standard requirement to TBS;
- v. Delete section 12(1) (b) and (c) of the Tanzania Shipping Agencies Act, No. 14, 2017 in order to retain the responsibility of national standards to the Tanzania Bureau of Standards. TASAC will give all necessary information for regulations to TBS;
- vi. Delete section 41(1) of the Tanzania Food, Drugs and Cosmetics Act, No.1, 2003 so as to leave the control of abattoir to the Ministry of Livestock and Fisheries;
- vii. Delete section 3(2) (g) of the Animal Disease Act No. 17, 2003 in order to relinquish the regulatory the responsibility of vaccine registration to Tanzania Medicine and Medical Devices Authority;
- viii. Amend section 10 of the Dairy Industry Act in order for the inspection to be done by Dairy Board in collaboration with Tanzania Bureau of Standards;
- ix. Amend marginal note in section 46 of the Copyright Act to remove the conflict of interest in carrying out the responsibilities of the Tanzania Copyright Association. In addition, I propose to delete the word “society” and replace with the word “Copyright Office” in sections 46, 47, 48 and its schedule;
- x. Amend section 51 of the Copyright Act to add part VII which will require Collective Management Organizations to report their audited accounts to the Copyright Office annually for the

accountability and strengthen the management of copyright and related issues;

- xi. Amend section 5(2) of the Cotton Industry Act, CAP. 201 so that the responsibility for regulating cotton standards to be undertaken by the Tanzania Bureau of Standards;
- xii. Amend section 23 of the Tourism Act CAP 65 to give power to the Director General of the Tourism Board the authority to issue permits after approval by the Board;
- xiii. Amend section 28 of the Fertilizer Act, CAP. 378 so that the responsibility of preparing Standards Regulations to be carried out by Tanzania Bureau of Standards;
- xiv. Amend section 17 of the Occupational Safety and Health Act, CAP. 297 to urge OSHA to issue a license within 7 days after the applicant meets the criteria;
- xv. Amend section 35 of the Local Government (Urban Authorities) Act, CAP. 287 to urge Urban Authorities to establish joint centers for coordination, mobilization and improvement of the business environment;
- xvi. Amend section 113 of the Local Government (District Authorities) Act, CAP. 288 to urge village Authorities to establish joint centers for coordination, mobilization and improvement of the business environment;
- xvii. Amend sections 6, 7, and 8 of the Local Government Finance Act, CAP. 290 to reduce the hotel levy from 10 percent to 5 percent; and

- xviii. Amend section 3 of the Hides, Skins and Leather Trade Act CAP. 120 to provide clarity on skins of domesticated animals and wild animals.

**(p) Minor Amendments in Tax Laws and Others**

120. **Honourable Speaker**, I propose to make minor amendments to various Tax Laws and other Laws in order to ensure their smooth and effective implementation. The amendments will be effected through the Finance Bill 2022 and Government Notices.

121. **Honourable Speaker**, in line with the measures outlined above, I urge the Government's owned insurance business to compete in a free market as in other businesses. State-owned insurance companies namely the National Insurance Corporation (NIC) and the Zanzibar Insurance Corporation (ZIC) should operate in a level play field for quality services instead of the current situation where only NIC is given the opportunity to render service to Public Institutions.

**(q) Effective Date for Implementation of New Revenue Measures**

122. **Honourable Speaker**, unless otherwise stated, the new measures shall become effective on 1<sup>st</sup> of July, 2022.

**VI. BUDGET FRAME FOR 2022/23**

123. **Honourable Speaker**, the budget frame for 2022/23 shows that 41.48 trillion shillings will be mobilized and spent. Domestic revenue is projected to be 28.02 trillion shillings, equivalent to 67.5 percent of the total budget. Out of the total domestic revenue, TRA revenue collections is estimated



at 23.65 trillion shillings and non-tax revenue (collected by Ministries, Departments, Institutions and Local Government Authorities) is estimated at 4.37 trillion shillings.

124. **Honourable Speaker**, grants and concessional loans from Development Partners are estimated at 4.65 trillion shillings, equivalent to 11.2 percent of the total budget. The Government expects to borrow 5.78 trillion shillings from the domestic market. Out of this, 3.30 trillion shillings will be for rolling over of maturing Government Treasury Bills and Bonds and 2.48 trillion shillings for financing development projects. The Government also expects to borrow 3.03 trillion shillings from non-concessional sources for the purpose of accelerating implementation of development projects.

125. **Honourable Speaker**, in 2022/23, the Government plans to spend 41.48 trillion shillings for recurrent and development expenditures. Out of which, the recurrent expenditure is 26.48 trillion shillings equivalent to 63.8 percent of the total budget, whereby 11.31 trillion shillings is for servicing Government debt and other expenditure under Consolidated Fund, and 9.83 trillion shillings for salaries including salary increase, promotions for existing employees and new recruits. In addition, 5.34 trillion shillings is for Other Charges (OC) including 200 billion shillings for payment of arrears to public servant and suppliers.

126. **Honourable Speaker**, development expenditure is expected to be 15.0 trillion shillings, equivalent to 36.2 percent of the total budget. Out of the amount, 12.31 trillion shillings, equivalent to 82.0 percent of the development budget is from domestic sources and 2.70 trillion shillings equivalent to 18

percent of development budget is from external sources. Development funds from domestic sources include: 1.11 trillion shillings for the Standard Gauge Railway project; 1.44 trillion shillings for the Julius Nyerere Hydropower Project; 1.18 trillion shillings for Road Fund; 944.1 billion shillings for Railway, Water and Rural Electrification Agency; 570 billion shillings for higher education student's loans; 230.0 billion shillings for verified arrears to contractors; and 346.5 billion shillings for fee free basic education.

127. **Honourable Speaker**, based on an aforementioned, the budget frame for 2022/23 is as shown in Table No.1

**Table No. 1: Budget Frame for 2022/23**

		Millions Shilling
	Revenue	Budget 2022/23
<b>A.</b>	<b>Government Domestic Revenue</b>	<b>28,017,867</b>
	(i) Tax Revenue (TRA)	23,652,758
	(II) Non-Tax Revenue	3,352,824
	(iii) LGAs own source	1,012,286
<b>B.</b>	<b>External Grants and Concessional Loans</b>	<b>4,648,561</b>
	(i) General Budget Support	1,949,480
	(ii) Projects Loans and Grants	2,576,958
	(iii) Basket Loans and Grants	122,123
<b>C.</b>	<b>Domestic &amp; External Non-Concessional Loans</b>	<b>8,814,152</b>
	(i) External Non-Concessional Borrowing	3,034,004
	(ii) Domestic Non-Concessional Borrowing	2,480,148
	(iii) Domestic Non-Concessional Borrowing (Rollover)	3,300,000
	<b>Total Revenue (A+B+C)</b>	<b>41,480,580</b>
	<b>Expenditure</b>	
<b>D.</b>	<b>Recurrent Expenditure</b>	<b>26,475,748</b>
	o/w (i) Consolidated Fund Services (CFS)	<b>11,308,365</b>
	-Domestic Interest	1,770,159
	-Domestic Amortization (Rollover)	3,300,000
	-External Amortization	2,916,041
	-External Interest	1,100,802
	-Government Contribution to Pension Funds	1,655,652
	-Other CFS Expenditure	565,710
	(ii) Wages and Salaries	<b>9,830,753</b>
	(iii) Other Charges	<b>5,336,630</b>
	-Payment of verified arrears	200,000
	-LGAs Expenditure (Own source)	617,485
	-MDAs Other Charges	4,519,145
<b>E.</b>	<b>Development Expenditure</b>	<b>15,004,833</b>
	(i) <b>Domestic Financing</b>	<b>12,305,752</b>
	o/w Payment of Verified Arrears	230,000
	o/w Standard Gauge Railway (SGR) Project	1,113,000
	o/w Julius Nyerere Hydropower Project	1,435,000
	o/w LGAs Expenditure (Own source)	394,801
	o/w Other Development Projects	9,132,951
	(ii) <b>Foreign Financing</b>	<b>2,699,081</b>
	<b>TOTAL EXPENDITURE (D+E)</b>	<b>41,480,580</b>

**Source: Ministry of Finance and Planning**

## VII. CONCLUSION

128. **Honourable Speaker**, the sustainable development of any nation in the world is built on the participation of all citizens under strong and valiant leadership. The budget has been prepared in a participatory approach whereby different groups of stakeholders were involved. Those groups comprise of members of the Parliament, Private Sector, Development Partners, experts from public and private institutions as well as ordinary citizens. The comments presented by these groups have helped to improve the preparation of the budget in planning priorities and policies aimed at addressing different challenges in our country. On that basis, it is obvious this is the “**Citizens’ Budget**”, it is “**Our budget**” for our development.
129. **Honourable Speaker**, as stated earlier, the 2022/23 budget aims at accelerating economic recovery and strengthening the productive sectors in order to improve livelihoods, therefore more efforts will be directed in those areas under the slogan of "**Kazi Iendelea**".
130. **Honourable Speaker**, in addition to the priorities mentioned earlier, we are all aware that economic growth must be people centered and it is known that, "**A Mother cannot let her child suffer, A Mother is compassionate, A Mother cares and loves her children**". Therefore, the Sixth Phase Government led by **Her Excellency Samia Suluhu Hassan, the President of the United Republic of Tanzania**, has ensured the budget will improve the livelihood of Tanzanians through improvement of the productive sectors. This will increase employment and income, to address various challenges including inflation resulted from global economic changes and effects of climate change.

131. **Honourable Speaker**, the Sixth Phase Regime continues to implement strategies that build the foundation of our Nation to enhance economic independence. These strategies will be successful if every Tanzanian participates in income generating activities in line with national laws by exploring economic opportunities to raise income and increase Government domestic revenue. Therefore, I encourage all citizens, public and private institutions to demand appropriate receipts when buying goods and services to make sure the Government collects appropriate taxes from transactions made. Likewise, I encourage traders and all business companies to voluntarily pay Government taxes.
132. **Honourable Speaker**, I would like to take this opportunity to congratulate **Honourable Dr. Philip Isdor Mpango, Vice President of the United Republic of Tanzania**, for his support to the President in fulfilling responsibilities to bring development to the country. In addition, I would like to congratulate **His Excellency Dr. Hussein Ali Hassan Mwinyi, President of Zanzibar and the Chairperson of the Revolutionary Council**, for his strong leadership and determination to bring development to Zanzibar. Also, I would like to take this opportunity to congratulate **Honourable Kassim Majaliwa Majaliwa, Prime Minister of the United Republic of Tanzania**, for continuing to oversee and coordinate the day-to-day running activities of Government and Government performance in Parliament with great competence together with assisting the President of the United Republic of Tanzania in bringing development to the Nation. Further I congratulate Honourable Judge Dr. Eliezer Mbuki Feleshi the Attorney General for timely preparation of the Finance Bill 2022 and Appropriation Bill 2022.

133. **Honourable Speaker,** I would like to congratulate you for being elected as the second woman in history to lead this Esteemed House. I congratulate Deputy Speaker for being elected to lead this Esteemed House. It is our expectation that, your commitment and wisdom you have demonstrated in your previous positions will continue increasing while serving these positions. Further, I congratulate Chairpersons of the Parliament for your firm supervision of Parliamentary sessions, you have been of great importance in operations of this Esteemed House. In addition, I would like to express my gratitude to the Parliamentary Standing Committee for Budget under the Chairmanship of Hon. Sillo Daniel Baran, Member of Parliament for Babati Rural as well as Deputy Chairman, Hon. Omari Mohamed Kigua, Member of Parliament for Kilindi for their good comments and advice in improving the day-to-day operations of the Ministry as well as preparations of the 2022/23 Plan and Budget.

134. **Honourable Speaker,** I would like to congratulate the Honourable Professor Ibrahim Hamisi Juma, Chief Justice of Tanzania for his exemplary leadership of the Judiciary which is crucial to the country's social welfare, peace and harmony. The Word of God says, RIGHTEOUSNESS EXALTS A NATION, BUT SIN IS A DISGRACE TO ANY PEOPLE (PROVERBS 14:34). I encourage you to continue upholding the rule of law in discharging your duties. I commend the Defense and Security Organs for the good work that has honoured our country and made it a unique. Her Excellency, the President and the Commander-in-Chief of the Defense and Security Organs always provide guidance to the Ministry of Finance and Planning to ensure allocation of the budget is in line with the needs in order to discharge your duties diligently for the benefit of all Tanzanians.

135. **Honourable Speaker**, I thank Honourable Ministers, Deputy Ministers, Chief Secretary, Permanent Secretaries, and Deputy Permanent Secretaries as well as experts from all Ministries and Government institutions for their contribution towards preparation of this budget. I sincerely express my gratitude to religious leaders and believers for their continuous prayers for our Nation. In addition, I would like to take this opportunity to urge leaders and believers of all religions to continue praying for our President and leaders of the Sixth Phase Regime. May God grant them good health, wisdom, humbleness and goodwill in managing our country's resources while discharging their duties.

136. **Honourable Speaker**, I would like to thank Honourable Hamad Hassan Chande, Member of Parliament for Kojani Constituency and Deputy Minister for Finance and Planning for his cooperation and support towards discharging day to day responsibilities. Further, I thank Mr. Emmanuel Mpawe Tutuba, Permanent Secretary and Paymaster General for supervision of day-to-day responsibilities and coordination on the preparations of this Government Budget, supported by Deputy Permanent Secretaries. Furthermore, I would like to thank the, Heads of other Institutions under the Ministry of Finance and Planning, Heads of Divisions, Departments and Units of the Ministry as well as with all officials in the Ministry and its institutions for the great work of preparation and completion of this budget.

137. **Honourable Speaker**, I would like to take this opportunity to thank Development Partners for their continued support to the Sixth Phase Government in its development agenda. The partners expected to contribute to the Government budget for 2022/23 include the Governments of Canada,

China, Denmark, Finland, India, Ireland, Italy, Japan, South Korea, USA, Norway, Poland, Sweden, Belgium, France, the United Kingdom, Germany and Switzerland. In addition, the International Organizations and Institutions expected to contribute to 2022/23 budget are: African Development Bank; World Bank; International Monetary Fund; Arab Bank for Economic Development in Africa; Abu Dhabi Fund; Kuwait Fund; Global Fund to Fight Against AIDS, Tuberculosis and Malaria; European Union; European Investment Bank; United Nations and all its affiliates; OPEC Fund for International Development; and GAVI Federation. Similarly, I would like to acknowledge both local and International NGOs for their contributions to the social sector for the well-being of our people. I would like to assure you that, the Government values your contributions and will continue to open up opportunities for cooperation.

138. **Honourable Speaker**, I would like to congratulate the Young Africans Sports Club for the outstanding performance this season and I would like to express my sincere apologies to my Boss, Honourable Prime Minister for what Fei Toto did in Mwanza. I also apologize for the incidence, when I sent Fei Toto to Young Africans Sports Club, I never knew he would become this lethal to our rivals. I personally congratulate Honourable Antony Mavunde (MP) for playing crucial role when the Club was passing through difficult times. Furthermore, I would like to avail my appreciation to GSM for restoring joy and happiness to the fans especially by signing Fiston Mayele. Mayele has become more popular than most of the secretary generals of some political parties. Congratulations to Simba Sports Club for representing the country well in international competitions, they always have my support when comes to international tournaments.



139. **Honourable Speaker**, may I take this opportunity to thank the Almighty God for granting me ability to present this budget speech. I would like to thank my family, my lovely wife NEEMA NCHEMBA, my children including Joshua Mwigulu who is here with us today and my sister Peripetua Madelu, for their continued encouragement and prayers for the entire period during execution of my duties. Likewise, let me express my sincere appreciation to the voters of Iramba West Constituency for their continued collaboration on the execution of my Parliamentary responsibilities. Thank you very much Honourable Members of Parliament and all Tanzanians for listening.

***MUNGU IBARIKI AFRIKA, MUNGU IBARIKI TANZANIA.  
KAZI IENDELEE!***

140. **Honourable Speaker**, I beg to move.

Annex 1: Domestic Revenue Collection Trend: 2016/17 -2022/23											Tshs Million	
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2021/22	2021/22	2021/22	2022/23	2022/23	
	Actual	Actual	Actual	Actual	Actual	Budget	Actual	Budget	Actual	Budget		
<b>Total Domestic Revenue</b>	<b>16,639,933</b>	<b>17,944,887</b>	<b>18,527,293</b>	<b>21,069,957</b>	<b>20,594,735</b>	<b>25,691,735</b>	<b>24,350,024</b>	<b>28,017,867</b>				
<b>A. Tax Revenue</b>	<b>14,126,590</b>	<b>15,191,421</b>	<b>15,511,330</b>	<b>17,622,822</b>	<b>17,624,454</b>	<b>21,778,103</b>	<b>20,811,234</b>	<b>23,652,758</b>				
1. Import duty	998,164	1,109,205	1,201,045	1,253,272	1,286,114	1,504,414	1,444,238	1,629,283				
2. Excise Duty	2,106,442	2,199,900	2,370,414	2,512,423	2,722,380	3,133,395	2,945,391	3,235,033				
3. Value added tax	3,912,674	4,425,968	4,736,876	4,987,319	5,029,231	5,940,766	5,406,097	6,361,863				
4. Income tax	5,117,862	5,157,106	5,072,402	6,490,240	6,015,741	6,866,152	7,072,137	8,091,001				
5. Other taxes	1,991,449	2,299,242	2,130,594	2,379,569	2,570,988	4,333,375	3,943,371	4,335,577				
<b>B. Non-tax revenue</b>	<b>2,513,343</b>	<b>2,753,466</b>	<b>3,015,963</b>	<b>3,447,135</b>	<b>2,970,281</b>	<b>3,913,632</b>	<b>3,538,789</b>	<b>4,365,110</b>				
1. Parastatal dividends & Contributions	893,935	803,502	682,331	738,810	636,399	779,033	755,662	2,572,075				
2. Ministries and regions	1,107,690	1,408,464	1,674,534	1,991,076	1,576,826	2,270,741	1,884,715	780,749				
3. LGAs own source	511,718	541,499	659,098	717,249	757,055	863,858	898,412	1,012,286				
<b>Source:</b> Ministry of Finance and Planning												

**Annex 2b: Budget Frame for the year, As Percentage of GDP, 2016/17 - 2022/23**

	2016/17	2017/18	2018/19	2019/20	2020/21	2020/21	2021/22	2022/23
	Actual	Actual	Actual	Actual	Actual	Budget	Likely	Budget
<b>I. TOTAL RESOURCES</b>								
Domestic revenue	22.4%	21.5%	21.9%	20.6%	21.2%	24.5%	21.7%	22.0%
LGAs Own Sources	14.2%	14.2%	13.5%	14.2%	13.0%	16.0%	14.0%	14.3%
Programme loans and grants	0.5%	0.4%	0.5%	0.5%	0.5%	0.6%	0.5%	0.5%
Project loans and grants	0.3%	0.2%	0.1%	0.3%	0.1%	0.8%	0.8%	1.0%
Basket support Loans	1.6%	1.5%	1.4%	2.0%	1.4%	1.7%	1.6%	1.4%
Basket support Grants	0.1%	0.1%	0.0%	0.1%	0.1%	0.0%	0.0%	0.1%
Non-Bank Borrowing/ roll over	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.0%
Bank Borrowing (Financing)	4.1%	3.9%	2.8%	2.8%	2.1%	2.0%	1.9%	1.8%
Adjustment to Cash	1.1%	0.7%	2.3%	0.3%	2.2%	1.2%	1.1%	1.3%
Non-Concessional borrowing	-0.7%	-0.8%	0.3%	-0.9%	-0.5%	0.0%	0.2%	0.0%
	1.1%	1.2%	0.9%	1.3%	2.0%	2.0%	1.4%	1.6%
<b>II. TOTAL EXPENDITURE</b>								
Recurrent Expenditure	22.4%	21.7%	20.7%	20.6%	21.2%	24.5%	21.7%	22.0%
CFS	16.0%	15.5%	14.2%	14.1%	13.5%	15.3%	13.9%	14.1%
Debt service	7.6%	7.8%	6.9%	6.9%	6.3%	6.9%	6.2%	6.0%
CFS Others	6.4%	6.6%	5.8%	5.8%	5.4%	5.7%	5.1%	4.8%
Recurrent Exp. (excl. CFS)	1.2%	1.1%	1.1%	1.1%	0.9%	1.2%	1.0%	1.2%
o/w Wages and Salaries	8.4%	7.7%	7.3%	7.2%	7.2%	8.4%	7.7%	8.1%
Parastatal PE	4.9%	4.5%	4.3%	4.1%	4.0%	4.5%	4.1%	4.6%
LGAs Own Sources	0.7%	0.6%	0.7%	0.7%	0.8%	0.8%	0.7%	0.6%
Other Charges	0.2%	0.2%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%
Development Expenditure	2.5%	2.4%	2.0%	2.0%	2.1%	2.8%	2.5%	2.5%
Local	6.4%	6.2%	6.4%	6.5%	7.7%	9.2%	7.8%	8.0%
Foreign	4.5%	4.4%	4.9%	4.8%	6.1%	7.3%	6.1%	6.5%
	1.9%	1.8%	1.5%	1.7%	1.6%	1.9%	1.7%	1.4%

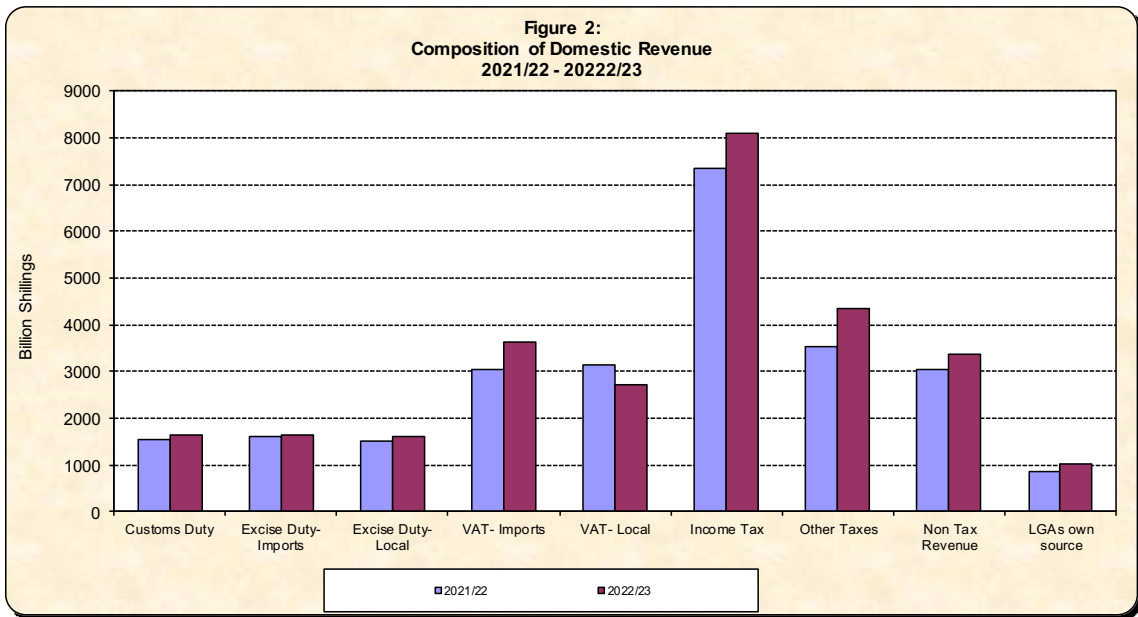
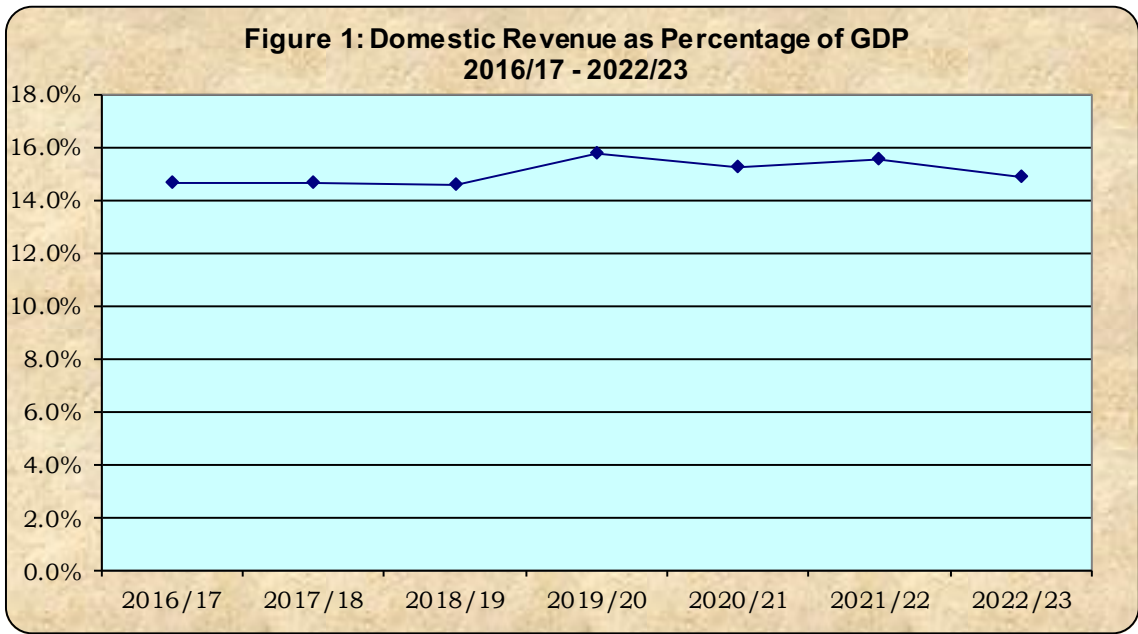
**Source:** Ministry of Finance and Planning

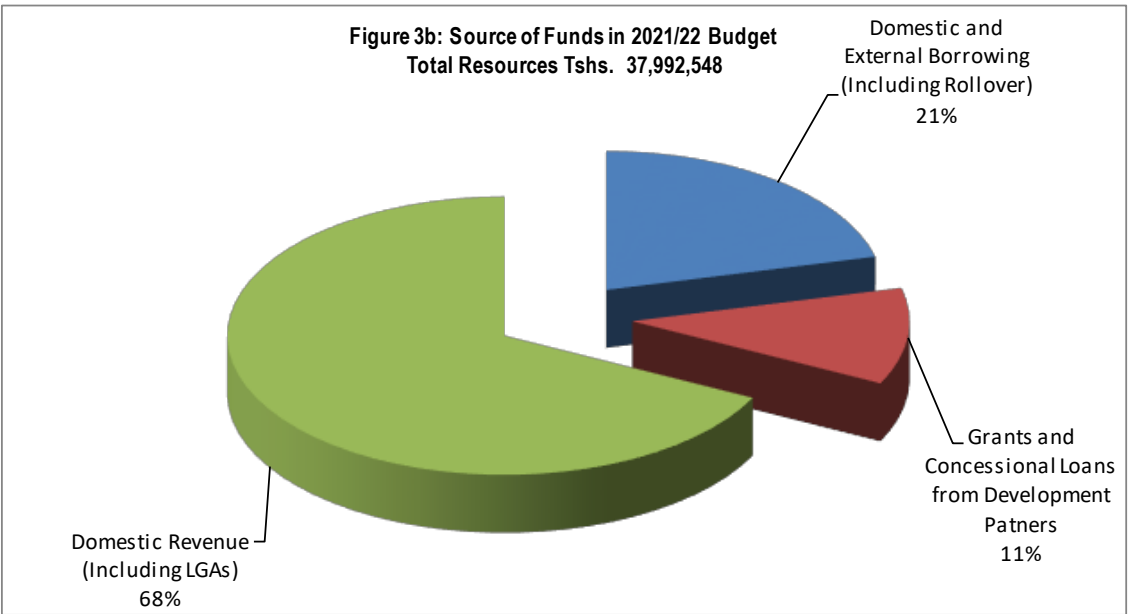
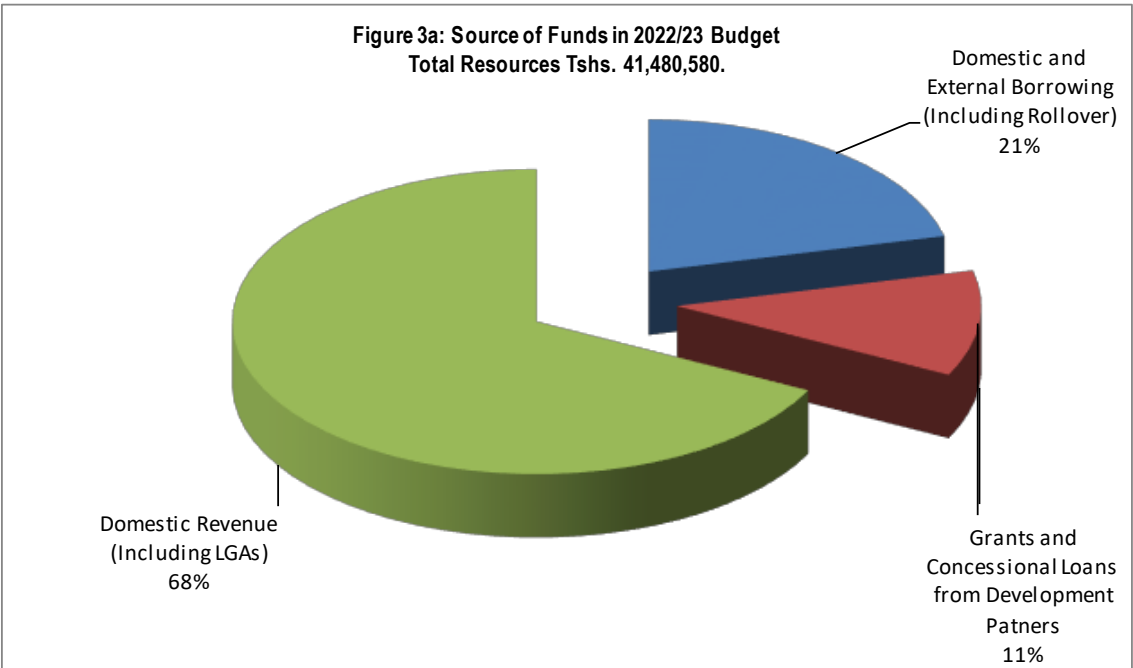
**Annex 3: External Loans and Grants 2016/17 - 2022/23**

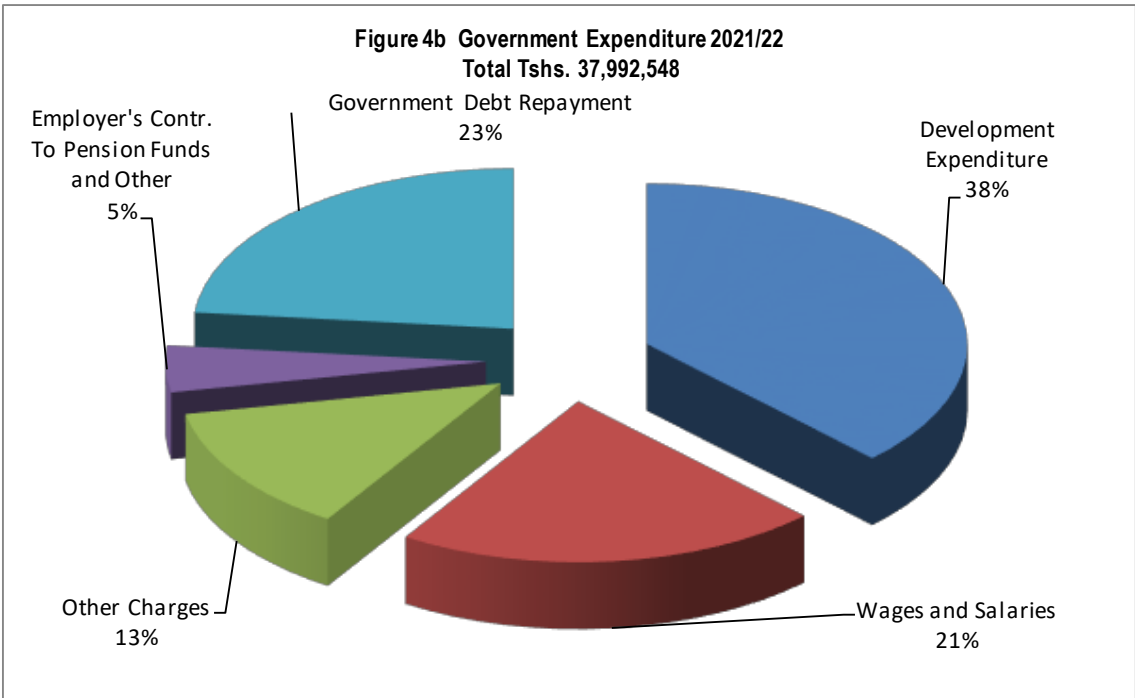
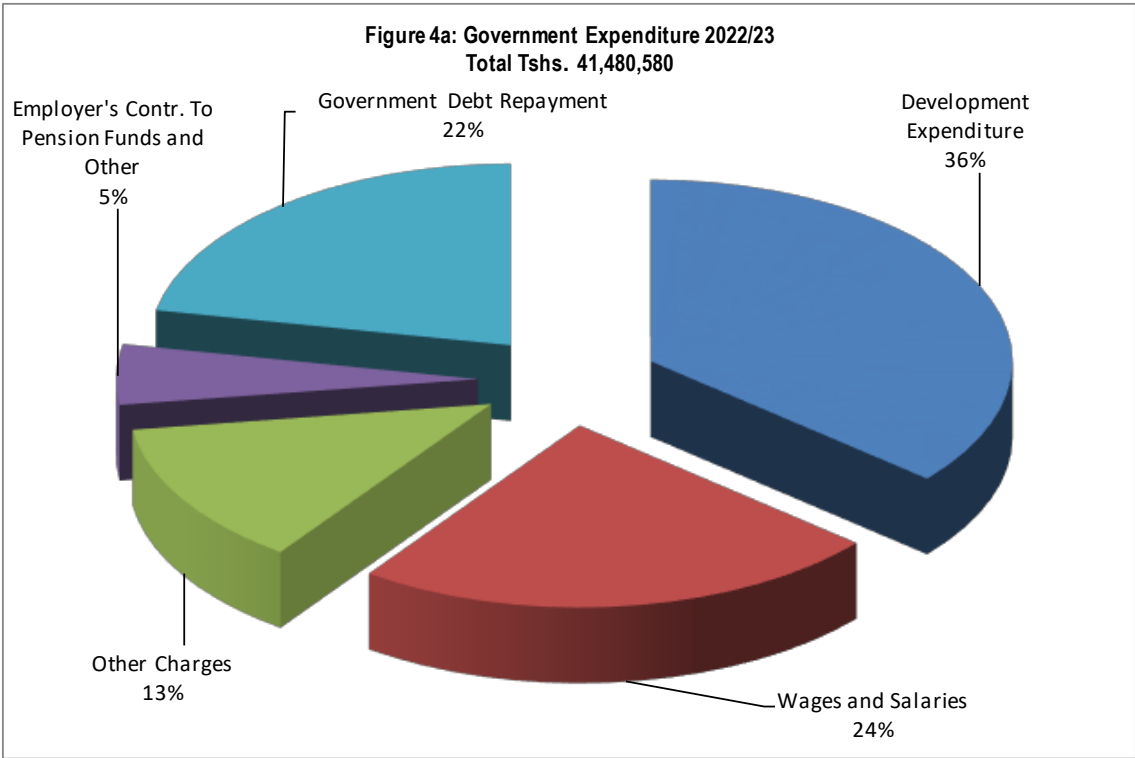
											Tshs Million	
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2021/22	2021/22	2021/22	2022/23		
	Actual	Actual	Actual	Actual	Actual	Budget	Likely	Budget	Budget	Budget		
<b>General budget Support</b>												
Grants	190,303	246,688	0	265,338	0	0	0	0	0	55,530		
Concessional Loans	152,482	0	125,396	126,094	210,239	1,310,650	1,310,650	1,310,650	1,310,650	1,893,949		
<b>Total</b>	<b>342,785</b>	<b>246,688</b>	<b>125,396</b>	<b>391,433</b>	<b>210,239</b>	<b>1,310,650</b>	<b>1,310,650</b>	<b>1,310,650</b>	<b>1,310,650</b>	<b>1,949,480</b>		
<b>Baskets Funds</b>												
Grants	168,984	117,166	181,378	181,091	175,364	222,570	233,699	222,570	233,699	-		
Concessional Loans	104,991	74,681	44,281	166,027	77,107	59,736	52,090	59,736	52,090	122,123		
<b>Total</b>	<b>273,975</b>	<b>191,847</b>	<b>225,659</b>	<b>347,118</b>	<b>252,471</b>	<b>282,306</b>	<b>285,788</b>	<b>282,306</b>	<b>285,788</b>	<b>122,123</b>		
<b>Projects</b>												
Grants	674,938	635,704	707,797	481,419	527,488	915,506	942,971	915,506	942,971	923,836		
Concessional Loans	1,182,461	1,220,481	1,115,041	2,340,232	1,669,866	1,758,111	1,802,064	1,758,111	1,802,064	1,653,122		
<b>Total</b>	<b>1,857,399</b>	<b>1,856,185</b>	<b>1,822,839</b>	<b>2,821,650</b>	<b>2,197,354</b>	<b>2,673,617</b>	<b>2,745,035</b>	<b>2,673,617</b>	<b>2,745,035</b>	<b>2,576,958</b>		
<b>Grand Total</b>	<b>2,474,159</b>	<b>2,294,720</b>	<b>2,173,893</b>	<b>3,560,201</b>	<b>2,660,063</b>	<b>4,266,574</b>	<b>2,955,923</b>	<b>4,266,574</b>	<b>2,955,923</b>	<b>4,648,561</b>		

Source: Ministry of Finance and Planning

<b>Annex 4: Government Borrowing Trend (Shillings Million)</b>			
	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>
<b>1. Total of New External and Domestic Borrowing (a+b)</b>	<b>9,864,927.3</b>	<b>11,162,737.1</b>	<b>12,483,346.2</b>
<b>(a) New Domestic Borrowing</b>	<b>4,904,247.6</b>	<b>4,989,132.9</b>	<b>5,780,148.1</b>
(i) New Domestic Borrowing (Rollover)	3,316,078.4	3,150,336.7	3,300,000.0
(ii) Net Domestic Financing	1,588,169.2	1,838,796.2	2,480,148.1
<b>(b) New External Borrowing</b>	<b>4,960,679.7</b>	<b>6,173,604.2</b>	<b>6,703,198.1</b>
(i) Concessional Projects Borrowing	1,925,049.7	1,817,847.0	1,775,245.2
(ii) Concessional General Budget Support	-	1,310,650.2	1,893,949.4
(iii) Non - Concessional	3,035,630.0	3,045,106.9	3,034,003.6
<b>(c) Amortization of Domestic Debt</b>	<b>4,946,747.0</b>	<b>4,711,974.1</b>	<b>5,070,159.0</b>
(i) Principal - Rollover	3,316,078.4	3,150,336.7	3,300,000.0
(ii) Interest Payments	1,630,668.6	1,561,637.4	1,770,159.0
<b>(d) External Debt Services</b>	<b>3,703,194.5</b>	<b>4,166,445.8</b>	<b>4,016,843.5</b>
(i) Interest	1,239,913.8	1,151,376.3	1,100,802.0
(ii) Principle	2,463,280.6	3,015,069.5	2,916,041.5
<b>(e) Net Domestic Debt Increase (a-c(i))</b>	<b>1,588,169.2</b>	<b>1,838,796.2</b>	<b>2,480,148.1</b>
<b>(f) Net External Debt Increase (b-d(ii) / 1)</b>	<b>2,497,399.1</b>	<b>3,158,534.7</b>	<b>3,787,156.7</b>
<b>2. Net Increase on Domestic and External Debt (e+f)</b>	<b>4,085,568.3</b>	<b>4,997,330.9</b>	<b>6,267,304.7</b>
/1 The increase does not include future disbursement from existing loans			
<b>Source:</b> Ministry of Finance and Planning			









**Annex 5**

**THIRTEENTH SCHEDULE**  
*(Made under Regulation 22)*

**IMPORT AND EXPORT FEE FOR ANIMAL AND ANIMAL PRODUCTS**

Serial No.	Animal / Animal products	Unit of charge	Import fees (Tshs)		Export fees (Tshs)	
			Current	Proposed	Current	Proposed
1	<b>Cattle</b>	<b>Each</b>	<b>10,000</b>	<b>0</b>	<b>25,000</b>	<b>25,000</b>
2	<b>Sheep/goat</b>	<b>Each</b>	<b>7,000.00</b>	<b>0</b>	<b>5,000.00</b>	<b>5,000.00</b>
3	<b>Pigs</b>	<b>Each</b>	<b>7,000.00</b>	<b>0</b>	<b>10,000.00</b>	<b>10,000.00</b>
4	<b>Mule/Donkeys</b>	<b>Each</b>	<b>5,000.00</b>	<b>0</b>	<b>30,000.00</b>	<b>30,000.00</b>
10	Poultry					
	(A) Parent Stock					
	<b>(i) Parent stock DOC</b>	<b>Each</b>	<b>30.00</b>	<b>0</b>	<b>20.00</b>	<b>20.00</b>
	<b>(i) Hatching eggs</b>	<b>Each</b>	<b>20.00</b>	<b>0</b>	<b>10.00</b>	<b>10.00</b>
	(C) Table eggs	Per tray (30 eggs)	5,000.00	5,000.00	100.00	<b>10.00</b>
	(D) Poultry: adult chicken/ guinea fowls	Each	500.00	500.00	200.00	<b>20.00</b>
19		Meat				
	(i) Beef	<b>Kilogram (Kg) for imports, Consignment for exports</b>	<b>4,000.00</b>	<b>3,000.00</b>	<b>40,000.00</b>	<b>40,000.00</b>
	(ii) Mutton/ chevon	<b>Kilogram (Kg) for imports, Consignment for exports</b>	<b>4,000.00</b>	<b>3,000.00</b>	<b>40,000.00</b>	<b>40,000.00</b>

	(iii) Pork /bacon/lard	<b>Kilogram (Kg) for imports, Consignment for exports</b>	<b>4,000.00</b>	<b>3,000.00</b>	20.00	20.00
	(iv) Chicken meat	<b>Kilogram (Kg) for imports, Consignment for exports</b>	<b>4,000.00</b>	<b>3,000.00</b>	40,00.000	40,000.00
	<b>(v) Game Meat</b>	<b>Kilogram (Kg)</b>	4,000.00	4,000.00	500.00	500.00
21	Milk					
	(i) Pasteurized whole milk	Litre	<b>2,000.00</b>	<b>1000.00</b>	100.00	<b>50.00</b>
	(ii) Skimmed	Litre	<b>2,000.00</b>	<b>1000.00</b>	100.00	<b>50.00</b>
	(iii) Yoghurt	Litre	<b>2,000.00</b>	<b>1000.00</b>	50.00	<b>50.00</b>
	(iv) Powdered	<b>Kilogram (Kg)</b>	<b>2,000.00</b>	<b>1000.00</b>	100.00	<b>50.00</b>
<b>28</b>	Incubator	Permit	<b>50,000.00</b>	<b>0.00</b>	<b>10,000.00</b>	<b>0.00</b>
30	Livestock Identification items including ear tags and ear tags applicators	Permit	<b>50,000.00</b>	<b>0.00</b>	50,000.00	0.00

- b). by deleting item 41, 42, 43, 44 and 45 of the thirteenth schedules. Recommended  
c). by re-arranging item 46 to be 41 – Recommended

1. The principal Regulations are amended by deleting item 1 for registration in the Fifteenth Schedule and improve item 3 by adding a word ‘grazing fee’.

**FIFTEENTH SCHEDULE**  
*(Made under regulation 21)*  
**FEE FOR QUARANTINE, ANIMAL HOLDING GROUNDS AND CHECK POINTS**

S/N	SERVICE	ANIMAL	FEES (Tshs)	
			Current	Proposed
1	<b>Registration</b>	<b>Cattle</b>	<b>500.00</b>	<b>0.00</b>
		<b>Sheep/Goat</b>	<b>500.00</b>	<b>0.00</b>
		<b>Horse/Donkey</b>	<b>500.00</b>	<b>0.00</b>
		<b>Camel</b>	<b>500.00</b>	<b>0.00</b>
3	<b>Accommodation and grazing fees per day</b>	Cattle	1,000.00	1,000.00
		Sheep/Goat	500.00	500.00
		Horse/Donkey	1,000.00	1,000.00
		Camel	1,000.00	1,000.00
		Dog/Cat	500.00	500.00

2. The principal Regulations are amended by deleting the Sixteenth Schedules on movement permit fees for animals and animal products on-transit to other countries.

**SIXTEENTH SCHEDULE**  
*(Made under regulation 22A)*

**MOVEMENT PERMIT FEES FOR ANIMALS AND ANIMAL PRODUCTS ON-TANSIT TO OTHER COUNTRIES**

S/N	ITEM NUMBER	UNIT	FEES (TSHS)
1.	Cattle	Each	2,500.00
2.	Sheep/goats	each	1,500.00
3.	Pigs	each	1,500.00
4.	Horse/mule/donkey	Each	2,500.00
5.	Dogs/Cats	Each	1,000.00
6.	camel	Each	2,500.00
7.	Poultry adult/Guinea fowls	Each	200.00
8.	Commercial Day-Old chick	100 chicks	1,000.00

9.	More than 100 trays of table eggs		30eggs tray	500.00
10.	More than ten trays of parent stock hatching eggs of hatching eggs		each	1,000.00
11.	Turkey		each	1,000.00
12.	Parrot /falcon /ostrich		each	15,000.00
13.	Wild birds		each	500.00
14.	rabbits		each	500.00
15.	Amphibians/reptiles/insects		permit	20,000.00
16.	Laboratory Animals		permit	30,000.00
17.	Wild Animals		Each	1,000.00
18.	Trophies		permit	30,000.00
19.	Meat/meat products of more than 50 kilogram		kilogram	50.00
20.	Sausage/minced meat/other meat products		kilogram	50.00
21.	Bile		Permit	50,000.00
22.	Bull-whip/testicle/tendons		Permit	200,000.00
23.	Milk		Litre	500.00
24.	Yogurt		Litre	2,000.00
25.	Powdered milk		Kilogram	4,000.00
26.	Cheese/ghee		Kilogram	2,000.00
27.	Hides		Per piece	500.00
28.	Skin		Per piece	100.00
29.	Cattle/Goat/Sheep horn tips/Hooves/Hairs		Tone	10,000.00
30.	Feathers/ Wool/Hairs		Permit	20,000.00
31.	Animal feeds		Tone	10,000.00
32.	Organic Manure		Tone	5,000.00
33.	Embryos		Each	5,00.00
34.	Semen		Straw	50.00
35.	Specimen		Permit	20,000.00
36.	Laboratory reagents/equipment		Permit	300,000.00
37.	Livestock identification items (ear tags, etc)		Permit	200,00.00

**THE MEAT INDUSTRY ACT**  
(Cap. 421)

**REGULATIONS**

*(Made under section 34)*

**THE MEAT INDUSTRY (LOCATION, DESIGN, CONSTRUCTION AND OPERATION OF LIVESTOCK MARKETS) (AMENDMENT) REGULATIONS 2022**

<b>Citation and commencement</b>	(ii) These Regulations may be cited as the Meat Industry (Location, Design, Construction and Operation of Livestock Markets) (Amendment) Regulations 2022 and shall be read as one with the Meat Industry (Location, Design, Construction and Operation of Livestock Markets) (Amendment) Regulations 2011 hereinafter referred to as the Principal Regulations and shall come into operation on 1 <sup>st</sup> July, 2022
<b>GN No. 38 of 2011</b>	(iii) The second schedule is amended by deleting the schedule and substituting for it with the following:

**SECOND SCHEDULE**

*(Made under Regulation 13)*

**FEES PAYABLE FOR TRADE OF LIVESTOCK**

SALE OF ANIMALS (MARKET USER FEES)

(a) Primary Markets:

Type of Fee	Central Government TZS (Proposed)	Local Government TZS	Total Fee Payable TZS
(i) Fee payable for each head of cattle, camel, horse and donkey	1,000	4,000	5,000
(ii) Fee payable for each head of goat, sheep and pig.	500	1,000	1,500

(b) Upgraded primary market to secondary and border markets (**new arrangement**):

Type of Fee	Central Government	Local Government	Total Fee Payable
(i) Fee payable for each head of cattle, camel, horse and donkey	1,000	4,000	5,000
(ii) Fee payable for each head of goat, sheep and pig	500	1,000	1,500

(c) Secondary markets (Reference Table of ongoing Fee):

Type of Fee	Central Government	Local Government	Total Fee Payable
i.) Fee payable for each head of cattle, camel, horse and donkey	4,000	1,000	5,000
ii.) Fee payable for each head of goat, sheep and pig-	1,000	500	1,500

(d) Boarder Markets (Reference table of ongoing Fee):

Type of Fee	Central Government	Local Government	Total Fee Payable
(i) Fee payable for each head of cattle, camel, horse and donkey	4,000	1,000	5,000
(ii) Fee payable for each head of goat, sheep and pig.	1,000	500	1,500

## Annex 6

### PROPOSED AMENDMENTS OF THE FISHERIES REGULATIONS OF 2020 GN 491A ON EXPORT LICENCING FEE, EXPORT AND IMPORT ROYALTY OF FISH AND FISHERY PRODUCTS (table G - export license fee and H-export royalty)

S/N	Type of licensing fee/export and import royalty	Tanzanian citizens Export Licensing fees (USD)		Non-Citizen Export license fees (USD)	
		Current	Proposed	Current	Proposed
1	Export license fees for dried dagaa of Lake Tanganyika	250 USD for small scale processor	250 USD combined the three fishery products dried/fresh/frozen dagaa	2,500 USD	2500 USD combined the three fishery products dried/fresh/frozen dagaa
		500 USD for large scale processor	500 USD combined the three fishery products dried/fresh/frozen dagaa		
2	Export license fees for <i>Haplochromis</i> and dagaa of Lake Victoria	250 USD for small scale processor	250 USD combined the three fishery products dried/fresh/frozen dagaa	2,000 USD	2000 USD combined the three fishery products dried/fresh/frozen dagaa
		500 USD for large scale processor	500 USD combined the three fishery products dried/fresh/frozen dagaa		
3	Export license fees for dagaa of Lake Nyasa	250 USD for small scale processor	250 USD combined the three fishery products dried/fresh/frozen dagaa	2,000 USD	2000 USD combined the three fishery products dried/fresh/frozen dagaa
		500 USD for large scale processor	500 USD combined the three fishery products dried/fresh/frozen dagaa		
4	Export license fees for dagaa of Marine Waters	250 USD for small scale processor	250 USD combined the three fishery products dried/fresh/frozen dagaa	2000 USD	2000 USD combined the three fishery products dried/fresh/frozen dagaa
		500 USD for large scale processor	500 USD combined the three fishery products dried/fresh/frozen dagaa		

S/N	Type of licensing fee/export and import royalty	Tanzanian citizens Export Licensing fees (USD)		Non-Citizen Export license fees (USD)	
		Current	Proposed	Current	Proposed
		scale processor	<b>fishery products dried/fresh/frozen dagaa</b>		
5	Export Licence Fee for dried fish/ fishery products from salty lakes (Eyasi, Manyara and Natron), and Lake Rukwa, Nyumba ya Mungu, Mtera and Bahi Swamp	500 USD for small scale processor 700 USD for large scale processor	<b>300 USD</b> for small scale processor <b>400 USD</b> for large scale processor	Prohibited	Prohibited
6	Export licence of With or without Head and Guttet Whole Nile Perch” (H&G)	1000 USD for small scale processor 1200 USD for large scale processor	<b>700 USD</b> for small scale processor <b>1000 USD</b> for large scale processor	2,500 USD	2,500 USD
7	Sea shells (all types except prohibited Species)	300 USD for small scale processor 350 USD for large scale processor	<b>150 USD</b> <b>300 USD</b>	Prohibited	<b>700 USD</b>
8	Frozen Prawns	500 USD for frozen prawns head on for small scale 500 USD for frozen prawns headless for small scale processor	<b>500 USD combined the two fishery products (head on and headless)</b>	2,500 USD head on 2,500 USD headless	<b>2,500 USD combined the two fishery products (head on and headless)</b>
9	Export License for live crabs and lobster	1000 USD for frozen prawns’ head for large scale processor 1000 USD for frozen prawns headless for large scale processor Live lobster 500 USD Live crabs 500 USD	<b>1000 USD combined the two fishery products (head on and headless)</b> <b>500 USD combined lobster and crabs</b>		prohibited



S/N	Type of licensing fee/export and import royalty	Tanzanian citizens Export Licensing fees (USD)		Non-Citizen Export license fees (USD)	
		Current	Proposed	Current	Proposed
		1000 USD Large scale processor for lobster	1000 USD combined lobster and crabs		
		1000 USD large scale processor for crab			
10	Export License for frozen crab and lobster	500 USD for frozen lobster for small scale processor	500 USD combined for frozen lobster and crabs	2500 USD for frozen lobster	2500 USD combined for frozen lobster and crabs
		500 USD for frozen crabs for small scale processor		2500 USD for frozen crabs	
		1000 USD large scale processor for lobster	1000 USD combined for frozen lobster and crabs		
		1000 USD large scale processor for crabs			
11	Export license for frozen Octopus/Squids/cuttlefish	500 USD for small scale processor frozen Octopus	500 USD Frozen Octopus and Squids/Cuttle fish	2500 USD for frozen Octopus	2500 USD for frozen Octopus and Squids/Cuttle fish
11		500 USD for small scale processor Squid/Cuttle fish		2500 USD for Squid/Cuttle fish	
		1000 USD for large scale processor for octopus	1000 USD Frozen Octopus and Squids/Cuttle fish		
		1000 USD for large scale processor for			

S/N	Type of licensing fee/export and import royalty	Tanzanian citizens Export Licensing fees (USD)		Non-Citizen Export license fees (USD)	
		Current	Proposed		Current
		Squid/Cuttle fish			
1 2	Import License fee for crustacean/cephalopods/Mollusc	2500 USD	<b>250 USD</b>	5000 USD	<b>3000 USD</b>
1 3	Cardina spp (Fresh water shrimps)	300 USD for small scale processors	<b>200 USD for small processors</b>	Prohibited	
1 4	Cardina spp marine water shrimps)	500 for large processors	<b>500 for large processors</b>	Prohibited	
1 5	Import fee for crustacean/cephalopods	300 for small scale processors	<b>200 USD for small processors in marine waters</b>	Prohibited	
1 6	Import fee for crustacean/cephalopods	500 for large processors	<b>500 for large processors in marine waters</b>	Prohibited	
1 7	Export royalty fees for dagaa of Lake Tanganyika	2.5 USD per kg	<b>0.5 USD per kg</b>	2.5 USD per kg	<b>0.5 USD per kg</b>
1 8	Export royalty fees for dagaa of lake Nyasa	0.5 USD per kg for dried dagaa	<b>0.3 USD per kg for dried/fresh/frozen dagaa</b>	0.5 USD per kg for dried dagaa	<b>0.3 USD per kg for dried/fresh/frozen dagaa</b>
1 9	Export royalty fees for frozen/dried dagaa of lake Victoria	0.16 USD per kg for dried dagaa	<b>0.1 USD per kg for dried/fresh/frozen dagaa/furu</b>	0.16 USD per kg for dried dagaa	<b>0.1 USD per kg for dried/fresh/frozen dagaa/furu</b>
1 0	Export royalty fees for frozen/dried dagaa of marine waters	0.16 USD per kg for dried dagaa	<b>0.1 USD per kg for dried/fresh/frozen dagaa</b>	0.16 USD per kg for dried dagaa	<b>0.1 USD per kg for dried/fresh/frozen dagaa</b>
2 0	Export royalty fee for dried fish/fishery products from salty lakes (Eyasi, Manyara and Natron), and Lake Rukwa, Nyumba ya Mungu, Mtera and Bahi Swamp	0.2 USD per kg	<b>0.08 USD per kg</b>	Prohibited	<b>Prohibited</b>

S/N	Type of licensing fee/export and import royalty	Tanzanian citizens Export Licensing fees (USD)		Non-Citizen Export license fees (USD)	
		Current	Proposed	Current	Proposed
2 1	Export royalty fees With or without Head and Guttled Whole Nile Perch” (H&G)	0.21 USD per kg for Head and Guttled Nile Perch” (H&G)	<b>0.18 USD per kg for headed and gutted Nile perch (H&amp;G)</b>	0.21 USD per kg for without Head and Guttled Nile Perch” (H&G)	<b>0.18 USD per kg for headed and gutted Nile perch (H&amp;G)</b>
		0.25 USD per kg Whole Guttled Nile Perch”	<b>deleted</b>	-	-
2 2	Export Royalty for Fish Steak/ Filletts	0.2 USD per kg	<b>0.1 USD per kg</b>	-	-
2 3	Export Royalty for Fish Maws	4% of market value for dried fish maws per kg	<b>3.3 USD per kg</b>	4% of market value for dried fish maws per kg	<b>3.3 USD per kg</b>
		4% of market value for fresh and frozen fish maws per kg	<b>2.70 USD per kg</b>	4% of market value for fresh and frozen fish maws per Kg	<b>2.70 USD per kg</b>

**Definition:**

“**Citizen company**” means a company which is owned by a person or all owners/shareholders/directors of a company or partners of registered business are Tanzanians;

“**Non-Citizen company**” means a company which is owned by a person or one of the owner(s)/shareholder(s)/director(s) is/are not Tanzanians;

**“Large Scale processor”** means a processor with Certificate of Incorporation issued by BRELLA and the owner(s) is registered as Directors, and has an approved fish processing establishment;

**“Small Scale processor”** means a processor with Certificate of Incorporation issued by BRELLA and the owner(s) is recognized as a proprietor, and has an approved fish establishment or entered into legal agreement with an approved fish establishment for processing or storage of fish and fishery products”

**Proposed Fee for Movement Permit.**

<b>S/N</b>		<b>Category</b>	<b>Range (Kgs)</b>	<b>Charges/Fees (Tshs)</b>
1	Permit for movement of fish and fishery products ( <i>dagaa, furu, dried/frozen/ chilled fish</i> )	i) Dried fish and fishery products	0 – 500 kg	Free
			501 kg and above	10 TZS per kg
			Any excess undeclared	100 TZS per kg
		ii) Frozen/ Chilled/ Fresh fish and fishery product	0 – 1000 kgs	Free
			1001kg and above	10 TZS per kg
			Any excess undeclared	200 TZS per kg

# Annex 7

## TANZANIA ATOMIC ENERGY COMMISSION - TAEC MATRIX OF THE ATOMIC ENERGY (FEES AND CHARGES) REGULATIONS

S/N	Regulation No	Current practice	Proposed recommendation	change/	Benefit /reasons for the proposed change
01	Fourth Schedule –Fees for radioactivity analysis of food chain and related commodities (Regulations 7)	<p><b>A. For Imports of Food Chain Materials, Tobacco and Tobacco Products</b></p> <p>i. Tanzania shilling 35,000/= for import consignment whose Freight on Board value does not exceed equivalent of Tanzanian shillings ten million</p> <p>0.4 percent of the Freight on Board value for all consignment with Freight on Board value above Tanzanian shillings 10 million up to equivalent of Tanzanian shillings one billion.</p> <p>ii. Tanzania shillings four million for consignment whole Freight on Board value is above to an equivalent of Tanzanian shillings one billion.</p>	<p>i. Import consignment not exceeding FoB of TSHS 1,000,000 will be analyzed free of charge (100% reduction);</p> <p>ii. 0.4 percent of the Freight on Board value for all import consignment above Tanzanian shillings 1,000,000/= up to one billion and a limit of Tanzania shillings four million for consignment whole Freight on Board value is above to an equivalent of Tanzanian shillings one billion</p>		<p>There are reasons for charging using FoB values:</p> <p>i. The FOB model is cheaper. The cost for sampling and analysis of the consignment using FOB value give relief to business community than any other means. The cost of analysing one sample is Tsh. 428,000 as such business community would be very expensive. Note that one consignment might need several samples depending on the volume or quantity of food chain materials. For example, simulation shows that the quantity-based model for a consignment of FoB value of Tshs. 41,894,000 which weigh 260MT is Tshs 83,000 while the quantity model would attract a charge of Tshs. 910,000 which is equivalent to an increase of 1096%</p> <p>ii. Quantity based charging does not facilitate trade for the customers with bulk consignment. This means the larger the consignment the more the samples would be needed. Using FoB value is cheaper because same amount is charged irrespective of the number of samples taken in a specific consignment. But using quantity method each sample will be charged</p>

S/N	Regulation No	Current practice	Proposed recommendation	Benefit /reasons for the proposed change
				<p>and make this method very expensive for the clients. For example, in a year TAEC analyses 28,000 samples and if each sample is to be charged 428,000/= will result to 11.96B which is almost twice the current practice when using FoB. Therefore, with quantity method customer loose the benefit of lower charges offered by TAEC and would need to pay more than when the FoB is used.</p> <p>iii. The FOB model is efficiency because there is no need to confirm declared quantity as such is time and money saving.</p> <p>iv. FOB model increase transparency on sampling process since there is no possibility for negotiation between the sampler and the customer.</p> <p>Other benefits of proposed amendments:</p> <p>i. These charges were used since 2011 and therefore do not reflect the current practices.</p> <p>iii. To facilitate trade and create better environment to small business traders where the trader who is currently paying 35,000/- for the importation of a consignment with FOB value less than 1,000,000 will not pay anything; the trader whose consignment value is 1,000,001/= will pay 4,000/= instead of 35,000/=; the trader whose consignment value is 5,000,000/= will pay 20,000 /= instead of 35,000/= and</p>

S/N	Regulation No	Current practice	Proposed recommendation	Benefit /reasons for the proposed change
				<p>still the limit holds for higher values.</p> <p>ii. To continue protecting the public and environment from harmful effect of radiation through performing regulatory activities (sampling, sample analysis, inspection, authorization) of imported foodstuffs.</p>
		<p><b>B. For exports of Food Chain Materials including fertilizers, tobacco and tobacco products, and imported relief food</b></p>		
		<p>i. Tanzania shilling 35,000 for Export consignment whose Freight on Board value does not exceed equivalent of Tanzanian shillings twenty million.</p> <p>iv. 0.2 percent of the Freight on Board value for all consignments with Freight on Board above Tanzanian shillings 20 million up to equivalent of Tanzanian shillings one billion</p> <p>v. Tanzania Shilling two million for consignment whole Freight on Board value is above to an equivalent of Tanzania Shillings one billion</p>	<p>i. Export consignment not exceeding 2000 US dollar will be analyzed free of charge <b>(100% reduction)</b>;</p> <p>ii. 0.1 percent of the Freight on Board value for all consignment with Freight on Board value above two thousand US dollar up to an equivalent of Tanzanian shillings one billion <b>(Reduced by 50%)</b> and a limit of Tanzania shillings two million for consignment whole Freight on Board value is above to an equivalent of Tanzanian shillings one billion.</p> <p>iii. 0.1 percent of the Freight on Board value for the value added finished products <b>(Reduced by 50%)</b> and a limit of Tanzania shillings two million for consignment whole Freight on Board value is above to an equivalent of Tanzanian</p>	<p>There are reasons for charging using FoB values:</p> <p>i. The FOB model is cheaper. The cost for sampling and analysis of the consignment using FOB value give relief to business community than any other means. The cost of analysing one sample is Tsh. 428,000 as such business community would be very expensive. Note that one consignment might need several samples depending on the volume or quantity of food chain materials. For example, simulation shows that the quantity based model for a consignment of FoB value of Tshs. 41,894,000 which weigh 260MT is Tshs 83,000 while the quantity model would attract a charge of Tshs. 455,000 which is equivalent to an increase of 548%.</p> <p>ii. Quantity based charging does not facilitate trade for the customers with bulk consignment. This means the larger the consignment the more the samples would be needed. Using FoB value is</p>

S/N	Regulation No	Current practice	Proposed recommendation	Benefit /reasons for the proposed change
			shillings one billion	<p>cheaper because same amount is charged irrespective of the number of samples taken in a specific consignment. But using quantity method each sample will be charged and make this method very expensive. For example, in a year TAEC analyses not less than 28,000 samples and if each sample is to be charged 428,000/= will result to 11.96B which is almost twice the current practice when using FoB. Therefore, with quantity method customer loose the benefit of lower charges offered by TAEC and would need to pay more than when the FoB is used.</p> <p>iii. The FOB model is efficiency because there is no need to confirm declared quantity as such is time and money saving.</p> <p>iv. FOB model increase transparency on sampling process since there is no possibility for negotiation between the sampler and the customer</p> <p>v. The charge of 0.1% has been obtained aiming at encouraging exports of value-added finished products</p> <p>vi. Protecting the foreign market of our products and therefore stimulate our economy.</p> <p>vii. To enable TAEC to control illicit trafficking and nuclear security</p>



S/N	Regulation No	Current practice	Proposed recommendation	Benefit /reasons for the proposed change
				<p>issues such as sabotage and malicious acts.</p> <p>viii. To enable TAEC to control contamination from naturally occurring radioactive materials in the environment such as Uranium and Thorium.</p> <p>Other benefits for the proposed change include:</p> <p>ix. These charges were used since 2011 and therefore do not reflect the current practices.</p> <p>x. To facilitate export trade and create better environment to small business traders, whereby the trader who is exporting a consignment with FOB value less than 5,000,000/= (USD 2000) was supposed to pay 35,000/= but the samples will be analyzed free of charge/= (not pay anything) and the trader whose consignment value is 20,000,000/= was supposed to pay 40,000/= but it is proposed to pay only 32,000/= and still the limit holds for higher values.</p> <p>xi. To continue fulfilling the international requirements and standards (FAO/WHO/IAEA/WTO) for the exporting country to ensure safety of food chain material as such avoid international trade cases.</p>

S/N	Regulation No	Current practice	Proposed recommendation	Benefit /reasons for the proposed change
				<p>xii. Protecting the public and environment from harmful effect of radiation through performing regulatory activities (sampling, sample analysis, inspection, authorization) of exported foodstuffs</p>
		<p><b>C. For all manufacturers, processors and milling of Food chain materials, Tobacco and Tobacco products and possess and use underground and reservoir waters</b></p>	<p>A) Radioactivity analysis fees per annum as follows:</p> <ol style="list-style-type: none"> <li>i. Free for Micro Enterprises and Small Enterprises (SMEs)</li> <li>ii. Tanzania shillings two hundred and fifty thousand for Medium Enterprises (MSEs).</li> <li>iii. Tanzania shillings three hundred thousand (300,000/=) for Large Enterprises (LE)</li> </ol> <p><b>NOTE:</b> According to the Small and Medium Enterprise Development Policy (2003), Tanzania defines categories of enterprises as follows:</p> <ol style="list-style-type: none"> <li>1. Micro Enterprises as up to 4 employees or up to 5 Million investments in Machinery</li> </ol>	<p>i. The proposed lower fees will enhance traders to comply and create a cost sharing mode. Taking into account that the cost for sampling and analysis one sample is estimated to be TZS 428,000. For every manufacturer and processor will require more than one sample per year depending on the scale of manufacturing and processing of food stuffs, Tobacco and Tobacco products.</p> <p>ii. To contribute to empowering TAEC in controlling the danger of radiations as per Section 30 and 31 of the Atomic Energy Act.</p> <p>iii. To continue protecting the public and environment from harmful effect of radiation through performing regulatory activities (sampling, sample analysis, inspection, authorization)</p>

S/N	Regulation No	Current practice	Proposed recommendation	Benefit /reasons for the proposed change
			<p>2. Small enterprises are mostly formalized undertakings engaging between 5 and 49 employees or with capital investment from TZS 5 million to TZS 200 million.</p> <p>3. Medium enterprises employ between 50 and 99 people or use capital investment from Tshs.200 million to TSHS 800 million.</p> <p>4. Large enterprises employ at least 100 people or have machinery investment above TSHS 800 million.</p> <p>B) For radioactivity analysis license to possess and use underground and reservoir waters, water reservoir Tanzania shillings 50,000/= per unit in every three years.</p>	<p>Contamination from natural occurring radioactive materials is likely to affect the citizens using underground and reservoir waters, thus protection of citizens is of great importance.</p>
02	First Schedule for Licensing/Registration of Various Practices (Regulations 4)	<p>1. <b>Medical and non-medical applications (Radiation Generating Devices and Radiation Sources), research clearance and scrap metals</b></p> <p>Authorization to use and or possess Medical Diagnostic Equipment:</p> <p>i. X-ray machine and dermatology- Up to 2 units 150,000/= with an increase of 25% for each additional unit</p>	<p>i. For authorization to use and possess, operate, hire, Import, export or transfer of medical diagnostic equipment shall be charged Tshs. 200,000/= per unit</p> <p>ii. For authorization to use and</p>	<p>i To meet the cost servicing an X-ray machine which is 1,700,000 per unit and CT scan which is 3,000,000 per unit per annum. The same applies to other practices.</p> <p>ii These charges were used since 2011 and therefore do not reflect the current costs.</p>

S/N	Regulation No	Current practice	Proposed recommendation	Benefit /reasons for the proposed change
		<p>ii. Authorization to use and or possess therapeutic (teletherapy and brachytherapy) and biological irradiation facilities 200,000/= per unit</p> <p>iii. Authorization to use and or possess X-ray equipment used for level detection and sorting of minerals 150,000/= per unit</p> <p>iv. Possess and use CT scanner 150,000/= per unit</p> <p>v. Authorization to use and or possess X-ray and or radioactive materials for Non Destructive Testing 200,000/=</p> <p>vi. Authorization to use and or possess fixed/portable nuclear gauges for level measurement, density measurement, thickness control, moisture measurement and control and in-stream analysis of slurries 200,000/=</p> <p>vii. Authorization to import and or export therapeutic (teletherapy and brachytherapy) and biological irradiation facilities 300,000/= per unit</p> <p>viii. Authorization to import and or export Medical diagnostic Equipment: a) X-ray machine and dermatology 120,000/= and CT Scanner 200,000/= per</p>	<p>possess, operate, hire, Import, export CT scanner, therapeutic (teletherapy and brachytherapy), angio-suite, MRI, Nuclear Medicine, PET CT and biological irradiation facilities shall be charged Tshs 300,000/= per unit</p> <p>iii. For authorization to use and possess, operate, hire, Import, export transfer non-medical radiation emitting equipment, device, communication base stations, premises for storage of radiation sources, and research clearance shall be charged Tshs 300,000/= per unit/ research</p>	<p>iii To reduce number of categories of changes in order to simplify handling.</p> <p>iv To reduce the cost of cancer diagnostic and treatment to enable patients to access services and thus to stimulate early diagnosis and minimize or prevent the growing of cancer cases.</p> <p>v To enable TAEC to continue protecting workers, patients, public and environment through conducting regulatory activities (inspection, reviews, authorization, enforcement) to medium risk radiological practices.</p> <p>vi To facilitate the regulatory processes of research clearance, permit on peaceful application of nuclear technology as per section 53. of Atomic Energy Act. No 7 2003</p>

S/N	Regulation No	Current practice	Proposed recommendation	Benefit /reasons for the proposed change
		<p>unit</p> <p>ix. Authorization to import and export fixed or portable nuclear gauges for level detection, density measurement, thickness control measurement and control in stream analysis of slurries 200,000/= per unit</p> <p>x. Authorization to import and export Level Detection and Sorting of Minerals Authorization to import and export 150,000/= per unit</p> <p>xi. Authorization to import and export X-ray Fluorescence, X-ray Diffraction and Neutron Activation 100,000/= per unit</p> <p>xii. Authorization to use and or possess linear accelerators and or devices with radioactive sources for cargo and container inspection Tshs 600,000 per unit</p> <p>xiii. Authorization to import and export Linear Accelerator or Radioactive Devices for Non Destructive Testing and Cargo, container inspection 500,000/= per unit</p>	<p></p> <p>i. Tanzania shillings 500,000/= per unit/consignment for authorization to use and possess, Import, Export, hire, transfer or class4 laser product, non-medical Linear Accelerator, cyclotron, Fixed X-ray or Radioactive Devices for Non Destructive Testing, Cargo or Container Inspection scanner, or and other devices of considerable significant high risk, soil</p>	<p></p> <p>i. These charges were used since 2011 and therefore do not reflect the current practices.</p> <p>ii. To reduce categories of charges and to merged them for smooth managing complicated procedures</p> <p>iii. To enable TAEC to conduct regulatory activities (inspection, reviews, enforcement) to complex and high risk radiological practices in order to ensure safety of workers, the general public and</p>

S/N	Regulation No	Current practice	Proposed recommendation	Benefit /reasons for the proposed change
		<p>xiv. Authorization to import and or export Linear accelerators and or Devices with Radioactive Sources for cargo and or container inspection 600,000/= per unit</p> <p>xv. Authorization to use and or possess industrial irradiation &amp; Nuclear Reactors -to be determined- by TAEC in consultation with the Minister</p> <p>xvi. Authorization to import and or export Industrial Irradiation Sources 5,000,000/= per unit</p>	<p>samples containing radioactive materials, NORMs; and screening of consignment of scrap metal.</p> <p>ii. Tanzania shillings 5,000,000/= per unit for authorization to use and or possess, hire, transfer, export, import industrial irradiation source/facility, nuclear research reactor, radioactive minerals and Tanzania Shillings 10,000,000/= for siting, construction, operation or decommissioning of Nuclear Power Plant.</p> <p>iii. Additional Tanzania Shilling 1,000,000/= per unit for authorization to import all Ionizing and Non-Ionizing Radiation emitting for equipment or devices of age above 8 years since manufactured (<b>NEW</b>)</p>	<p>the environment.</p> <p>iv. To enable TAEC to conduct inspection of scrap metals in order to search for radioactive sources and prevent radioactive sources from entering steel pool and protect health of workers, general public and the environment</p> <p>i. Usually nuclear installation have several stages which need license and government commitment.</p> <p>ii. The proposed charges will increase efficiency by removing complications and managing and subjectivity in decision making as such increase efficiency in managing radiation safety.</p> <p>iii. To enable TAEC to conduct regulatory activities (inspections, reviews, guidance, enforcement) to more complex and high risk radiological practices in order to ensure protection and safety of occupationally exposed workers, public and the environment</p> <p>i To discourage aged materials/devices and protect the environment from dumping. For example, importing a device with radioisotope Americium-241 used in water industries, breweries, beverages, road construction etc have half half-life of 432.2 years and will need 4322 years for safe disposal to the environment. For the device with caesium-137 with half-life of 30 years will need 300 years for safe disposal to the environment</p>

S/N	Regulation No	Current practice	Proposed recommendation	Benefit /reasons for the proposed change
				<p>ii To enable TAEC to conduct regulatory processes (registration, inspections, reviews, guidance, authorization) to the imported/exported radiation sources</p>
		<p><b>2. Registration of qualified personnel, Technical Service Providers and License to Transport Radioactive Sources</b></p>		
		<p>i. Tanzania Shillings 50,000/= for registration of qualified personnel to administer ionizing radiation to person( charged for 5yrs)</p>	<p>i. Free of charge for qualified personnel to administer ionizing radiations to persons</p> <p>ii. For every 5 years Tanzania Shillings 50,000/= for registration of qualified personnel to operate, install, repair and maintenance radiation devices or apparatus or plant</p>	<p>i. Monitoring of qualified personnel is very important to ensure that personnel administering ionizing radiation to personnel are qualified.</p> <p>ii. In the current practice the charges is paid by the hospitals therefore removing it will reduce medical expenses to the public</p> <p>iii. To continue protecting workers, patients public, and environment from harmful effect of radiation through performing the regulatory activities</p>
		<p>ii. Tanzania 1,000,000/= consignment for Authorization to transport Category 1 to 3 radioactive material within and on transit through Tanzania</p>	<p>iii. Tanzania shillings 1,000,000/= for Authorization to transport Category 1 to 5 radioactive material, Mineral radioactive materials and NORMs within and /or on transit through Tanzania, and provision of technical services such as, Personnel dosimetry services, workplace monitoring services, standards calibration services, environmental monitoring services, radio analytical measurements, repair and maintenance of nuclear equipment, Supplier of</p>	<p>i. To continue protecting workers, public, and the environment from harmful effects of radiations through conducting regulatory activities (inspections, reviews, enforcements, etc) in authorization to transport radioactive materials, radioactive minerals, NORMs and technical services</p> <p>ii. To enable TAEC to monitor technical services and enhance safety in technical service involving nuclear applications and during transport radioactive sources</p>

S/N	Regulation No	Current practice	Proposed recommendation	Benefit /reasons for the proposed change
03.	Second schedule Pre-Authorization Inspection Fees (Regulation 5)	<p>i. Assessment and Inspection of Radiology X-ray unit, up to 2 units: 100,000/= with an increase of 25% for each additional unit</p> <p>ii. Assessment and or Inspection of CT Scanner, Radiotherapy devices and Nuclear medicine facilities: up to 2 units: 200,000/= with an increase of 25% for each additional unit</p> <p>iii. Assessment and or Inspection of Duo diagnostic (both conventional and Fluoroscopic) and Mammography units, baggage screening up to 2 units: 150,000/= with an increase of 25% for each additional unit</p> <p>iv. Assessment and or inspection of Gamma units for non-destructive testing,</p>	<p>radiation devices, Transporters of radioactive materials, Storage of radiation devices, Waste, Radioactive Waste, Radiation Protection Training Services providers, Quality Assurance and Quality Control Services providers. (Excluding reimbursable).</p> <p><b>Non-routine inspection Fee for facility or activity for Medical and Non-Medical Applications (Radiation Generating Devices and Radiation Sources).</b></p> <p>i. Tanzania 100,000/= per unit for assessment and Inspection of Radiology X-ray unit</p> <p>ii. Tanzania 200,000/= per unit for assessment and inspection of Radiation emitting equipment, device and base stations, and radioactive material storage facility and other low and moderate risk practices excluding reimbursable</p>	<p>i. The current charges have been in use since 2011 and therefore do not reflect the current practices.</p> <p>ii. Simplified management and handling of fees by merged categories and removed complications of calculations</p> <p>iii. To enable TAEC to conduct inspection to medium risk radiological practices in order to protect health of patients, occupationally exposed workers, and public from harmful effects of radiation</p>



S/N	Regulation No	Current practice	Proposed recommendation	Benefit /reasons for the proposed change
		<p>fixed/portable nuclear gauges and biological irradiator up to 2 units: 300,000/= with an increase of 25% for each additional unit</p> <p>v. Assessment and or inspection of teaching and or education radiation sources up to 2 units: 50,000/= with an increase of 25% for each additional unit.</p> <p>vi. Assessment and or inspection of Nuclear Analytical techniques, X ray Fluorescent Analysis and X-ray Diffraction up to 2 units: 100,000/= with an increase of 25% for each additional unit.</p>		
		<p>vii. Assessment and or inspection of linear accelerators and or devices with radioactive source for cargo and or container inspection up to 2 units: 500,000/= with an increase of 25% for each additional unit</p>	<p>iii. Tanzania shillings 500,000/= per unit for assessment and inspection of base station, Class 4 laser products, Linear Accelerator, Fixed X-ray or Radioactive Devices for Non Destructive Testing, Cargo or Container Inspection scanner, cyclotron or and CT scan, MRI, scrap metal warehouse and other devices of considerable significant high risk, excluding reimbursable.</p>	<p>To enable TAEC to continue protecting the public, workers and the environment by conducting inspection to medium risk radiological practices in order to protect health of patients, occupationally exposed workers, and public from harmful effects of radiation</p>
		<p>viii. Assessment of the plan for any nuclear power Plant and or Nuclear Reactor 5,000,000/=</p>	<p>iv. For each assessment/inspection during sitting, construction, commission, operation and</p>	<p>To continue protecting the public, workers and environment by</p> <p>i. Enabling TAEC to maintain the quality</p>

S/N	Regulation No	Current practice	Proposed recommendation	change/	Benefit /reasons for the proposed change
			decommission of mines containing naturally occurring minerals or conventional mines, Assessment of radon gas concentrations in underground mines, Irradiator facility shall be charged Tanzania Shillings 5,000,000/=		of inspection including equipment and inspectors whose cost of training is approximately 500,000 Euros in European union and need quarterly inspections with different expertise with not less than 5 inspectors per category of inspection.  ii. Enabling TAEC to conduct regulatory inspection to complex/high risk radiological practices in order to protect health of workers, public and the environment from harmful effects of radiation
04.	Third schedule- Fees For Charges Relating to Prospecting/Exploration, Mining and Processing of Radioactive Minerals (Regulations 6)	ix. Verification in respect of Decommissioning of radioactive ore mine and its processing facilities 100,000,000/= per mine or processing facility	v. For each assessment and inspection during sitting, construction, commission, operation and decommission of Nuclear Power, Nuclear Research Reactor, Radioactive minerals mine, processing, disposal and tailings facility shall be charged Tanzania shillings 10,000,000/= excluding reimbursable		iii. It is important to monitor radon gas in underground mines to reduce the biological effect of radon to miners
05.	Fifth Schedule Fees and charges for other related activities or services (Regulation 8)	i. Review of radiation shielding (External beam radiation)- (200,000/= per facility for Diagnostic, (240,000/= for Therapy), 200,000/= for	Twenty million Tanzanian shillings (20,000,000/) per annum per facility or processing facility for verification in respect of Decommissioning Process of radioactive minerals mine and its processing facilities.		i. To simplify payments to the mining operators ii. To align with the government budget time frame iii. To continue protecting workers, public and the environment from harmful effects of radiations through regulatory activities (reviews, guidance, authorization, enforcement) of decommissioning radioactive ores mine or ore processing facilities  i. To continue enabling TAEC to provide technical and radiation protection services to protect health of workers, public and the environment from harmful effects of radiation.

S/N	Regulation No	Current practice	Proposed recommendation	Benefit / reasons for the proposed change
		Industrial)	facilities, Perform quality control tests of diagnostic radiation equipment, Testing of integrity of package of radioactive sources for transport and maintenance of survey meters	
		ii. Quality control tests of diagnostic X-ray equipment- Conventional radiography( Up to 2 units 100,000/= with an increase of 25% for each additional unit, - Radiographic mammography and fluoroscopy (Up to 2 units 150,000/= with an increase of 25% for each additional unit and CT scanner(Up to 2 units 200,000/= with an increase of 25% for each additional unit		
		iii. Testing of integrity of package of radioactive sources for transport( 150,000/= per device and 15,000/= for any additional device		
		iv. Tanzanian Shillings 100,000/= per unit to Provide Structural Design and layout of diagnostic X-ray facilities		
		i. Tsh 50,000/- or USD 50 for measurement of sample by (HPGe) or NaI(Tl) per sample	(i) Tanzania Shillings 100,000/- and 25% discount for students for measurement of one sample by either gamma spectrometry, EDXRF or TXRF.	i. To enable sample preparation, reagents and consumables sampling, reference standards sample measurements. ii. To promote and encourage students and scientists to engage in science and technology applications
		ii. Tsh 34,000/- or 50 USD for measurement of sample by XRF per sample.		
		iii. Tsh 100,000/ Personal dosimetry services for up to two TLDs and Tshs.	Tanzania Shillings 100,000/ Personal dosimetry services per TLD	To enable sample preparation, reagents and consumables sampling, reference standards sample measurements.

S/N	Regulation No	Current practice	Proposed recommendation	Benefit /reasons for the proposed change
		34,000/= for each additional TLD		
		iv. Tsh 170,000/- per lost TLD.	For lost TLD will be charged per market price of the TLD	To have ability to replacement the lost TLD and continue with services for monitoring workers
		v. Tsh 100,000/- (resident) or USD 50 (non- resident) for calibration of individual and environmental monitoring detector up to ten (10) detectors and Tsh. 34,000/- (resident) or USD 20 ( non-resident) for each additional detector	Tanzania Shillings. 150,000/- or USD 150 (non- resident) for calibration of radiation Survey meter, Electronic personnel dosimeter, individual and environmental monitoring detector	i. To ensure the reliability of instruments, that it can be trusted ii. To determine the accuracy of instruments. iii. To ensure the readings/results are consisted with other measurements
		vi. Tsh. 350,000/-(resident) or USD 200(non- resident) for calibration of radiation Survey meter and Tsh. 350,000/-(resident) or USD 200 (non-resident) for each additional meter		
		vii. Tsh. 150,000/- (resident) or USD 100 (non - resident) for calibration of Electronic personnel dosimeter and Tsh.100,000/=(resident) or USD 100 (non- resident) for each additional dosimeter		
		viii. Tsh. 1,900,000/- for calibration, repair and maintenance of Moisture and density gauges	Tanzania Shillings. 1,900,000/- for calibration, repair and maintenance of Moisture and density gauges excluding reimbursable.	This still caters the cost of calibration of which clients will continue benefiting the same price
		ix. Tsh. 500,000/= for consultation services on the proper use of X-ray machines	Tanzania Shillings. 500,000/= for consultation services on the proper use of X-ray machines	This still caters the cost of consultation services of which clients will continue benefiting the same price
		x. 5% of FOB value of the machine or flat rate of	Tanzania Shillings 2,500,000/= for installation,	This still caters the cost of installation services of which clients will continue

S/N	Regulation No	Current practice	Proposed recommendation	Benefit /reasons for the proposed change
		<p>3,500,000/= for installation of each X-ray machine for machine which its FOB value is not known.</p> <p>xi. 5% of FOB value of the machine or flat rate of 3,500,000/= for repair and maintenance of each X-ray machine for machine which its FOB value is not known.</p>	<p>repair and maintenance of x-ray machine excluding reimbursable</p>	<p>benefiting the same price</p>
		<p>xii. Fees for radioactive waste management</p>	<p>Tanzania 3,000,000/= shall be charged for Storage of disused sealed radioactive sources and Tanzania Shillings.1,000,000/= for conditioning of disused sealed radioactive sources (excluding reimbursable)</p>	<p>To facilitate transportation of sources with special transportation condition and enhance storage and decommission after the end of ten half-lives. For example disposal and conditioning of a device with caesium-137 radioisotope have hall-life of 30 years and will need to remain under TAEC custody for 300 years</p>

# Annex 8

## THE FIRE AND RESCUE FORCE ACT, (CAP. 427)

### REGULATIONS

(Made under section 32(g))

#### THE FIRE AND RESCUE FORCE (SAFETY INSPECTION AND CERTIFICATES) (AMENDMENT) REGULATIONS, 2022

S/N	PROPOSAL	CURRENT		PROPOSED		JUSTIFICATION
		ITEM	LEVY	ITEM	LEVY	
1	<b>3. TRADE FAIR</b> To enlarge the areas of category from to 10,000m2 and Above 10,000m2.	<b>3. TRADE FAIR</b>	L12 (700000 - 1000000)	<b>3. TRADE FAIR</b>	L12 (700,000 - 1000000)	Previous meter square is not realistic because 2000m2 is small compared to reality.
			L15 (1,500,000 - 3,000,000)	Above 10,000m2	L15(1,500,000 - 3000000)	
2	<b>10. EDUCATION BOARDING SCHOOL</b> Increase the number of boarders	<b>10. EDUCATIONAL BOARDING SCHOOL</b>	L7 (50,000 - 200,000)	<b>10. EDUCATIONAL BOARDING SCHOOL</b>	L7 (50,000 - 150,000)	To reduce levy and burden increase compliance.
		Less than or equal to 100 boarders	L8 (200,000 - 500,000)	201-500 boarders	L8 (200,000 - 500,000)	
		101-500 boarders	L9 (300,000 - 600,000)	501-1000 boarders	L9 (300,000 - 600000)	
		Above 500 boarders		Above 1001 boarders	L10 (500,000 - 700,000)	

3	We propose to reduce the fire inspection fee from 100,000 to 8,000,000 of the previous to 10,000/= to 3,000,000/=	<b>11. TRAINING INSTITUTIONS</b>		TRAINING INSTITUTIONS		Less than or equal to 500 students	L5(10,000 -40,000)	
						501-1,000 students	L6(40,000 -100,000)	
						1,001-2,000 students	L7 (50,000-200,000)	
						2,001-3,000 students	L9 L (300,000 -600,000)	
						More than 10,000 students	L19(8,000,000/=)	
						4	We propose to categorize the type of Bar.	<b>12.BAR</b>
Bar with cooking facilities	L7 (50,000-200,000)							
5	We propose to add new fire category and its levy	<b>NONE</b>		13. SERVICE BAYS			L5(10,000 - 40,000)	To increase compliance and new source of income.





	item "demolition or alteration" as the new source and it shall be charged as the same as construction site. i.e tsh L7 (50,000-200,000)	(Commercial, and Industrial only)		(Commercial, Research and Industrial only)		
9  We propose to change m2 of some items under this category	<b>20. BEVERAGE INDUSTRIES</b>			<b>19. BEVERAGE INDUSTRIES</b>		To reduce tax burden and increase compliance
	(a) For non-alcoholic industries		(a) For non-alcoholic industries			
	Less than or equal to 500m2	L5(10,000 to 40,000)	Less than or equal to 500m2	L5(10,000 - 40,000)		
	Gross floor area 501-1125m2	L6(40,000 to 100,000)	Gross floor area 501-1000m2	L6(40,000 - 100,000)		
	Gross floor area 1126-2000m2	L7(50,000 to 200,000)	Gross floor area 1001-2000m2	L7A (50,000 -150,000)		
	Gross floor area 2001-3500m2	L8(200,000 to 500000)	Gross floor area 2001-3000m2	L8(200,000 - 500,000)		
	Gross floor area 3501-4500m2	L9 (300,000 to 600000)	Gross floor area 3001-4000m2	L9 (300,000 -600,000)		
	Gross floor area 4501-5500m2	L12(700,000 to 1000000)	Gross floor area 4001-5000m2	L12 (700,000 - 1,000000)		
	Gross floor area 5501-7000m2	L13(600,000 to 1,500,000)	Gross floor area 5001-7000m2	L13(600,000 - 1,500,000)		
	Gross floor area 7001-8000m2	L14(800,000 to 2,000,000)	Gross floor area 7001-8000m2	L14(800,000 - 2,000,000)		
	More than 8501m2	L15 (1,500,000 to 3,000,000)	More than 8000m2	L15 (1,500,000 - 3000000)		
	(b) For alcoholic industries less than or equal to 500 m2	L7(50,000 to 200,000)	(b) For alcoholic industries less than or equal to 500 m2	L7A (50,000 -150,000)		

		Gross floor area 501-1125m2	L8(200,000 500000)	-	Gross floor area 501-1000m2	L8(200,000 - 500,000)	
		Gross floor area 1126-2000m2	L9 (300,000 600000)	-	Gross floor area 1001-2000m2	L9 (300,000 -600000)	
		Gross floor area 2001 – 3500m2	L10(550,000 700000)	-	Gross floor area 2001 – 3000m2	L10 (5500000 - 700,000)	
		Gross floor area 3501-4500m2	L12(700,000 1,000,000)	-	Gross floor area 3001-4000m2	L11(500,000 - 800,000)	
		Gross floor area 4501-5500m2	L13(600,000 1,500,000)	-	Gross floor area 4001-5000m2	L12 (700,000 - 1000000)	
		Gross floor area 5501-7000m2	L14(800,000 2,000,000)	-	Gross floor area 5001-6000m2	L13(600,000 1,500,000)	
		Gross floor area 7001-8500m2	L15 (1,500,000 3,000,000)	-	Gross floor area 6001-7000m2	L14(800,000 2,000,000)	
		More than 8501m2	L16(2,500,000 4,000,000)	-	More than 7000m2	L15 (1,500,000 - 3000000)	
		<b>25. PORT</b>			<b>24. PORT</b>		
		Lake port	L12(700,000 1,000000)	-	-Inland port	L12(700,000 1,000,000)	
		Sea port	L14(800,000 2,000,000)	-	Sea port	L14(800,000 2,000,000)	
					Fishing Port	L8(200,000 - 500,000)	
					Cruise home port	L8(200,000 - 500,000)	
		<b>33. STATION</b>			<b>33. POWER STATION</b>		
		Hydro	L18(3,000,000 6,000,000)	-	Mini Hydro less than 10 megawatt	L7 (50,000 -200,000)	
		Gas	L17(2,000,000 5,000,000)	-	Hydro more than 10 megawatt	L18(3,000,000 6,000,000)	
		Wind/Thermal	L17(2,000,000 5,000,000)	-	Gas	L18(3,000,000 6,000,001)	
		Sub - Station	L6(40,000 100,000)	-	Wind	L17(2,000,000 5,000,000)	
10	We propose to add new item “fishing port and cruise home port and their corresponding levy. And the word “lake port” to replace with the word “inland port”						
11	We propose to add new item fire Levy and proposed under this category that will be charged from tsh L6(40,000 - 100,000) to L17(2,000,000 - 5,000,000)						

12	We propose to delete this item that charged tsh 30,000/=	<b>34. TRANSFORMER</b>			Sub- Station	L12 (700,000 - 1,000,000)	-	To reduce burden
13	We propose to Reduce the fire levy under this category from tsh L3(5,000 - 20,000 to L2(10,000/=) for surveyed area and from L2(10,000/=) to L1A(5,000/= )for un surveyed area.	<b>34.RESIDENTIAL /RESIDENCE HOUSE</b>	Surveyed area	L3(5,000 - 20,000	<b>34.RESIDENTIAL/RESIDENCE HOUSE</b>	Surveyed area	L2(10,000)	To reduce levy and burden and increase compliance
			Un surveyed area	L2(10,000)		Un surveyed area	L1A(5,000)	
14		<b>36.RESIDENTIAL /BUILDING UNIT GROUP TITLE COMMUNITY(per unit/ apartment )</b>		L7(50,000 - 200,000)	<b>GROUP COMMUNITY(per unit/ apartment )</b>		L6(40,000 -100,000)	To reduce levy and burden and increase compliance
15		<b>RESIDENTIAL FLAT</b>			<b>RESIDENTIAL FLAT</b>			
		Less than or equal to 4 levels	L8(200,000 - 500,000)	-	Less than or equal to 4 levels	L8A(400,000)		
		5-8 levels	L9 (300,000 - 600000)	-	5-8 levels	L8B(300,000)		
		9-12 levels	L10(550,000 - 700000)	-	9-12 levels	L8(200,000 - 500,000)		
		13-16 levels	L12(700,000 - 1000000)	-	13-16 levels	L10 (550,000 - 700,000)		
		17-20 levels	L15 (1,500,000 - 3,000,000)	-	17-20 levels	L12 (700,000 - 1,00,0000)		
		21-24 levels	L16(2,500,000 - 4,000,000)	-	21-24 levels	L13(600,000 - 1,500,000)		

		25-28 levels	L17(2,000,000 - 5,000,000)	L17(2,000,000 - 5,000,000)	25-28 levels	L14(800,000 - 2,000,000)	-
		More than 28 levels	L20(6,000,000 - 9,000,000)	L20(6,000,000 - 9,000,000)	More than 28 levels	L15 (1,500,000 - 3,000,000)	-
					<b>43. MIXED BUILDINGS USE</b>		
					Less than or equal to 4 levels	L8(200,000 - 500,000)	
					5-8 levels	L10(550,000 - 700,000)	
					9-12 levels	L12(700,000 - 1,000,000)	
					13-16 levels	L13(600,000 - 1,500,000)	-
					17-20 levels	L14(800,000 - 2,000,000)	-
					21-24 levels	L15 (1,500,000 - 3,000,000)	-
					25-28 levels	L16(2,500,000 - 4,000,000)	-
					More than 28 levels	L17(2,000,000 - 5,000,000)	-
					<b>45. SHOP</b>		
					Retail	L3(5,000 - 20,000)	
					Wholesale	L4(30,000)	
					Mini supermarket	L4(30,000)	
					<b>54. FIRE EQUIPMENT DEALER</b>		
16	we propose to add new fire category	<b>NONE</b>	<b>NONE</b>	<b>NONE</b>			
17	We propose to add new item which whole sale and 'Mini super market' which will be charged tsh L4(30,000/=) for each item,	<b>45.SHOP</b>					
18	We propose to add new item "Sales of Portable Fire	<b>54. FIRE EQUIPMENT DEALER</b>					To increase revenue and compliance to propriorators who

	Equipments" and their corresponding fire levy that will be charged at TShs. 100,000/=			Sales of Portable Fire Equipments	L6 (100,000)	only sells Portable Fire Extinguishers without involving servicing and maintenance
19	In the classification guide were added a new item "ferry and airport" as the new source .	<b>63. TERMINAL</b>				
20	we propose to add new fire category "WORKSHOPS" and their corresponding fire levy that will be charged from 10,000/= TSH to Tsh 40,000/= depending on their location.	<b>NONE</b>	<b>NONE</b>	<b>64. WORKSHOP</b>	L5(10,000 - 40,000)	To increase compliance and source of revenue
21	We propose to remove this category from this schedule and establish a new schedule special for this case for reducing the fire levy.	<b>58. APPROVAL OF FIRE ENGINEERING</b>			This will reduce the fire levy from the minimum level of tsh 200,000/= to the minimum of tsh 15,000/=	To increase compliance.
22	We propose to Add new Fire category and their Fire Levy that will be charged tsh 10,000 to 40,000/= as "Dry cleaners" were charged as Offices	<b>NONE</b>	<b>NONE</b>	<b>68.DRY CLEANER</b>		To provide clarity for Dry Cleaner category as it was charged under Office category

23	We propose to delete this category and their corresponding levy	<b>13 FARMING/ GRAZING</b>	Less than or equal to 10 hectares	L6(40,000 100,000)	-	To reduce levy burden in agriculture sector.
			11-40 hectares	L8(200,000 500,000)	-	
	We propose to delete this category and their corresponding levy	41-100 hectares	L10 (5500000 700,000)	-	To reduce levy burden in agriculture sector.	
		More than 100 hectares.	L12 (700,000 1000000)	-		
		<b>17. SISAL COFEE AND TEA PLANTATIONS</b>				
		Less than or equal to 500m2	L6(40,000 100,000)	-		
		501-1000m2	L7(50,000 200,000)	-		
		1001-6000m2	L8(200,000 500,000)	-		
		Above 6000m2	L12 (700,000 1000000)	-		
		More than 40 hectares	L11(500,000 800,000)	-		

FOURTH SCHEDULE

*(Made under Regulation 8, 2008)*

Guide to classification of Approved Fire Engineering

“Purpose Group” means a building or compartment regarded according to its use, intended use or main purpose of use;

<b>Purpose Group</b>	<b>Not More than 100m<sup>2</sup> (TShs.)</b>	<b>Not More than 150m<sup>2</sup> (TShs.)</b>	<b>Not More than 200m<sup>2</sup> (TShs.)</b>	<b>Excess from Maximum Area (TShs/m<sup>2</sup>)</b>
I	15,000/=	30,000/=	45,000/=	0
II, IV, V	45,000/=	75,000/=	100,000/=	450/=
III	25,000/=	45,000/=	65,000/=	350/=
VI, VIII	35,000/=	85,000/=	135,000/=	500/=
VII	30,000/=	50,000/=	75,000/=	400/=
*Worship	10,000/=			

\*Includes church, mosque, temple or any other premise designed purposely for worship

The total consultancy fee for the building works shall be calculated using the below formula:

$$TCF = BF + \sum (BF \times SFS\%)$$

**Where:**

*TCF = total consultancy fee obtained from the above formula*

*BF = Base fee for particular built-up area of the proposed building*

*SFS% = special fire service percentage chargeable from the base fee as indicated in the Second Schedule Fire Levy Group I*

**NB**

Where the building has no special requirements, as shown in Fire Levy Group I (Review of Fire Engineering Protection Plan) only the base fee is charged.

# Annex 9

## First Schedule

(Made under Regulation 4 and 14)

### Licence fees and Levy

No	Type of License	Application Fee	Licence Fee	Levy
1.	CASINO - DAR	TZS 1,000,000 (annually)	USD 40,000 (annually)	-
2.	CASINO - REGION	TZS 1,000,000 (annually)	USD 20,000 (annually)	-
3.	SLOT MACHINES OR ROUTE OPERATIONS (SHOP)	TZS 100,000 (annually)	TZS 500,000 (annually)	TZS 10,000 (monthly per machine)
4.	SLOT MACHINES OR ROUTE OPERATIONS (CLUBS/PLACES SELLING LIQUOR)	TZS 10,000 (annually)	TZS 50,000 (annually)	TZS 10,000 (monthly per machine)
5.	NATIONAL LOTTERY	TZS 1,000,000	USD 50,000 (annually)	2% on Gross Gaming Revenue (GGR) paid monthly
6.	COMMERCIAL LOTTERY (UNDER SEC. 41 (3) OF THE ACT)	TZS 1,000,000	USD 40,000 (annually)	-
7.	PRIVATE LOTTERY	TZS 5,000 (per lottery)	TZS 50,000 (per lottery)	-
8.	PUBLIC LOTTERY	TZS 5,000 (per lottery)	TZS 50,000 (per lottery)	-
9.	FETE	-	TZS 10,000 (per week)	-
10.	BINGO (IN A HALL OR CASINO)	TZS 100,000 (annually)	TZS 500,000 (annually)	5% on Gross Gaming Revenue (GGR) paid monthly
11.	TOMBOLA (CLUBS OR REGISTERED SOCIETIES)	TZS 5,000 (per application)	TZS 10,000 (per month)	-
12.	PROMOTIONAL LOTTERY (PROMOTIONAL BUDGET BELOW TZS 5,000,000)	TZS 10,000 (per lottery)	TZS 100,000 (per month)	-
13.	PROMOTIONAL LOTTERY (PROMOTIONAL BUDGET OF TZS 5,000,000 OR ABOVE)	TZS 10,000 (per lottery)	6% (of total promotional budget)	-
14.	TRANSFER OF PERMIT	TZS 30,000 (per location)	-	-
15.	POSTPONEMENT OF DRAW	TZS 50,000	-	-
16.	KEY EMPLOYEE	TZS 10,000 (annually)	TZS 50,000 (annually)	-



17.	SUPPORT EMPLOYEE	-	TZS 10,000 (annually)	-	
18.	DUPLICATE LICENCE	TZS 10,000	-	-	
19.	AMUSEMENT WITH OR WITHOUT PRIZE	TZS 5,000	TZS 10,000 (per location)	-	
20.	INSPECTION OF LICENCE HOLDERS REGISTER	TZS 20,000 (per inspection)	-	-	
21.	POOL BETTING SCHEME	TZS 50,000 (annually)	TZS 50,000 (annually)	10% of bet amount	
22.	FORTY MACHINES SITE LICENCE (DAR ES SALAAM)	TZS 100,000 (annually)	TZS 4,000,000 (annually)	-	
23.	FORTY MACHINES SITE (OTHER REGIONS)	TZS 100,000 (annually)	TZS 2,000,000 (annually)	-	
24.	SPORTS BETTING (SHOP)	TZS 500,000 (annually)	TZS 1,000,000 (annually)	-	
25.	PRIZE COMPETITION	TZS 10,000 (per lottery)	10% of the Promotional Budget	-	
26.	MANUFACTURER CERTIFICATE	TZS 500,000 (annually)	TZS 1,000,000 (annually)	-	
27.	SELLERS/DISTRIBUTORS/SUPPLIERS	TZS 500,000 (annually)	TZS 1,000,000 (annually)	-	
28.	SERVICE PROVIDER	TZS 500,000 (annually)	TZS 1,000,000 (annually)	-	
29.	RETAILERS ON PREMISES	-	TZS 100,000(Casino) TZS 20,000 (Forty Machines Site) TZS 10,000 (Slot Shops & Bars) TZS 10,000 (Bingo) TZS 10,000	-	
30.	ACCREDITATION	-	TZS 10,000	-	
31.	PRINCIPAL LICENCE (SPORTS BETTING)	TZS 500,000 (annually)	USD 30,000 (annually)	-	
32.	PRINCIPAL LICENCE (SLOT OR ROUTE OPERATIONS)	TZS 500,000 (annually)	USD 10,000 (annually)	-	
33.	INTERNET CASINO	TZS 1,000,000 (annually)	USD 40,000 (annually)	-	
34.	OPERATIONS UNDER SEC.51(2)	TZS 1,000,000 (annually)	USD 10,000 (annually)	5% on Gross Gaming Revenue (GGR) paid monthly	
35.	VIRTUAL GAMES (IN SPORTS BETTING PREMISES)	TZS 50,000 (per location annually)	TZS 100,000 (per location annually)	5% on Gross Gaming Revenue (GGR) paid monthly	

36.	ONLINE VIRTUAL GAMES	TZS 500,000 (annually)	USD 10,000 (annually)	5% on Gross Gaming Revenue (GGR) paid monthly
37.	VIRTUAL GAMES (STAND-ALONE) PREMISE	TZS 50,000.00 (per location annually)	TZS 100,000 (per location annually)	5% on Gross Gaming Revenue (GGR) paid monthly
38.	CERTIFICATE OF SUITABILITY	-	TZS 1,000,000	-
39.	GAMING CONSULTANCY	TZS 10,000	TZS 1,000,000 (every two years)	-
40.	PLAY STATIONS	TZS 10,000 (per location annually)	TZS 50,000 (per location annually)	-
41.	INTERNET SPORTS BETTING	TZS 1,000,000 (annually)	USD 30,000 (annually)	-
42.	NUMBER GAMES	TZS 1,000,000 (annually)	USD 40,000 (annually)	-

Amendment of Second Schedule 20. The principal Regulations are amended by deleting the Second Schedule and replacing it with the following new schedule:

**Second Schedule**

(Made under regulation 68 (1))

**Registration of devices**

No.	Devices	Casino	Slot Machines Operations	Sports Betting	Forty Machines Site	Other Devices
1.	SLOT MACHINE	TZS 50,000	TZS 30,000	-	TZS 40,000	-
2.	LIVE TABLES	TZS 100,000	-	-	-	-
3.	ELECTRONIC TABLES-SEATS	TZS 50,000	-	-	TZS 50,000	-
4.	SPORTS BETTING TERMINALS	-	-	TZS 30,000	-	-
5.	POOL TABLES	-	-	-	-	TZS 10,000
6.	PLAY STATIONS	-	-	-	-	TZS 10,000

Additional of new Schedule 21. The principal Regulations are amended by adding immediately after the Second Schedule the new Schedule as follows:

**Third Schedule**

Made under Section 85 (2) (g)

**Administrative Sanctions to Licensee**

<b>No.</b>	<b>RELEVANT CLAUSE OF THE GAMING ACT, 2003 OR REGULATIONS</b>	<b>ACTS, OMISSIONS OR OFFENCE COMMITTED</b>	<b>SANCTIONS: PENALTY</b>
<b>Gaming Act, Cap 41.</b>			
1.	Section 15(2)	Failure to renew licence within prescribed time	Penalty of 5% of the required licence fee and an Interest of 25% of the penalty for every month delay
2.	Section 82A (c)	Placing Machines on un-Authorized Premise	TZS. 1,000,000 (per location)
3.	Section 86B	Failure for a licensee to comply with requirements of Section 86B	TZS. 1,000,000 for every day of delay.
<b>GAMING REGULATIONS, 2003</b>			
4.	Regulation 13	Failure of a licensee to display a gaming licence in a gaming premise	TZS. 100,000 (per location)
5.	Regulation 18(4)	Failure to inform the Board on suspension and recommencement of business	TZS. 500,000
6.	Regulation 18(5)	Failure to file a report to the Board for approval of transfer of any share prescribed under Regulation 18(5)	TZS. 7,000,000
7.	Regulation 25 & 26	Failure of a licensee to develop and implement organisation structure prescribed under Regulation 25 and 26	TZS. 300,000

8.	Regulation 27	Failure of a licensee to prepare and implement the requirements of job compendium prescribed under Regulation 27	TZS. 300,000
9.	Regulation 29&32	Employ key and support staff without gaming license	TZS. 100,000 (per person)
10.	Regulation 34& 60	Failure of Key or Support employee to make available and display of employees gaming license for inspection set under Regulation 34 and 60.	TZS. 20,000 (per person)
11.	Regulation 38	Failure to comply with the minimum requirement of theoretical and demonstrable return to public prescribed under Regulation 38	TZS. 1,000,000
12.	Regulation 39 & 40	Breach of Regulation 39 or 40 in relation to the use and approval of chips, tokens	TZS. 500,000
13.	Regulation 44 to 48	Failure of licensee to comply with the requirements relating to installation, operation and maintenance of surveillance system, records as prescribed under Regulation 44 to 48	TZS. 10,000,000
14.	Regulation 64	Failure to display winning combinations together with corresponding prizes on every slot machine in violation of Regulation 64	TZS. 100,000
15.	Regulation 65	Failure to comply with the minimum requirement of theoretical and demonstrable return to public prescribed under Regulation 65	TZS. 500,000

16.	Regulation 68	Failure to Register Gaming Device	TZS. 40,000 (per device)
17.	Regulation 74& 78	Breach of requirement in relation to conventions of gaming machine set under Regulation 74 and Regulation 78	TZS 5,000,000
18.	Regulation 82	Failure to submit annual audited financial statements with any of the requirements prescribed under Regulation 82	TZS. 1,000,000
19.	Regulation 84 (4)	Failure to submit gaming levy within prescribed time	Penalty of 10% of the required gaming levy and an Interest of 25% of the penalty for every month delay.
<b>INTERNET GAMING REGULATIONS 2021</b>			
20.	Regulation 9 (1)	Failure to have sever in Mainland Tanzania	TZS.7,000,000
21.	Regulation 9 (2)	Failure to obtain approval of having a replica sever	TZS.7,000,000
22.	Regulation 19(3)	Failure to inform the Board on the incident which the licensee is unable to resolve under Regulation 19(4) (a)	TZS. 300,000
23.	Regulation 21	Failure to notify the Board of any unclaimed non-monetary prize	TZS. 300,000
24.	Regulation 23	Failure of a licensee to inform the Board circumstances of incident that prizes was withheld	TZS. 300,000
25.	Regulation 25	Failure of a licensee to display prizes on every game offered for play under Regulation 25	TZS. 1,000,000
26.	Regulation 56	Failure of a licensee to keep records as per requirements of Internet Gaming Regulations, 2021	TZS. 5,000,000

