



**THE UNITED REPUBLIC OF TANZANIA  
NATIONAL AUDIT OFFICE**



**PUBLIC DEBT (VOTE 001)**

**REPORT OF THE CONTROLLER AND AUDITOR GENERAL ON THE  
FINANCIAL AND COMPLIANCE AUDIT FOR THE  
FINANCIAL YEAR ENDED 30 JUNE 2024**

Controller and Auditor General,  
National Audit Office,  
"Ukaguzi" House,  
4 Mahakama Road,  
P.O. Box 950,  
41104 Tambukareli,  
Dodoma, Tanzania.  
Tel: 255 (026) 2161200-9,  
E-mail: [ocag@nao.go.tz](mailto:ocag@nao.go.tz)  
Website: [www.nao.go.tz](http://www.nao.go.tz)

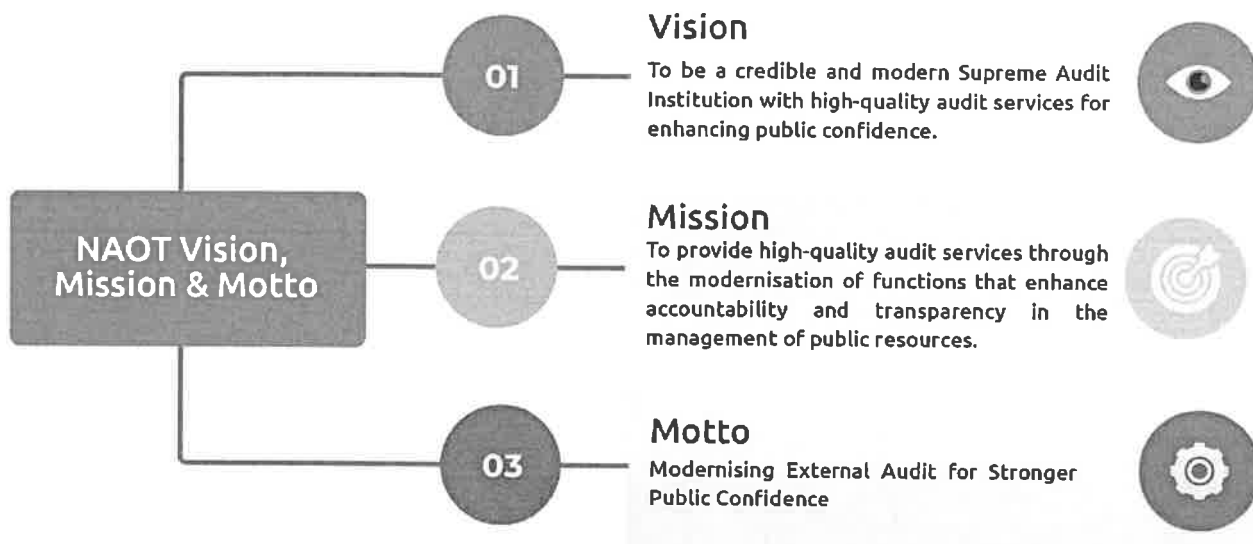
March 2025

AR/NA/VOTE 001/2023/24

## About the National Audit Office

### Mandate

The statutory mandate and responsibilities of the Controller and Auditor-General are provided for under Article 143 of the Constitution of the United Republic of Tanzania of 1977 and in Section 10 (1) of the Public Audit Act, Cap. 418.



#### Independence and objectivity

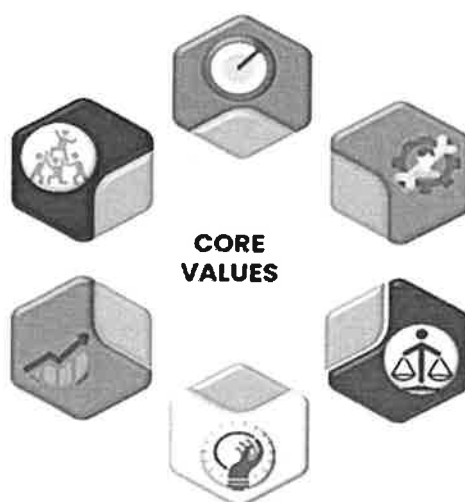
We are an impartial public institution, independently offering high-quality audit services to our clients in an unbiased manner.

#### Teamwork Spirit

We value and work together with internal and external stakeholders.

#### Results-Oriented

We focus on achievements of reliable, timely, accurate, useful, and clear performance targets.



#### Professional competence

We deliver high-quality audit services based on appropriate professional knowledge, skills, and best practices

#### Integrity

We observe and maintain high ethical standards and rules of law in the delivery of audit services.

#### Creativity and Innovation

We encourage, create, and innovate value-adding ideas for the improvement of audit services.

© This audit report is intended to be used by Public Debt (Vote 001) and may form part of the annual general report, which once tabled to the National Assembly, becomes a public document; hence, its distribution may not be limited.

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## Abbreviations

AED	United Arab Emirates Dirham
AUA	Africa Unit of Account
BOT	Bank of Tanzania
CAG	Controller and Auditor-General
CNY	Chinese Yuan
DMD	Debt Management Division
DSA	Debt Sustainability Analysis
DSPFM	Deputy Secretary Public Financial Management
EUR	Euro
GBP	Great British Pound
GDP	Gross Domestic Product
IPSAS	International Public Sector Accounting Standards
IQD	Iraq Dinar
JPY	Japanese Yen
KRW	South Korean Won
KWD	Kuwait Dinar
MOF	Ministry of Finance
NeST	National e-Procurement System of Tanzania
NDMC	National Debt Management Committee
PC	Paris Club
SDR	Special Drawing Rights
SEK	Swedish Kronor
TDMC	Technical Debt Management Committee
TSA	Treasury Single Account
USD	United States Dollar

## **1.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL**

Accounting Officer,  
Public Debt (Vote 001),  
Ministry of Finance,  
Treasury Square Building,  
P.O. Box 2802,  
18 Jakaya Kikwete Road.  
**40468 DODOMA.**

### **1.1 REPORT ON THE AUDIT OF FINANCIAL STATEMENTS**

#### **Unqualified Opinion**

I have audited the financial statements of the Public Debt (Vote 001), which comprise the statement of financial position as at 30 June 2024, the statement of financial performance, statement of changes in net assets, cash flow statement and the statement of comparison of budget and actual amounts for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly in all material respects, the financial position of Public Debt (Vote 001) as at 30 June 2024, and its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSAS) Accrual basis of accounting and the manner required by the Public Finance Act, Cap. 348.

#### **Basis for Opinion**

I conducted my audit in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). My responsibilities under those standards are further described in the section below entitled “Responsibilities of the Controller and Auditor General for the Audit of the Financial Statements”. I am independent of the Public Debt (Vote 001) in accordance with the International Ethics Standards Board for Accountants’ Code of Ethics for Professional Accountants (IESBA Code) together with the National Board of Accountants and Auditors (NBAA) Code of Ethics and I have fulfilled my other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### **Key Audit Matters**

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statements of the current period.

## Key Audit Matter

During the financial year 2023/24, the Government conducted a debt sustainability analysis (DSA) pursuant to Regulation 38(d) of the Government Loans, Guarantees, and Grants Regulations, 2004. The primary objective of the analysis was to assess the country's ability to meet its current and future debt obligations.

The DSA utilized the debt portfolio as of 30 June 2024 as its base year. The analysis included inputs such as the debt portfolio, macroeconomic data, and underlying assumptions processed using the DSA template. The results of the analysis indicated that all debt burden indicators remain below the established thresholds in the baseline scenario, affirming Tanzania's debt sustainability in the medium and long term.

Given the level of significant management judgments and estimates involved, this is considered to be a key audit matter.

## How my audit addressed the key audit matter

The audit included:

- Reviewing the Debt Sustainability Report of December 2024.
- Examining the DSA template to assess its appropriateness for data input, processing, and result generation.
- Verifying the completeness of the debt portfolio and evaluating the macroeconomic data and underlying assumptions used.
- Analysing the results of the DSA and cross-referencing them with those reported in the final document.

## Other Information

Management is responsible for the other information. The other information comprises the statement by the honourable Minister, a statement by the accounting officer, a statement of responsibility by those charged with governance and the declaration of the head of finance but does not include the financial statements and my audit report thereon which I obtained prior to the date of this auditor's report.

My opinion on the financial statements does not cover the other information, and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and consider whether it is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed on the other information that I obtained prior to the date of this audit report, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

## **Responsibilities of Management and Those Charged with Governance on the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IPSAS and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations or has no realistic alternative but to do so.


Those charged with governance are responsible for overseeing the entity's financial reporting process.

## **Responsibilities of the Controller and Auditor General on the Audit of the Financial Statements**

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an audit report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISSAIs, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my audit report to the related disclosures in the financial statements



or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the entity to cease to continue as a going concern; and

- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are, therefore, key audit matters. I describe these matters in my audit report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest of such communication.

In addition, Section 10 (2) of the Public Audit Act, Cap. 418 requires me to satisfy myself that the accounts have been prepared in accordance with the appropriate accounting standards.

Further, Section 48(3) of the Public Procurement Act, Cap. 410 requires me to state in my annual audit report whether or not the audited entity has complied with the procedures prescribed in the Procurement Act and its Regulations.

## **1.2 REPORT ON COMPLIANCE WITH LEGISLATION**

### **1.2.1 Compliance with the Budget Act and other Budget Guidelines**

**Subject matter: Budget formulation and execution**

I performed a compliance audit on budget formulation and execution of the Public Debt (Vote 001) for the financial year 2023/24 as per the Budget Act and other Budget Guidelines.

#### **Conclusion**

Based on the audit work performed, I state that the formulation and execution of the budget for the Public Debt (Vote 001) are generally in compliance with the requirements of the Budget Act and other Budget Guidelines.



### 1.2.2 Compliance with the Government Loans, Guarantees and Grants Act, Cap. 134

#### Subject matter: Management of the Public Debt

I performed a compliance audit on the management of the Public Debt by the Public Debt Management Division (Vote 001) for the financial year 2023/24 as per the requirement of the Government Loans, Guarantees and Grants Act, Cap. 134.

#### Conclusion

Based on the audit work performed, I state that Public Debt management is generally in compliance with the requirements of the Government Loans, Guarantees, and Grants Act, Cap. 134.



Charles E. Kichere  
Controller and Auditor General,  
Dodoma, United Republic of Tanzania.  
March 2025



## 2.0 FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

### STATEMENT BY HONORABLE MINISTER FOR FINANCE



I present the policy statement for the Ministry of Finance, which briefly specifies the performance of the implementation of the plans and budget for the year 2023/24. This statement highlights the ministry's achievements in the macro economy and public financial management targets. Specifically, the statement shows achievements realized during the year 2023/24, mainly macroeconomic performances, resource mobilization and allocation out-turns of government debt management, and budget management and expenditure controls. Further, this statement describes the challenges encountered during implementation of the plans and budget, as well as the remedial actions taken to normalize the situation.

#### 2.1 Macroeconomic Performance

In 2023, Tanzania's Gross Domestic Product (GDP) grew by 5.1 percent compared to 4.7 percent of the preceding year, reaching TZS 148,399.76 billion up, from TZS 141,247.19 billion in 2022. Though the growth is slightly below the target of 5.2 percent, it reflects a resilient performance amid global challenges, including the impacts of the Ukraine-Russia conflict and climate change. Our strategic investments in infrastructure, health, education, and energy, along with increased mineral production, enhanced credit to the private sector and prudent fiscal as well as financial management, significantly contributed to this growth. Notably, sectors such as arts and entertainment (17.7 percent), financial and insurance services (12.2 percent), mining and quarrying (11.3 percent), accommodation and food services (8.3 percent), and information and communication (7.6 percent) demonstrated remarkable performance.

Our prudent fiscal and financial management has also resulted into a reduction in the average inflation rate to 3.1 percent in May 2023 down, from 4.3 percent in 2022, with manageable exchange loss, particularly on government debt management. As of 31st of May 2024, credit to the private sector grew by 16.5 percent, above annual target of 16.4 percent. Moreover, the overall and negotiated lending rates improved to an average of 15.23 percent and 12.68 percent in May 2024 from 15.96 percent and 13.02 percent in the corresponding period. Foreign exchange reserves, on the other hand, remained stable and sufficient to cover 4.3 months of projected imports of goods and services.

#### 2.2 Government Resource Mobilization

During the year 2023/24, our resource mobilization efforts were commendable. Despite of external economic pressures and adverse effects of climate change, the Ministry successfully collected TZS 28,683.34 billion as domestic revenue (excluding LGA own sources), equivalent to 94.9 percent of the approved budget of TZS 30,237.13 billion. Again, the Ministry managed to mobilize and receive TZS 5,776.57 billion, equivalent to 105.7 percent of the approved budget of TZS 5,466.22 as grants

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and concessional loans. Likewise, the ministry raised commercial loans of TZS 5,407.88 billion from domestic market, equivalent to 104.54 per cent of the approved budget of TZS 5,173.25 billion. Out of TZS 5,407.88 billion, a total of TZS 3,662.93 billion was redeemed and TZS 1,744.95 billion was made available to finance the government budget. However, TZS 2,101.24 billion was raised from external non-concessional sources, equivalent to 100.03 percent 1 of the approved budget TZS 2,100.46 billion to finance flagship and strategic development projects.

### **2.3 Government Debt Management**

We have continued to manage the government debt diligently to ensure its sustainability in the short, medium and long term. The Debt Sustainability Analysis (DSA) conducted in October 2024 confirmed that public debt levels are sustainable in the short term, medium and long term. The solvency indicators revealed that: the ratio of the present value of public debt to GDP was 40.3 compared to a threshold of 55 percent; the present value of external public debt to GDP and exports was 24.1 and 123.8 percent compared to the threshold of 40 percent and 180 percent respectively; external debt service to export ratio was 13.9 compared to a threshold of 15 per cent and external debt service to domestic revenue was 17.7 per cent compared to the threshold of 18 per cent. This result reflects the Government's commitment to maintain fiscal prudence.

### **2.4 Budget Management and Expenditure Control**

We have continued to uphold our commitment to improving budget management, and expenditure controls as well as transparency and accountability. In due course of implementation of 2023/24 plans and budget; the Ministry took various measures to ensure effective management of government budget through issuance of treasury circulars with general and specific directives on expenditure management. In terms of transparency of the government budget, the Ministry managed to prepare and publish timely budget estimate books (Vol. I, II, III & IV); Citizen's Budget Book; quarterly budget execution reports (BERs); and Planning and Budget Guideline for the year 2024/25. Similarly, dialogue on public expenditure reviews (PER) was introduced in order to promote budget implementation transparency and accountability. As part of expenditure controls, the Ministry continued to conduct verifications pertaining to arrears and compensation claims before payment. Further, special audits and real-time audits have been conducted in construction projects to ensuring value for money.

During the period under review, various financial management frameworks and systems were reviewed and improved in order to meet the required standards without compromising its effectiveness and efficiency in public financial and asset management. Specifically, Procurement Act, CAP 410 and its regulations was reviewed and improved to cater for local content in implementation of development projects and eco-friendly procurement matters. Likewise, the Ministry has continued with the improvement; development and rolling out of the National e-Procurement System for Tanzania (NeST) Government Asset Management e-system GAMIS. Both systems have been integrated with other systems in order to improve processes for public financial and asset management.

## 2.5 Challenges and Remedial Actions

While significant progress has been made, we acknowledge the challenges that emerged during the period under review. The impact of climate change on infrastructure, tax evasion, ineptitude of some of revenue measures, high cost of acquisition and maintenance of EFD machines and the need for an increased enforcement on the issuance of electronic fiscal devices receipts on sales and buys of goods and services are the impurity areas that require continuous attention. To address these challenges, the Ministry in collaboration with other stakeholders is implementing various strategic interventions, including proposal for preparation of risk register for each development project, the use of Virtual Fiscal Devices (VFDs) as an alternative use of EFD machines, enhancing public education on electronic receipts, improving revenue management systems and administrations, and strengthening border and coastal patrols to combat smuggling and fraudulent transactions.

## 2.6 Conclusion

This policy statement is an integral part of the financial statements prepared by the Ministry of Finance for the period ended 30 June 2024. It reflects the true picture of the macroeconomic variables and public financial management performance for the year 2023/24. Achievements indicated in this statement are viewed as the product of collective efforts derived from both internal and external stakeholders. Importantly, implementation of prudent fiscal and financial policies was key to this success. As we move forward, the Ministry remained committed to fostering inclusive and sustainable financial management pertaining to economic stability and growth. Finally, I extend my sincere gratitude to all stakeholders for their support and cooperation.



Hon. Dr. Mwigulu Lameck Nchemba Madelu (MP.)  
MINISTER FOR FINANCE

31/08/2024

Date

### 3.0 STATEMENT BY THE ACCOUNTING OFFICER

#### 3.1 INTRODUCTION

I am pleased to present for the second time to the stakeholders of Vote 001-Public Debt, the financial statements for the financial year ended 30 June 2024. The financial statements have been prepared in accordance with the International Public Sector Accounting Standards (IPSAs) accrual basis and General Accepted Accounting Principles (GAAPs). The submission of these financial statements is in fulfilment of section 30 of the Public Finance Act, Cap. 348, together with Sections 30 and 31 of Audit Act Cap. 418.

#### 3.2 NATURE OF REPORTING ENTITY

Vote 001 was established under PAC directives to separate Public Debt and debt related issues from other consolidated fund services. Vote 001 - Public debt is under the Ministry of Finance through the Debt Management Division. The Public Debt is responsible for safeguarding debt database and facilitates accounting of public debt obligations by enhancing timely payments of debt obligation and accountability.

Debt Management Division has the mandate to ensure financing needs of the government are met at minimum borrowing cost consistent with prudent degree of risks. Additionally, the division provide expertise and services in mobilizing resources, risk and debt database management.

#### 3.3 VISION, MISSION CORE VALUE AND OBJECTIVES

##### 3.3.1 VISION

To be a centre for excellence in managing the macro economy and public finance for economic transformation and human development.

##### 3.3.2 MISSION

Promoting inclusive and sustainable economic growth, through sound policies for human development

##### 3.3.3 CORE VALUES

To achieve its vision and mission, the department has set forth the following core values:

- i. **Integrity** - Staff shall provide quality services without inducements and personal gain, as well as devote their time exclusively for high quality public service delivery;
- ii. **Innovativeness** - Staff shall translate their new ideas and innovation into actions;
- iii. **Professionalism** - staff shall demonstrate high level of competence and efficiency guided by ethical behaviour and professionalism;
- iv. **Transparency** - staff shall provide service in an open and fair manner to promote participation and accountability;
- v. **Customer focused** - staff shall strive to provide quality service to meet customers' expectation; and
- vi. **Teamwork** - staff shall believe in working collaboratively to achieve intended objectives.

### 3.4 PRINCIPAL ACTIVITIES

The debt management division is designated with the following activities:

- i. To formulate and implement government medium-term debt management strategies and policies;
- ii. To analyse and advise the government on the effect of debt re-profiling;
- iii. To mobilize resources to meet Government needs from commercial sources;
- iv. To conduct debt sustainability analysis;
- v. To advise and prepare an annual borrowing plan;
- vi. To explore various financing options by assessing its costs and risks for the purpose of designing appropriate debt management strategies;
- vii. Support the development of the domestic market;
- viii. To facilitate payments of domestic and external debts;
- ix. To maintain public debt and guarantee database; and
- x. To ensure timely and accurate debt service for external and domestic debt.

### 3.5 REGULATORY ENVIRONMENT IN WHICH THE ENTITY OPERATES

The regulatory environment in which Vote 001 - Public Debt under Debt Management Division operates is a dynamic and multi-layered landscape shaped by various laws, regulations, and guidelines. DMD is subject to a range of specific regulations that govern core activities, ensuring compliance with standards of quality, safety, and ethical conduct. DMD is governed by Government Loans, Guarantees and Grants Act (GLGGA Cap 134), Public Finance Act CAP 348 and Five-Year Development Plan III (FYDP III). Additionally, DMD operates within a broader framework of financial and environmental regulations that influence reporting, sustainability efforts, and responsible business practices. It is the Division's commitment to comply with regulations by extending proactive engagement with regulatory bodies, continuous monitoring of changes, and robust internal controls.

### 3.6 STRATEGIES AND OBJECTIVES

The Strategic Plan is the leading instrument for planning, priority setting and decision making. It facilitates the discharging of the roles and functions of the DMD for the period of five (5) years, from the financial year 2021/22 to 2025/26. The DMD is in the third year of implementation of its Strategic Plan. DMD executes three strategies which are; ensuring data credibility of the Government debt, controlling fiscal risk from contingent liability and strengthening debt management practices as well as maintaining debt at a sustainable level.

Specifically, the Plan places emphasis on strategies to be executed in achieving the strategic objectives as per the strategic plan of the Ministry of Finance. Public Debt Vote 001 through DMD has three objectives out of 8 which are executed by the Ministry of Finance. These are:

- i. **Objective D** - Financial Management and Accountability improved;
- ii. **Objective E** - Resource mobilization, allocation and utilization improved and
- iii. **Objective G** - Staff performance and service delivery improved.

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In order to achieve the mentioned objectives and strategies, the Division sets various targets during the year under review as follows;

- i. New government guarantees not exceeding 2% of GDP annually by June 2026;
- ii. Implied interest rate remains within the indicative threshold of 7% by June 2026;
- iii. External non-concessional loans mobilization reaches 100% of the target annually by June 2026;
- iv. Public debt database timely updated and maintained by June 2026;
- v. Government Debt falling due paid timely by June 2026 and
- vi. Loan management services coordinated by June 2026.

### 3.7 KEY PERFORMANCE INDICATOR

DMD's Key Performance Indicators (KPIs) are reported based on the implementation of the annual Plan and Budget derived from the strategic plan (2021/22-2025/26). The Key Performance Indicators give a comprehensive insight into DMD's performance across critical areas; they are prepared to serve as the dynamic dashboard of measurable metrics, revealing the extent to which strategic objectives are being met. The KPIs for the year ended 30 June 2024 are given under Table 1 below:

**Table 1: Key Performance Indicators**

SN	OBJECTIVE CODE AND DESCRIPTION	KPI	ACHIEVEMENTS
1.	D. Financial Management and Accountability Improved.	Financial Reports for Vote 001 prepared in compliance with IPSAS Accrual and Guidelines	<ol style="list-style-type: none"> <li>a. Financial Reports for Vote 001 for the year ended 30 June 2024 prepared in compliance with IPSAS Accrual and Guidelines.</li> <li>b. Maintenance and validation of Public Debt Database (CS Meridian).</li> <li>c. Successfully serviced the External and Domestic Debt that fell due for the period under review.</li> <li>d. Timely preparation of public debt report.</li> </ol>
2.	E. Resource mobilization, allocation and utilization improved.	<ol style="list-style-type: none"> <li>i. Present value of Government debt as percent of GDP remains within indicative threshold of 55% by June 2026</li> <li>ii. Implied interest rate remains within indicative thresholds of 7% by June 2026</li> </ol>	Government financing needs have been met.
3.	G. Staff performance and service delivery improved.	Increased staff skills and competencies	35 employees have been trained on CS Meridian Debt Database Management

### **3.8 SUSTAINABILITY AND LIQUIDITY**

#### **3.8.1 SUSTAINABILITY**

Sustainability is the ability of the available resources to satisfy needs of the existing generation without affecting ability of the same resource to satisfy needs of the future generation. Sustainable public debt is the government's ability to meet all its current and future payment obligations without exceptional financial assistance or going into default.

The DMD sustainability practices under the umbrella of Governance include the establishment of control in its unwavering commitment to ensure that both the level and rate of growth of public debt is fundamentally sustainable and can be serviced under a wide range of circumstances while meeting cost and risk objectives. The DMD's current sustainability practice under the umbrella of Environment includes securing debt finances for economic growth while simultaneously protecting the environment.

The DMD sustainability practices under the umbrella of Social is to undertake proactive steps to promote workforce diversity and inclusion, fostering a workplace culture that values the unique perspectives and talents of the team members to ensure sustainable service to the Public. Stakeholder engagement - DMD engages with various stakeholders including international organization creditors, Bilateral creditors, commercial creditors, rating agencies, MDA, employees, suppliers, and the public.

#### **3.8.2 LIQUIDITY**

During the financial year ended 30 June 2024, the DMD managed its liquidity level to ensure there is sufficient funds to meet its liabilities when due, without incurring unacceptable losses or risking damage to the Division's reputation. This was achieved through prudent liquidity management which includes maintaining sufficient cash and cash equivalents and striving to ensure that public debt due are settled within the payment period.

### **3.9 SOLVENCY**

The management confirms that, applicable accounting standards have been complied with and that the financial statements have been prepared on a going concern basis. Likewise, the management has conducted a debt sustainability analysis, and the results show that the country's debt-carrying capacity is sustainable for the short, medium, to long term. The management has reasonable expectation that the public debt will continue its operations for the foreseeable future.

### **3.10 CORPORATE GOVERNANCE**

The Management of Debt division is responsible for the governance of the Public Debt Vote 001 to comply with laws, corporate governance standards, code of conduct and ethics. The DMD management takes full responsibility for the running of Vote 001, including effective and efficient implementation of various activities and monitoring operations, considering significant financial matters and reviewing the performance of management plans and budgets.

DMD management is also responsible for identifying key risk areas and ensuring that a system of internal control policies and procedures is operative and for compliance with sound corporate



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governance principals. The management believes in the principles of corporate governance practices by mainly focusing on regulations, compliance and professionalism as an integral part of the operations towards better governance.

### 3.10.1 Key Management Personnel

The Accounting officer for vote 001 is the Deputy Secretary responsible for Public Financial Management (DSPFM), who is appointed by her Excellence, the President of the United Republic of Tanzania. DMD is headed by the Commissioner, who is assisted by three assistant commissioners and a chief accountant. All of them constitute the management of vote 001.

In regard to the organization structure, the Debt Management Division (Public Debt - vote 001) comprises four sections: Resource mobilization unit, debt risk management unit, debt database unit; and debt settlement unit. Details of key management personnel have been analysed in Table 2 below:

**Table 2: Details of the key management personnel**

S/N	Name	Position	Qualification	Date Appointed
1	Ms. Amina Shaaban	Accounting Officer	Msc. Agricultural Economics Post Graduate in Development Economics, Advanced Diploma in Economic Planning	February 2023
2	Mr. Japhet Justine	Commissioner Debt Management Division	Bachelor of Commerce in Accounting, Masters of Philosophy in Development Finance	September 2021
3	Ms. Tiba Kisonga	Assistant Commissioner Resource Mobilisation	Masters of Arts in Economics	December 2019
4	Mr. Nuru Ndile	Assistant Commissioner Risk Management	Msc. Economics, Advanced Diploma in Economic Planning	December 2019
5	Mr. Omary Waziri Khama	Assistant Commissioner Debt Database Management	Master in Economics, Advanced Diploma in Economic Planning	December 2019
6	CPA. Pendo Mwakisese	Ag. Chief Accountant - Public Debt	CPA(T), MSc Finance, Advanced Diploma in Accountancy	June, 2023

### 3.10.2 Audit Committee

Vote 001 Audit Committee was appointed on August 2023 by the accounting officer pursuant to a provision of Regulation no. 32(1) of the Public Finance Regulations of 2001. The audit committee functionally reports to DSPFM who is the accounting officer of vote 001. The committee deals with all matters relating to finances and other related matters. During the year under review, the committee members and duties performed are as follows.

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**Audit Committee members**

**Table 3: Audit Committee members**

SN	Name	Position	Qualifications	Nationality	Date of Appointment	Age
1	CPA. John M. Cheyo	Chairperson	CPA (T)	Tanzanian	1 <sup>st</sup> September, 2023	57
2	Mr. Omari W. Khama	Member	MA (ECON), BA ECO	Tanzanian	21 <sup>th</sup> August, 2023	54
3	CPA Leticia P. Ng'wandu	Member	CPA (T), MBA	Tanzanian	21 <sup>th</sup> August, 2023	53
4	Dr. Charles A. Mwamwaja	Member	PHD, MBA	Tanzanian	21 <sup>th</sup> August, 2023	55
5	CPA Edward Masanja	Secretary	CPA, MFMI	Tanzanian	1 <sup>st</sup> September, 2023	51

**The Roles and Responsibilities of The Audit Committee**

The duties, functions and roles of the Audit Committee are well specified in Regulation No. 32 of the Public Finance Act, 2001(as amended 2022) and are stipulated as follows:

- Convene meetings at least quarterly;
- Approve the Annual Risk-Based Internal Audit Plan;
- Review all internal and external audit reports involving matters of concern to senior management of the organization, including the identification and dissemination of good practices;
- Provide advice to the Accounting Officer on action to be taken on matters of concern raised in a report of the internal auditor or a report of the external auditor concerning the organization;
- Receive feedback from the Chief Audit Executive on the internal audit activity's performance relative to its plan and other matters including internal audit report;
- Provide advice to the Accounting Officer on the preparations and review of financial statements.
- Prepare an Annual Report on its functions, copies of which shall be sent to the Permanent Secretary, the Internal Auditor General and the Controller and Auditor-General.
- Approve the internal audit charter;
- Approve the internal audit budget and resource plan;
- Make appropriate inquiries of management and the chief audit executive to determine whether there are inappropriate scope or resource limitations; and
- Overseeing the risk management, control and governance processes.

Activities Performed During the Year 2023/24 Including Meetings Held, Dates, Members Participation, Etc.

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#### Review of Financial Statements

The Audit Committee reviewed the draft annual financial statements for the financial year 2022/23 and advised the Management accordingly.

#### Review of Internal Audit Function

The Audit Committee was satisfied with the performance of the internal audit that the Unit, had reasonably discharged its functions and responsibilities during the year under review.

#### Approval of Annual Risk-Based Internal Audit Plan

The Committee reviewed and approved the Annual Risk-Based Internal Audit Plan of the year 2023/24. The internal audit activities which were approved for implementation include:

- Review of Financial Reports;
- Audit of Custody of all Foreign Loan Agreements;
- Audit of Validation of debt database (data against contract);
- Audit of Debt Servicing Process; and
- Audit of Issuance and Monitoring of guarantees including on lending agreements.

#### Review of Internal audit reports

The Committee received and reviewed three quarterly internal audit reports. In totality, the reports raised 14 audit recommendations for improvement of the internal control system. The Committee deliberated the matters raised in the reports and assessed the progress of implementing the recommendations whereby it was established eight recommendations were implemented and closed and 6 recommendations were still under implementation. The committee urges management to complete the implementation of all outstanding internal audit recommendations.

#### Review of External Audit Report

Regarding the audit of the Financial Statements for the year ending 30 June 2023, the Audit Committee was pleased to be informed that Vote 001 obtained a clean audit report. The Committee commended the management for their efforts and advised the management to sustain the achievement. Also, the Committee reviewed the management letter report issued by the CAG for the year ended 30 June, 2023.

From the review, the Committee advised the Management to:

- Ensure management responses fully address the audit recommendations raised in the CAG's report; and
- Address all 16 outstanding issues raised in the CAG's report.

**Table 4: Audit Committee Members' Attendance in the year 2023/2024**

SN	Name	Position	26/10/2023	24/06/2024
1.	CPA John M. Cheyo	Chairperson	✓	✓
2.	Mr. Omari W. Khama	Member	✓	✓
3.	CPA Leticia P. Ng'wandu	Member	✓	✓
4.	Dr. Charles A. Mwamwaja	Member	-	✓
5.	CPA. Edward Masanja	Secretary	-	-

Key: ✓ Present - Absent

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### 3.10.3 Debt Management Committee Meetings

#### Technical Debt Management Committee (TDMC)

The Technical Debt Management Committee was established under Section 19 of the Government Loans, Guarantees and Grants Act, Cap. 134. The committee is responsible for providing technical advice to the National Debt Management Committee. The main role of TDMC is to carry out analysis and submit the findings to guide the NDMC in advising the Minister for Finance on all issues related to debt management. Throughout the fiscal year 2023/24, the committee has conducted 12 meetings. The Technical Debt Management Committee comprises 21 members. Table 5 below shows the list of members' their titles and the institutions they represent:

**Table 5: Technical Debt Management Committee**

No	MEMBER'S TITLE	INSTITUTION
1	Commissioner Debt Management Division-Chairman	Ministry of Finance
2	Commissioner Policy Analysis Division	Ministry of Finance
3	Commissioner External Finance	Ministry of Finance
4	Commissioner Budget Division	Ministry of Finance
5	Commissioner Public Private Partnership	Ministry of Finance
6	Commissioner Financial Sector Division	Ministry of Finance
7	Assistant Accountant General Consolidated Fund Services	Ministry of Finance
8	Director of Legal Services	Ministry of Finance
9	Director for Policy and Planning	Prime Minister's Office
10	Director for Policy and Planning	Ministry of Foreign Affairs and East African Cooperation
11	Director of Fiscal and Financial Policy	President's Office, Finance and Planning-Zanzibar
12	Director of Fiscal and Financial Policy	Office of the Second Vice President-Zanzibar
13	Deputy Accountant General	President's Office Finance and Planning-Zanzibar
14	Director of Contracts and Treaties	Office of the Attorney General
15	Director of Contracts and Treaties	Attorney General's Chambers-Zanzibar
16	Commissioner-External Finance Department	President's Office Finance and Planning
17	Director of Economic Research and Policy	Bank of Tanzania
18	Director of Financial Market	Bank of Tanzania
19	Commissioner-National Planning and Poverty Reduction	Planning Commission-Zanzibar
20	Treasury Registrar	Treasury Registry Office
21	Director of Planning Commission	President's Office-National Planning Commission

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**Table 6: Technical Debt Management Committee (TDMC) meetings 2023/24**

Month	Date	TDMC MEETING	No	No. of Papers
Q1- July - September	14th July 2023	1st Extra TDMC	1	1
	17th August 2023	1st TDMC	1	11
Q2-October - December	3rd November 2023	2nd TDMC	1	30
	14th November 2023	2nd Extra TDMC	1	5
	11th December 2023	3rd TDMC	1	15
Q3-January - March	25th January 2024	4th TDMC	1	23
	2nd February 2024	5th TDMC	1	6
	13th March 2024	6th TDMC	1	14
Q4-April - June	8th May 2024	7th TDMC	1	17
	31st May 2024	3rd Extra TDMC	1	15
	8th June 2024	4th Extra TDMC	1	1
	18th June 2024	5th Extra TDMC	1	3
<b>Total</b>			<b>12</b>	<b>141</b>

**National Debt Management Committee (NDMC)**

The National Debt Committee was established under Section 16 of the Government Loans, Guarantees and Grants Act, Cap. 134. The committee is an apex advisory body to the minister on all matters relating to debt management. Throughout the fiscal year 2023/24, the committee has conducted 11 meetings. The National Debt Management Committee comprises 13 members. Below is the list of their titles and the institutions they represent:

**Table: 7 National Debt Management Committee**

No	MEMBER'S TITLE	INSTITUTION
1	Permanent Secretary Treasury - Chairperson	Ministry of Finance
2	Commissioner Debt Management Division-Secretary	Ministry of Finance
3	Permanent Secretary	President's Office, Finance and Planning-Zanzibar
4	Permanent Secretary	Prime Minister's Office
5	Permanent Secretary	Ministry of Foreign Affairs and East African Cooperation
6	Governor	Bank of Tanzania
7	Accountant General	Ministry of Finance
8	Executive Secretary	President's Office-National Planning Commission
9	Executive Secretary	President's Office-National Planning Commission- Zanzibar
10	Attorney General	Office of the Attorney General
11	Attorney General	Office of the Attorney General - Zanzibar
12	Permanent Secretary	Office of the Second Vice President-Zanzibar
13	Accountant General	President's Office, Finance and Planning - Zanzibar

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**The functions of the NDMC are: -**

- To advise the Minister on matters related to external and domestic borrowings, issuing of Government. Guarantee and receiving grants on behalf of the Government.
- To advise the Minister on the formulation of the Government's Medium-Term Debt Strategy on an annual rolling basis and annual borrowing plan.
- To monitor the implementation of the medium-term debt strategy and annual borrowing plan approved by the government for each quarter.
- To monitor the implementation of the Annual Debt Strategy and borrowing plan approved by the Government for the ensuing quarter.
- To prepare quarterly debt and budget execution reports;
- To advise on the formulation of the Annual Debt Strategy and borrowing plan;
- To monitor, coordinate and direct the activities of all government departments and institutions involved in the management of debt, grants and guarantees; and
- To advise on measures to be taken against any person for noncompliance with the provisions of this act.

**Table: 8 National Debt Management Committee (NDMC) meetings 2023/24**

Quarter	Month	Date	NDMC MEETING		No. of Papers
1	July- September	11th July 2023	1st NDMC	1	12
		14th July 2023	1st Extraordinary NDMC	1	1
		12th September 2023	2nd Extraordinary NDMC	1	11
2	October- December	6th November 2023	2nd NDMC	1	6
		17th November 2023	3rd Extraordinary NDMC	1	22
		15th December 2023	4th Extraordinary NDMC	1	18
3	January - March	7th February 2024	3rd NDMC	1	14
		23rd March 2024	5th Extraordinary NDMC	1	11
4	April - June	14th May 2024	4th NDMC	1	12
		8th June 2024	6th Extraordinary NDMC	1	14
		19th June 2024	7th Extraordinary NDMC	1	3
Total				11	124

### 3.11 STAKEHOLDERS RELATIONSHIP

Public Debt key stakeholders are categorized as follows: Business Community, Investors, Vendors and Tax Payers; Professional Boards, Academic and Research Institutions; Politicians; Parliament; Employees and cadres under MoF; Parastatals; Development Partners; National Audit Office; General Public; Regional and International Bodies; Pensioners; MDAs/RSs/LGAs; Private Sector; CSOs; Media; Trade Unions and Financial Institutions. Categories of stakeholders, their expectations, services offered to them and potential impacts that might arise if stakeholders' expectations are not met are specified in.

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Table No: 9 Stake Holders, Service offered and Expectations

STAKEHOLDER	SERVICE/PRODUCT OFFERED	EXPECTATIONS
Business Community, Investors, Vendors and Tax Payers	<ul style="list-style-type: none"> <li>i. Macro-economic and financial policies;</li> <li>ii. Economic data and information;</li> <li>iii. Tax and non-tax policies; and</li> <li>iv. Auctioneer general license.</li> </ul>	<ul style="list-style-type: none"> <li>i. Macro-economic stability;</li> <li>ii. Financial stability;</li> <li>iii. Quality economic data and information;</li> <li>iv. Fair and predictable tax and non-tax policies;</li> <li>v. Guidelines and practice notes on tax and non-tax;</li> <li>vi. Good governance, transparency and accountability; and</li> <li>vii. Stakeholders' engagement in tax formulation process</li> </ul>
Professional Boards, Academic and Research Institutions.	<ul style="list-style-type: none"> <li>i. Allocation and release of funds;</li> <li>ii. Macro-economic data;</li> <li>iii. Employment opportunities;</li> <li>iv. Practical training opportunities for students;</li> <li>v. Research and consultancy opportunities;</li> <li>vi. Information on professionals' matters and Compliance to International Standards; and</li> <li>vii. Sharing of experience, knowledge and skills.</li> </ul>	<ul style="list-style-type: none"> <li>i. Adequate allocation and timely disbursement of funds;</li> <li>ii. Timely, accurate and accessible macro-economic data;</li> <li>iii. Employment opportunities for graduates</li> <li>iv. Practical training for students;</li> <li>v. Use of research findings and consultancy services; and</li> <li>vi. Conformity to Professionals Standards</li> </ul>
Politicians.	<ul style="list-style-type: none"> <li>i. Economic survey reports;</li> <li>ii. Annual budgets, revenue and expenditure policies, strategies and guidelines;</li> <li>iii. Macro-economic data and other information;</li> <li>iv. Budget performance reports; and</li> <li>v. Budget speech</li> </ul>	<ul style="list-style-type: none"> <li>i. Accurate and timely economic data and information;</li> <li>ii. Sound macro-economic and public financial management policies/ frameworks;</li> <li>iii. Good governance, transparency and accountability; and</li> <li>iv. Effective bottom-up approach in plans and Budget process</li> </ul>
Parliament.	<ul style="list-style-type: none"> <li>i. Funds allocation and release;</li> <li>ii. Macro-economic data;</li> <li>iii. Financial and economic management reports;</li> <li>iv. Plan and Budget Guidelines;</li> <li>v. Revenue and expenditure estimate proposals;</li> <li>vi. Cabinet Papers;</li> <li>vii. Budget speech;</li> <li>viii. Structured Responses and Action Plans to implement CAG Audit</li> </ul>	<ul style="list-style-type: none"> <li>i. Adequate allocation and timely disbursement of funds;</li> <li>ii. Timely preparation of plans, financial and economic reports;</li> <li>iii. Quality macro-economic data;</li> <li>iv. Proper economic and financial management;</li> <li>v. Proper management and utilization of government resources;</li> </ul>

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	<ul style="list-style-type: none"> <li>ix. Recommendations and PAC and LAAC Directives;</li> <li>Management Responses and Action Plans on Implementation of CAG Recommendations;</li> <li>x. Consulting services to PAC and LAAC; and</li> <li>xi. Financial statement reports</li> </ul>	<ul style="list-style-type: none"> <li>vi. Financial Statement Reports;</li> <li>vii. Realistic and credible budgets;</li> <li>viii. Timely submission of Cabinet Papers and supporting reports;</li> <li>ix. Improved quality of parliamentary debates and discussions;</li> <li>x. Accurate reports in respect of status of implementation of Audit recommendations;</li> <li>xi. Clean Audit reports; and</li> <li>xii. Good governance, transparency and accountability</li> </ul>
Employees and cadres under MoF.	<ul style="list-style-type: none"> <li>i. Employment data and other information;</li> <li>ii. Remunerations and incentives to employees;</li> <li>iii. Schemes of service; standing orders, regulations and establishment matters;</li> <li>iv. Training and career development;</li> <li>v. Working tools, equipment and facilities (conducive working environment);</li> <li>vi. Counselling, coaching and mentoring;</li> <li>vii. Job descriptions, confirmation and promotions;</li> <li>viii. Guidelines and codes conduct; and</li> <li>ix. Salary advance.</li> </ul>	<ul style="list-style-type: none"> <li>i. Proper employment record keeping;</li> <li>ii. Attractive and timely payment of remunerations;</li> <li>iii. Timely remittance of salary deductions and employer's contributions to the respective social security funds;</li> <li>iv. Transparent, fair allotment and reliable training programmes;</li> <li>v. Conducive working environment and adequate working tools and equipment;</li> <li>vi. Fair performance appraisal, rewards and sanction system;</li> <li>vii. Inclusive social interaction;</li> <li>viii. Fairness in job rotation;</li> <li>ix. Supportive managerial schemes and programmes;</li> <li>x. Clear job description;</li> <li>xi. Relevant scheme of service, code of ethics and circulars;</li> <li>xii. Robust and timely technical support;</li> <li>xiii. Availability, fairness and reliability of salary advance; and</li> <li>xiv. Effective information sharing.</li> </ul>
Parastatals.	<ul style="list-style-type: none"> <li>i. Funds allocation and releases;</li> <li>ii. Economic and financial data as well as other related Information;</li> </ul>	<ul style="list-style-type: none"> <li>i. Timely allocation and release of funds;</li> </ul>



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	<ul style="list-style-type: none"> <li>iii. Economic and financial policies, regulations, circulars and guidelines; and</li> <li>iv. Capacity building, research and consultancy opportunities.</li> </ul>	<ul style="list-style-type: none"> <li>ii. Updates on economic and financial data as well as other related information;</li> <li>iii. Effective and favourable policy regime and guidance;</li> <li>iv. Good governance, transparency and accountability;</li> <li>v. Macro-economic stability; and</li> <li>vi. Involvement in policy formulation</li> </ul>
Development Partners.	<ul style="list-style-type: none"> <li>i. Budget Performance reports;</li> <li>ii. Project Information and Implementation Reports;</li> <li>iii. Economic Survey reports;</li> <li>iv. National Budget;</li> <li>v. Macro-economic and financial Policies, Strategies and guidelines;</li> <li>vi. Macro-economic Data and other related information;</li> <li>vii. Investment and business policies; and</li> <li>viii. Status of implementation of CAGs and Internal Audit Recommendations.</li> </ul>	<ul style="list-style-type: none"> <li>i. Clear and timely performance reports;</li> <li>ii. Proper project information and its implementation reports;</li> <li>iii. Robust macro-economic and financial policies;</li> <li>iv. Proper economic and financial management guidelines;</li> <li>v. Accurate and reliable macro-economic data and other related information;</li> <li>vi. Good governance, transparency and accountability;</li> <li>vii. Effective dialogue;</li> <li>viii. Effective project implementation;</li> <li>ix. Improved partnership;</li> <li>x. Predictable investment and business policy regime;</li> <li>xi. Effective Internal Audit function; and</li> <li>xii. Fully implementation of CAGs and Internal Audit Recommendations by MDAs, RSs and LGAs.</li> </ul>
National Audit Office	<ul style="list-style-type: none"> <li>i. Financial reports;</li> <li>ii. Procurement reports;</li> <li>iii. Financial laws, regulations and other legislations;</li> <li>iv. Fund allocation and releases;</li> <li>v. Information on internal audit functions;</li> <li>vi. Report on the status of implementation of CAG audit recommendations in MDAs, LGAs and RSs; and</li> </ul>	<ul style="list-style-type: none"> <li>i. Compliance with Financial laws, Regulations and legislations;</li> <li>ii. Timely submission of the National and final accounts for audit;</li> <li>iii. Timely response to audit queries;</li> <li>iv. Sound and efficient public asset management;</li> </ul>

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	vii. Structured Responses and Action Plan to implement Audit Recommendations	v. Sufficient allocation and timely release of fund; and vi. Compliance with Public Audit Act 2008.
General Public.	i. National Budget; ii. Macro-economic data and other information on funds allocation and expenditure; iii. Employment opportunities; and iv. Development Policies and Strategies.	v. Inclusive and people centered national budget; vi. Stable and sustainable economic growth; vii. Transparency in funds allocation, releases and expenditure; viii. Timely dissemination of economic data and information; ix. Proper use of public resources; x. Timely review of the Public Finance Act, CAP 348, Public Procurement Act, CAP 410 and other related laws and their regulations; xi. Predictable policies and strategies; xii. Effective involvement in decision making; xiii. Good governance, transparency and accountability; xiv. Improved service delivery; and xv. Value for Money in the Development Projects.
Regional and International Bodies.	xvi. Payment of fees/contributions; xvii. Macroeconomic data, policies and information; xviii. Policies and Strategies; and xix. Reports on Implementation of International protocols and conventions	i. Active participation in statutory meetings; ii. Macro-economic stability; iii. Good governance, transparency and accountability; iv. Clarity and predictable policies; v. Effective implementation of international protocols and conventions; vi. Improved partnerships; and vii. Abide to terms of agreements; viii. Macro-economic convergence ix. Conducive investment environment
Pensioners.	i. Payment of Pension benefits;	i. Attractive and timely payment of terminal benefits;

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	<ul style="list-style-type: none"> <li>ii. Education on pension; and payment procedures; and</li> <li>iii. Customer service</li> </ul>	<ul style="list-style-type: none"> <li>ii. Quality customer service;</li> <li>iii. Transparent and Stress-free pension processing procedures;</li> </ul>
MDAs/RSs/LGAs.	<ul style="list-style-type: none"> <li>i. Funds allocation and release;</li> <li>ii. Budget scrutinization;</li> <li>iii. Plan and Budget guidelines;</li> <li>iv. Financial, procurement and audit guidelines;</li> <li>v. Government assets Management Policies and guidelines;</li> <li>vi. National budget;</li> <li>vii. Macroeconomic data and information; viii.</li> <li>viii. Treasury Circulars and Policy Guidelines; and</li> <li>ix. Consultancy and Professional advice.</li> </ul>	<ul style="list-style-type: none"> <li>i. Timely issuance of Plan and Budget Guidelines;</li> <li>ii. Availability and reliability of financial, procurement and audit guidelines;</li> <li>iii. Sound and efficient management of Government Assets;</li> <li>iv. Updates on Macroeconomic data and information;</li> <li>v. Timely, adequate allocation and release of funds;</li> <li>vi. Updated Treasury Circulars and policy Guidelines;</li> <li>vii. Effective consultancy and professional advice; and</li> <li>viii. Effective communication.</li> </ul>
Private Sector, NGOs, CSOs and CBOs.	<ul style="list-style-type: none"> <li>i. Macroeconomic data and other related information;</li> <li>ii. Customer services;</li> <li>iii. Economic and Financial policies;</li> <li>iv. Construction, consultancy and supplies tender;</li> <li>v. Tax Dispute Resolution; and</li> <li>vi. Procurement Dispute Resolution</li> </ul>	<ul style="list-style-type: none"> <li>i. Good governance, transparency and accountability;</li> <li>ii. Fairness, equitable and predictable tax policies and practices;</li> <li>iii. Timely availability and reliability of Financial and Economic information;</li> <li>iv. Quality customer service; v.</li> <li>Guidance on Economic and Financial Policies;</li> <li>v. Proper use of public funds; and</li> <li>vi. Conducive business environment.</li> </ul>
Media	<ul style="list-style-type: none"> <li>i. National Budget; and</li> <li>ii. Information on financial and economic management.</li> </ul>	<ul style="list-style-type: none"> <li>i. Timely accurate and reliable information on financial and economic management.</li> </ul>
iii. Trade Unions.	<ul style="list-style-type: none"> <li>i. Information on public service remunerations and working conditions;</li> </ul>	<ul style="list-style-type: none"> <li>i. Timely release of salaries and other benefits;</li> <li>ii. Attractive and timely payment of terminal benefits; and</li> <li>iii. Quality customer service</li> </ul>
i. Financial Institutions.	<ul style="list-style-type: none"> <li>ii. Macro-economic and financial policies;</li> </ul>	<ul style="list-style-type: none"> <li>vii. Macro-economic and financial stability;</li> </ul>

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	<ul style="list-style-type: none"> <li>iii. Economic and financial Data as well as Information;</li> <li>iv. Financial legislations, regulations and guidelines;</li> <li>v. Tax Dispute Resolution; and Procurement Dispute Resolution.</li> </ul>	<ul style="list-style-type: none"> <li>viii. Predictable, equitable and friendly tax regime;</li> <li>ix. Efficient and effective tax collection and administration;</li> <li>x. Supportive financial and legal frameworks;</li> <li>xi. Timely availability and reliability of financial information;</li> <li>xii. Transparent, fair and efficient public procurement frameworks;</li> <li>xiii. Transparent, fair and efficient tax and public procurement disputes resolution;</li> <li>xiv. Good governance, transparency and accountability;</li> <li>xv. Updated socio-economic data and information; and</li> <li>xvi. Effective communication.</li> </ul>
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### 3.12 IMPLEMENTATION OF THE PLAN AND BUDGET

During the financial year 2023/24, Public Debt - Vote 001 continued successfully to meet its budget objectives, which aimed at achieving its targets within the strategic plan of the Ministry of Finance. During the year under review, the original approved budget for Vote 001 was TZS 10,480,130,968,000, and after additional reallocation amounting to TZS 321,122,479,000, the final budget was TZS 10,801,253,447,000 out of which actual debt service amounted to TZS 10,770,869,426,616 equivalent to 99.72% of the debt service budget. Table 10 below shows the implementation of plans and budget.

**Table 10: Implementation of plan and budget**

S/N	DETAILS	2023/24 (TZS)	2022/23 (TZS)	DIFFERENCE (TZS)
1.	Final Budget	10,801,253,447,000	9,970,287,493,391	830,965,953,609
2.	Exchequer received	10,801,253,447,000	9,970,287,493,381	830,965,953,619
3.	Actual expenditure	10,770,869,426,616	9,959,788,645,634	811,080,780,982

The exchequer received was TZS 10,801,253,447,000, out of which TZS 10,770,869,426,616 was actual expenditure (out of actual expenditure, TZS 216,032,526,141 was transferred to miscellaneous deposit as commitment at the end of the year and the balance of unspent exchequer amounting to TZS 30,384,020,384 to be transferred to the Paymaster General's account;

The expenditure of TZS 10,770,869,426,616 includes debt service TZS 10,752,432,377,304, out of which the principal was TZS 6,386,818,858,445 (Domestic TZS 3,374,961,951,633 and External TZS 3,011,856,906,811); interest was TZS 4,365,613,518,859 (Domestic TZS 2,707,818,707,425 and External TZS 1,657,794,811,435) and other payments of TZS 18,437,049,312 which cover Capital

market and security authority; Dar Es Salaam Stock Exchange, liquidity management cost as well as advertisement and publications.

### **3.13 RISK MANAGEMENT AND INTERNAL CONTROL**

#### **3.13.1 RISK MANAGEMENT**

The management of Vote 001 assumes final responsibility for the internal control system and risk of the division. It is the function of the management to ensure that proper internal control systems are developed and maintained on an ongoing basis in order to bring reasonable assurance with respect to the effectiveness and efficiency of its operation, safeguard the department assets, comply with applicable laws and regulations; reliability of accounting records and operation sustainability on normal as well as abnormal conditions.

During the year under review, the DMD managed to prepare and disseminate a risk register, which shows risks and mitigations measures, as well as MTDS, which shows potential financing options in the medium term consistent with the debt management objective of minimizing financing costs and prudent degree of risk as well as supporting domestic debt market development.

#### **3.13.2 INTERNAL CONTROL**

It is the task of the Management to ensure that adequate internal financial and operational control systems are developed and maintained on an ongoing basis in order to provide reasonable assurance on:

- a) Effectiveness and efficiency of Debt Management operations;
- b) Safeguarding of the Division's assets;
- c) Compliance with applicable laws and regulations;
- d) Reliability of accounting and financial records;
- e) Division sustainability under normal as well as under adverse conditions; and
- f) Responsible behavior to all stakeholders.

The efficiency of any internal control system is dependent on the strict observance of prescribed rules and regulations. There is always a risk of non-compliance of such rules and regulations by staff. Whilst no system of internal control can provide absolute assurance against misstatement or losses, the internal control system is designed to provide the management with reasonable assurance that the procedures in place are operating effectively. The management assessed the internal control system and was satisfied that they were effective and met accepted criteria.

##### **a. Key elements of the system of internal control are as follows:**

##### **i. Delegation**

The division's overall objectives and functions are approved by the President's Office Public Service Management, which delegates the day-to-day operations to Management for execution. There was a clear organization structure detailing lines of authority.

**ii. Budgets**

The management prepared a detailed annual budget based on the Division's Strategic Plan, which was approved by the Parliament of the United Republic of Tanzania in June 2023.

**iii. Competence**

Staff skills were maintained both by a formal recruitment process and a performance appraisal system. The training needs of ACGEN were identified, and necessary training for staff was facilitated both in-house and externally, which helped to strengthen staff skills and competencies.

**iv. Internal Audit**

An internal audit unit was in place, and its functions were performed as required. The Unit assessed risk and reviewed controls. The Unit ensured that recommendations to improve controls are followed up by the Management. The Chief Internal Auditor reports functionally to the Audit Committee and administratively to the AGD Accounting Officer.

**3.14 EMPLOYEES' WELFARE**

**3.14.1 Management and Employee Relationship**

Vote 001 believes that employees are the key element to public service delivery and that the working relationships should be an inspiring and personally elevating experience. It also believes that a committed, capable, and motivated workforce is central to quality service delivery. It is for this reason that the DMD remains fully focused on maintaining a high level of employee development and engagement. The relationship between management and employees was good, and there were no unresolved complaints received by management during the year under review.

**3.14.2 Employees training**

Vote 001 through DMD offers training to its employees depending on the needs and financial resources available. Career developments are based on the individual and employee initiative towards the fulfilment of their responsibility, which is complementary to the Debt Management Division.

**3.14.3 Medical assistance**

Vote 001 staff, their spouses and four beneficiaries are availed of medical insurance whereby the employer contributes three per cent of the employee's basic salary. Currently, the service is provided through employee membership to the National Health Insurance Fund (NHIF).

**3.14.4 Financial Assistance to Staff**

Through the Ministry of Finance, staff are able to access advance funds, which are extended to all confirmed employees. The fund revolves around and is advanced to staff after the management's assessment based on needs, availability of resources, circumstances, and ability to make payment in accordance with the existing regulations. Additionally, the Hazina Savings and Credit Co-operative Society (HAZINA SACCOS), under the Ministry of Finance, is promoting the financial welfare of its members.

**3.15 PERSONS WITH DISABILITIES**

Vote 001 pursues equal opportunity for all, irrespective of ethnicity, race, gender or religion including persons with disabilities in employment opportunities.

### 3.16 EMPLOYEE BENEFITS

Vote 001 staffs enjoy their benefit through DMD. The benefits include salaries and other related benefits like health insurances from national health insurance fund (NHIF), disability compensation when accident occurs at work place from Workers Compensation Fund (WCF) and pension after retirement from PSSSF.

### 3.17 GENDER PARITY

The vote 001 through DMD is an equal opportunity employer. It gives equal consideration to employment opportunities and ensures that the best person is appointed to any given position free from discrimination of any kind and without regard to factors like marital status, gender, tribes, religion and disability. In the year under review the division had a number of 43 staff of which 24 were male and 19 were female.

### 3.18 PREJUDICIAL ISSUES

There were no issues beyond the management control in achieving objectives

### 3.19 CROSS CUTTING ISSUES

The Division through the Ministry of Finance has different programmes to educate employees regarding the HIV/AIDS, Covid-19 pandemic and other chronic diseases such as hypertension, cancer and diabetes. In addition, employees are encouraged to examine their health regularly to enable them take appropriate actions in case of the need to do so and to exercise their bodies.

### 3.20 ACHIEVEMENTS

Implementations of the plan and budget have resulted in the following notable achievements:

- i. The Government managed to roll over the maturing obligation met the NDF at 92% the missed NDF was attributed to the fact that the rollover amount was higher than planned due to the short-term borrowings, including converted liquidity papers that were made during the first half of the year to address the liquidity squeeze;
- ii. Enhanced Sovereign Credit Rating: Achieved an upgrade in the country's sovereign credit rating due to prudent fiscal management and successful implementation of economic reforms, making it easier and cheaper to access international financial markets;

For the financial year 2023/24, we initially set a target to raise funds, and we successfully raised the required amount. The Tanzanian Shilling (TZS) experienced volatility against major currencies during the fiscal year. It is crucial to understand that exchange rate movements can significantly impact the cost and availability of funds. In our case, the depreciation of the TZS necessitated raising more funds than initially planned to meet our financial commitments and operational needs;

- iii. Purposeful Allocation: Descriptions suggest that funds are allocated to projects which are significant and have wider interests of the country like infrastructure projects;

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- iv. Strategic partnerships with international and regional financial institutions, enhancing the country's access to concessional funding and technical expertise;
- v. Conducted 12 TDMC Meetings and 11 NDMC meetings, which enabled approval for financing of various development projects through grants and loans;
- vi. Formulated the annual borrowing plan and Reviewed Medium Term Debt Strategy in line with Section 25.1 of the Government Loans, Guarantees, and Grants Act, Cap. 134 with the objective to minimize the cost of financing with prudent degree of risk. The strategy is for 2023/24 to 2025/26;
- vii. Conducted Debt Sustainability Analysis (DSA) to assess the country's ability to fulfil its existing and upcoming debt commitments. It serves as a guiding framework for making informed borrowing decisions, ensuring a balance between gross financing needs and the capacity to repay debts both in the current and future periods;
- viii. Successfully serviced the External and Domestic Debt that fell due for the period under review;
- ix. Maintenance and validation of Public Debt Database (CS Meridian) and
- x. Timely preparation and dissemination of public debt and other reports to various stakeholders.

### **3.21 CHALLENGES**

The following challenges were encountered in the financial year 2023/24:

- i. The inflows are not consistent monthly, which could pose cash flow management issues;
- ii. Exchange Rate Impact: The reporting TZS from various loan currency suggests exposure to exchange rate fluctuations, which affect financial planning and budgeting;
- iii. Market Risk: Fluctuations in interest rates, exchange rates, and commodity prices can affect the cost of debt servicing and the value of the debt portfolio;
- iv. Inadequate workspace for staff, as well as insufficient storage facilities for official documents;
- v. Shortage of staff for Debt Management division;
- vi. Some of the demand notes and disbursement notifications were not received on time from external creditors and project managers respectively; and
- vii. Manual recording of debt stock in MUSE which may trigger human error.

### **3.22 FUTURE DEVELOPMENT PLAN (WAY FORWARD)**

DMD under MOF prepares Strategic plan and incorporate with the one prepared by the Ministry of Finance. DMD when implementing the Third Strategic Plan 2021/22 - 2025/26 under the Ministry of Finance acknowledges the progress made in the previous strategic plans, lessons learnt and nation's aspiration to be a globally competitive and prosperous country with a high quality of life standard in 2025. The Division remained focused to provide strategic leadership in financing needs of the



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government are met at minimum borrowing cost consistent with prudent degree of risk and ensure periodic public debt reports are available for public use.

- i. Implement advanced analytical tools to continuously monitor market conditions and forecast trends i.e. Bloomberg;
- ii. The Debt Management Division, under the Ministry of Finance, is involved in the on-going project to construct a new office building in Government City, Mtumba, and Dodoma;
- iii. Implement targeted training programs, continuous professional development, and mentorship to strengthen the team's skills and capabilities;
- iv. Preparing an internationally recognized Sustainable Finance Framework (SFF) which is endorsed by leading institutions in the field of economics/finance to facilitate the acquisition of loans from banks and attract investors for green, social, and sustainable bonds;
- v. The Government has planned to borrow a total amount of USD 1.2 Billion for the new financial year 2024/25;
- vi. Mitigate Exchange Rate Risks: Consider hedging strategies to manage exchange rate volatility and protect the value of funds received; and
- vii. Transparent Reporting: Continue providing detailed descriptions for fund allocations to maintain transparency and accountability;
- viii. Debt Management Division being part of the Ministry of Finance share the on-going plan to construct new office building at the Government City- Mtumba, Dodoma;
- ix. Management will make sure that training provided to staff depending on the availability of funds;
- x. The Division will Continue to communicate with the President's Office, Public Service Management on the issue of increasing the number of staff;
- xi. Management has planned to conduct training on IPSAS 41 - Financial Instruments to all DMD staff;
- xii. In future the Debt Management Division will ensure that the Performance Evaluation System established by the Office of the President- Government Information and Communication Technology Services ICT system and Services is properly used;
- xiii. Developing the necessary skills and expertise within the team to effectively risk management;
- xiv. Improve communication with creditors and coordination with external finance department and project implementers; and
- xv. Interfacing MUSE with Meridian to ensure debt stock is automatically loaded in MUSE.

### 3.23 AUDITORS

The Controller and Auditor-General (CAG) is the statutory auditor for the Debt Management Division pursuant to the provision of Article 143 of the Constitution of the United Republic of Tanzania of 1977 (revised 2000), and Section 10 (1) of the Public Audit Act, Cap. 418 [R.E 2021]



Amina Kh. Shaaban  
Accounting Officer

27/12/2024

Date

#### 4.0 STATEMENT OF RESPONSIBILITY BY THOSE CHARGED WITH GOVERNANCE

The Management of the Debt Management Division is responsible for the preparation of the annual Financial Statements, which give a true and fair view of the entity's state of affairs and its operating results in accordance with International Public Sector Accounting Standards (IPSAS) on Accrual Basis, in conformity with Section 30 (2) & (4) of the Public Finance Act, CAP 348. This responsibility includes; designing, implementing and maintaining internal controls relevant to the preparation and presentation of the financial statements that are free from material misstatement, whether on account of fraud or error, selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances which provide reasonable assurance that the transactions recorded are within statutory authority, and properly record the use of all public financial resources accordingly.

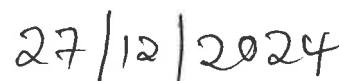
To the best of our knowledge, the system of internal control has operated adequately throughout the reporting period and that the records and underlying accounts provide a reasonable basis for the preparation of the Financial Statements for the year ended 30 June 2024. The Government Budget for the vote was approved for the accounting/fiscal period from 01st July 2023 to 30 June 2024. Hence the Vote continued to operate in the same manner as in the approved budget for the previous year. Procurement of goods, works and consultancy and non-consultancy services to the extent that they are reflected in these financial statements have been done in accordance with the Public Procurement Act, CAP 410 [R.E 2022].

We accept responsibility for the integrity of these Financial Statements, the information they contain and their compliance with the Public Finance Act CAP 348 and its Regulations; International Public Sector Accounting Standards (IPSAS) Accrual basis; and Guidelines issued from time to time by Paymaster General and Accountant General. The Management is taking all responsibility by building confidence in the users of these financial statements that they portray the true and fair view of the state of affairs of the Debt Management Division.

Nothing has come to the attention of the Management that the financial statements do not present fairly in all material respects of the operations of the entity and will not remain a going concern for the next twelve months from the date of these statements.



Amina Kh. Shadban  
Accounting Officer



Date

## 5.0 DECLARATION OF THE HEAD OF FINANCE AND ACCOUNTING

The National Board of Accountants and Auditors (NBAA) according to the power conferred under the Accountants and Auditors (Registration) amended Act 2021, requires Financial Statements to be accompanied with a declaration issued by the Head of Finance and Accounting responsible for the preparation of financial statements of the entity concerned.

It is the duty of a Professional Accountant to assist the Management to discharge the responsibility of preparing Financial Statements of the Debt Management Division showing true and fair view of the entity position and performance in accordance with applicable International Accounting Standards and statutory financial reporting requirements. Full legal responsibility for the preparation of financial statements rests with the management as under management Responsibility Statement.

I, **ACPA Pendo A. Mwakisese** being the Chief Accountant of the Public Debt (Vote 001) hereby acknowledge my responsibility of ensuring that Financial Statements for the year ended 30 June, 2024 have been prepared in compliance with International Public Sector Accounting Standards (IPSAS) and other statutory requirements.

Thus, I confirm that the Financial Statements for the year ended 30 June, 2024 present a true and fair view position of the Public Debt as on that date and that they have been prepared based on properly maintained financial records.

Signature: .....

Position: **Chief Accountant**

NBAA Membership No: **ACPA 2039**

Date: 30 August, 2024

## 6.0 COMMENTARY ON THE FINANCIAL STATEMENTS

Public Debt (Vote 001) implemented its annual budget based on the Medium-Term Expenditure Framework and the rolling medium-term strategic plan of the Ministry of Finance, covering the period of five consecutive financial years from 2021/22 to 2025/2026. The financial statements prepared include a statement of financial position, statement of financial performance, statement of changes in net asset/ equity, cash flow statement, statement of comparison of budget and actual amounts and notes to the financial statements as well as supplementary information such as a summary of appropriation account, statement of vote, analysis of outstanding liabilities by age-wise and statement of outstanding public debt as at 30 June 2024.

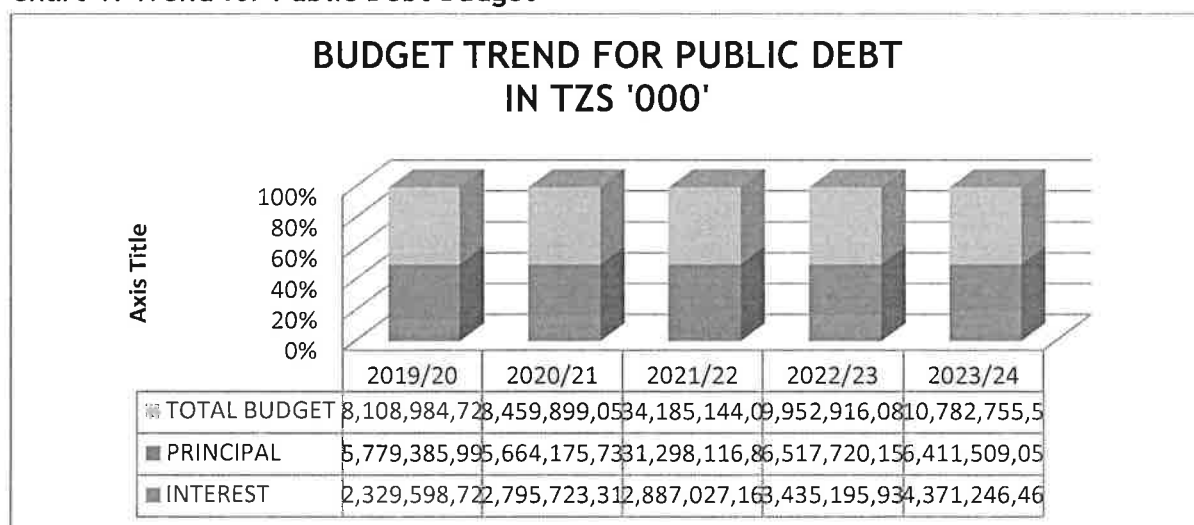
### 6.1 OVERVIEW OF THE FINANCIAL INFORMATION

Original approved budget for Public Debt (Vote 001) for the financial year 2023/24 was TZS 10,480,130,968,000. During the year, the vote was allocated additional budget capacity amounting to TZS 321,122,479,000 thus the final budget was TZS 10,801,253,447,000.

The major reason for the reallocation was increased debt service costs due to:

- Additional interest cost for new borrowings made from both domestic market and external sources;
- Unfavourable exchange rate movement from TZS 2,345/USD used during budget preparation compared to the closing exchange rate of TZS 2,640/USD;
- Unfavourable Interest rate movement in the global market due to the new reference rates and floating margins.
- Unfavourable domestic market especially the first half of the financial year 2023/24 which leads to Conversion of liquidity paper into financing.

Chart 1: Trend for Public Debt Budget



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COMMENTARY ON THE FINANCIAL STATEMENTS (*continued*)

Table 11: Summary of Financial overview

Description	2023/24	2022/23	Major Reason for Increase/ Decrease
Total Revenue	10,847,590,853,008	9,959,788,645,634	<ul style="list-style-type: none"> <li>Unfavourable exchange rate movement from TZS 2,345/USD used during budget preparation compared to closing exchange rate of TZS 2,640/USD.</li> <li>Unfavourable Interest rate movement in the global market due to the new reference rates and floating margins.</li> <li>Previous year commitment paid through deposit.</li> </ul>
Total expenses and Transfers	26,204,827,778,274	20,821,763,481,061	<ul style="list-style-type: none"> <li>Realization of loss on foreign currency translations</li> <li>Realization of discount cost on T-bills/bonds.</li> <li>Increase in debt service cost due to increase in variable interest rate, new borrowing and disbursement</li> </ul>
Surplus/ (Deficit) for the year	(15,357,236,925,265)	(10,861,974,835,427)	<ul style="list-style-type: none"> <li>Realization of loss on foreign currency Translations</li> <li>Realization of discount cost on T-bills/bonds.</li> <li>Increase in interest expenses due to increase in variable interest rate and new borrowing and disbursement</li> <li>Increase in transfer expenses</li> </ul>
Current Assets	506,484,095,234	984,799,756,616	<ul style="list-style-type: none"> <li>Decrease of prepayments for debt obligation falling due in early July 2024 as compared to the previous year.</li> </ul>
Current Liabilities	354,078,153,129	578,292,815,394	<ul style="list-style-type: none"> <li>Decrease of deposits for domestic debt obligation falling due in early July 2023 as compared to the previous year.</li> </ul>
Non-Current Liabilities	97,357,841,894,400	82,254,705,968,252	<ul style="list-style-type: none"> <li>Increase in Non-Current Liabilities is due to new disbursements from existing and new creditors, both domestic and external</li> </ul>
Net Asset/Equity	(97,205,435,952,295)	(81,848,199,027,029)	<ul style="list-style-type: none"> <li>The increase in net assets is caused by an increase in foreign exchange losses, which has contributed to the overall accumulated deficit.</li> </ul>

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COMMENTARY ON THE FINANCIAL STATEMENTS (*continued*)

## 6.2 REVENUE

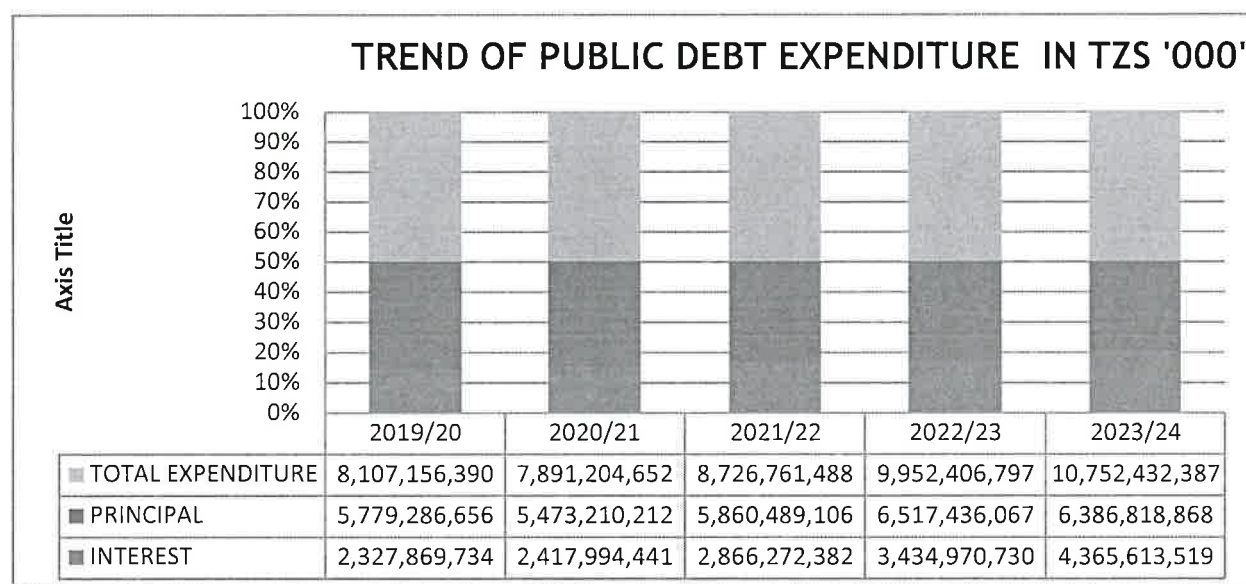
### 6.2.1 EXCHEQUER ISSUES NOTIFICATION

During the financial year 2023/24, the exchequer received amounted to TZS 10,801,253,446,999, compared to TZS 9,970,287,493,382 received in the previous financial year of 2022/23. The increase of TZS 830,965,953,618 was attributed to additional costs for new borrowings from the domestic market and external sources.

### 6.2.2 TOTAL REVENUE

Total revenue for the year under review was TZS 10,847,590,853,008 from non-exchange transactions, of which TZS 10,770,869,426,616 is the amount recognized after amortization of deferred income during the year, TZS 2,632,246,962 is other revenue from Treasury bond premium and Revenue Grant non-monetary TZS 74,089,179,430. In comparison with the previous year, TZS 9,959,788,645,634 exchequer revenue has increased by TZS 887,802,207,374 mainly due to an increase in debt service cost.

Chart 2: Trend of Public Debt Expenditure



## 6.3 EXPENSES

### 6.3.1 Interest expenses

Debt service on interest expenses was TZS 4,404,189,813,482, whereas domestic debts were TZS 2,736,329,734,492, and external debt was TZS 1,667,860,078,990. In comparison with last year, the overall increase was TZS 960,182,937,451.24, out of which domestic debt interest was TZS 326,617,712,034 while external debt interest was TZS 633,565,225,417. The increase was mainly due to new borrowings from domestic and external sources, an increase in interest rates in the international financial market and the weakening of local currency against the major dominating currency in the external debt portfolio.

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COMMENTARY ON THE FINANCIAL STATEMENTS (*continued*)

**5.3.2 Foreign exchange gains/loss**

During the year 2023/24, the DMD incurred a foreign exchange loss of TZS 6,296,608,659,601, compared to TZS 252,152,084,639 in the previous year. The loss resulted from the settlement and Translation of monetary items denominated in foreign currencies. However, the local currency (TZS) weakening against major foreign currencies, especially USD and Euro currencies, dominated the external debt portfolio at the end of the financial year 2023/24.

Transactions in foreign currencies are initially recorded at the spot exchange rate on the transaction date. Monetary items are translated at the exchange rate at the reporting date. Non-monetary items measured at historical cost are translated using the rate at the date of the transaction. Table 12 and Appendix 7 attached, illustrate a summary of creditors and their parity changes.

**Table 12: parity change summary**

PARITY CHANGE SUMMARY IN EQUIVALENT TZS BY CREDITOR CATEGORY FOR THE YEAR ENDED 30 June 2024		
Name of the creditor category	June 2024	June 2023
Multilateral/International organizations	4,191,013,661,219	209,427,151,506
Bilateral Creditors Paris Club members	98,453,630,932	(169,821,833,267)
Bilateral Creditors Non-Paris Club members	135,594,193,211	85,542,249,436
Export-Import creditors	675,207,451,313	(18,283,670,101)
Commercial creditors	1,196,339,722,926	145,288,187,065
<b>TOTAL PARITY CHANGE</b>	<b>6,296,608,659,601</b>	<b>252,152,084,639</b>

**6.3.3 Other Expenses**

During the year 2023/24 other expenses was TZS 11,677,801,003 compared to TZS 15,726,974,677 realized in previous years. The decrease of TZS 4,049,173,674 was due to decrease in liquidity management cost.

**6.3.4 Other transfers**

The other transfers consisted of cash transfers to the consolidated fund, which represent domestic borrowing, and non-cash transfers to the consolidated fund, including external disbursements and advances to the government from the Bank of Tanzania (BOT). This accommodation code was introduced to account for borrowed loans, as the borrowing budget falls under the treasury management vote, while the outstanding loans are recorded under vote 001, which handles public debt. During the year under review, other transfer payments amounted to TZS 15,147,225,024,668, a decrease from TZS 16,859,603,648,827 reported in the previous year. This decline of TZS 1,712,378,624,159 was primarily due to a reduction in new borrowings from both external and domestic sources compared to the previous year.

**6.4 ASSET**

Total asset at the end of financial year comprised of current asset amounting to TZS 506,484,095,234 which TZS 346,257,526,368 as cash and cash equivalent and TZS 160,226,568,866 was prepayment,

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compared to previous year TZS 984,799,756,616. Total assets decreased by TZS 478,315,661,382 mainly attributed by the decrease in cash and cash equivalent and prepayments.

**6.4.1 Cash and Cash equivalent**

Cash and cash equivalent as at 30 June 2024 was TZS 346,257,526,368 consisting of redemption cash account TZS 130,225,000,227 and deposit cash account TZS 216,032,526,141. Compared to previous year TZS 505,282,060,309, cash and cash equivalent has decreased by TZS 159,024,533,941 as a result of decrease in redemption account balance.

**6.4.2 Prepayment**

During the period under review, prepayments of TZS 160,226,568,866 were recorded compared to TZS 479,517,696,307 in the previous financial year. The decrease of TZS 284,270,087,448.34 was due to a decrease in debt obligation falling due in early July 2024.

**Table 13: List of prepayments**

S/N	Description	Amount in TZS- 2024	Amount in TZS- 2023
1	T-Bills Principal	0	77,220,000,000
2	Special Bond Interest	1,500,000,000.00	21,405,000,000
3	Government Stock interest	1,475,832,598.03	1,475,832,598
4	Government Bonds Interest	94,780,167,630.00	161,972,227,711
5	Government Bonds Principal	32,469,000,000.00	169,119,820,570
7	International Org Principal	19,477,076,209.85	28,147,338,543
8	Foreign Commercial Principal	3,411,432,256.36	3,013,935,482
9	Bilateral Non-Paris Principal	131,521,875.00	116,735,550
10	Bilateral Non-Paris Interest	14,159,006.74	14,000,440
11	Foreign Commercial Interest	0	141,016,446
12	International Org Interest	6,967,379,291.00	16,891,788,967
	<b>Total</b>	<b>160,226,568,866.98</b>	<b>479,517,696,307</b>

**6.5 LIABILITIES**

Total liabilities of TZS 97,711,920,047,529 at the end of financial year were made up of current liabilities TZS 354,078,153,129 and non-current liabilities TZS 97,357,841,894,400 recording an increase of TZS 14,878,921,263,883 compared to total liabilities of TZS 82,832,998,783,646 recorded in the previous year. The increase is mainly attributed by new borrowings to finance government operations and loss on translation resulted from weakening of local currency (TZS) against major foreign currencies dominating in external debt portfolio at the end of financial year 2023/24.

**6.5.1 Current liabilities**

During the year under review TZS 354,078,153,129 was current liabilities out of which deposit was TZS 346,257,526,368; payable and accruals was TZS 7,820,626,761. Compared to previous year,



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current liabilities TZS 578,292,815,394 decreased by TZS 224,214,662,265. The decrease made up of prepayment of debt service obligations falling due early July 2024.

### 6.5.2 Deposits

Deposit as of 30 June 2024 was TZS 346,257,526,368, including deposit general TZS 216,032,526,141 and redemption account TZS 130,225,000,227 compared to TZS 505,282,060,309 of the previous year; deposit has decreased by TZS 159,024,533,941; the decrease is caused by a decrease in debt service obligations falling due early July 2024.

### 6.5.3 Payables and Accruals

During the financial year 2023/24, TZS 7,820,626,761 was recorded as outstanding liabilities (payables) compared to TZS. 73,010,755,085 reported last financial year 2022/23 the decrease of TZS 65,190,128,324 was due to Dar es Salaam Stock Exchange, Capital Market and Securities Authority, interest on deficit on government position and liquidity management cost was committed to deposit account.

Table 14: List of payables

S/N	Description	Amount in TZS- 2024	Amount in TZS- 2023
1	DSM Stock Exchange	0	158,928,950
2	Capital Market and Securities Authority	0	105,752,634
3	Advertisement and Publications	53,449,000	7,493,000
4	Interest on Deficit on Government Position	5,604,710,723	64,190,743,738
5	Liquidity Management Cost	2,162,467,038	8,547,836,763
	<b>Total</b>	<b>7,820,626,761</b>	<b>73,010,755,085</b>

### 6.5.4 Total debt stock

Total Debt stock comprises of external and domestic debt stock. As at 30 June 2024 debt stock amounted to TZS 97,357,841,894,400 compared to TZS 82,254,705,968,252 which was reported in previous year. Out of the total debt stock TZS 65,406,279,325,308 was external debt while domestic debt was TZS 31,951,562,569,092 the overall increase in debt stock was TZS 15,103,135,926,148 the reasons being disbursements received from existing and new external loans and new borrowings from domestic sources for the year under review.

### 6.5.5 Short Term and Long-Term Loans

In the year under review, the total outstanding debt was TZS 97,357,841,894,400 out of which the short-term loans amounted to TZS 12,522,508,525,112 compared to TZS 11,202,450,232,159 reported in the last financial year while the balance of TZS 84,835,333,369,288 was long term loans compared with TZS 71,052,255,736,093 which was reported in the previous financial year.

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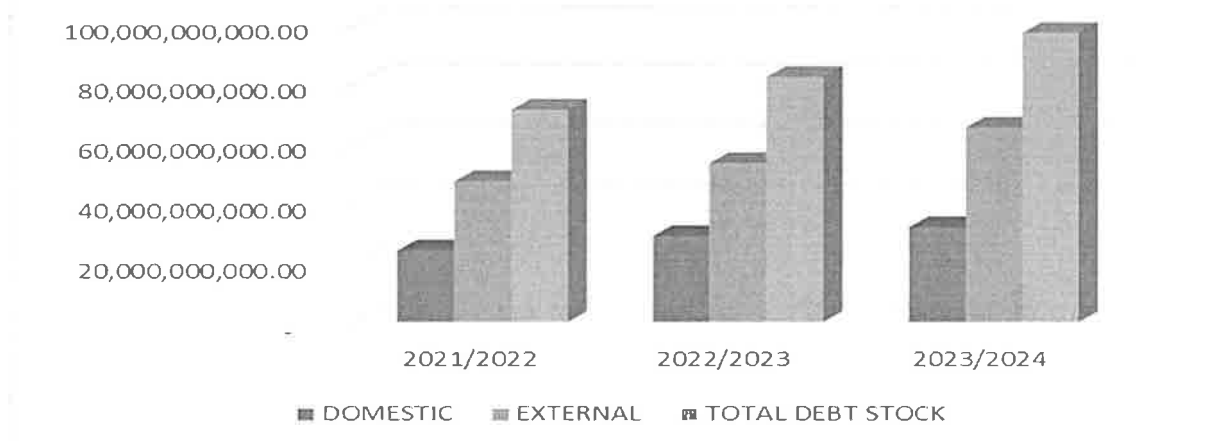
COMMENTARY ON THE FINANCIAL STATEMENTS (*continued*)

Table 15: Short term and long-term loans

S/N	Description	Amount in TZS- 2024	Amount in TZS- 2023
<b>Short term domestic and external debt</b>			
1	Short term domestic debt	2,328,650,770,000	2,129,246,900,000
2	Current portion of domestic long-term	6,676,738,120,112	6,189,473,577,158.8
3	External current portion of external long-term	3,517,119,635,000	2,883,729,755,000
	<b>Total short-term debt</b>	<b>12,522,508,525,112</b>	<b>11,202,450,232,159</b>
<b>Long term domestic and external debt</b>			
1	Long term domestic debt	22,946,173,678,981	20,607,653,253,554
2	Long term external debt	61,889,159,690,307	50,444,602,482,539
	<b>Total long-term debt</b>	<b>84,835,333,369,288</b>	<b>71,052,255,736,093</b>
	<b>Grand total debt</b>	<b>97,357,841,894,400</b>	<b>82,254,705,968,252</b>

Chart 3: Trend of outstanding Public Debt

Trend of Public Debt Stock in TZS '000'



## 6.6 NET ASSET

Net asset includes taxpayer's fund and accumulated surplus/deficit. The term taxpayers fund was adopted by the government in respect of initial residual value from assets and liabilities. Taxpayers fund is expected to be static after the lapse of the IPSAS implementation transitional period, which ended June 2017. As at 30 June 2024, public debt net asset/worth was TZS (97,205,435,952,295) compared to TZS (81,848,199,027,029) in the previous year.

## 6.7 CASH FLOW STATEMENT

Cash flow statement comprises of cash flow from operating activities, cash flow from investing activities and cash flow from financing activities.

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COMMENTARY ON THE FINANCIAL STATEMENTS (*continued*)

**6.7.1 Cash flow from operating activities**

During the year under review TZS 10,803,885,693,961 was received which includes TZS 10,801,253,446,999 revenue grants from treasury and TZS 2,632,246,962 premium from Treasury bond. Total payment made was TZS 9,950,948,692,554 resulting to a net cash flow from operating activities of TZS 852,937,001,407. The amount paid includes: use of goods and services TZS 109,197,000, other transfers TZS 5,407,873,590,442, other expenses TZS 18,327,852,311, interest expenses TZS 4,365,613,518,859 and decrease in deposit TZS 159,024,533,941.

**6.7.2 Cash flow from financing activities**

Repayment of loan (principal) for domestic and external creditors is accounted under this item. The actual repayment of amount borrowed for the year 2023/24 was TZS 6,386,818,858,445 (domestic debt - TZS 3,374,961,951,633 and external debt - TZS 3,011,856,906,811) compared to TZS 6,517,436,066,654 (domestic debt - TZS 3,706,968,317,659 and external debt - TZS 2,810,467,748,995) of the previous financial year, marking a decrease of TZS 130,617,208,209. The decrease was mainly on the restructuring of the domestic special bond of TZS 750,000,000,000 into longer maturity. Net cash flow from financing activities during the year under review was TZS (981,577,514,965), which resulted in a net decrease of TZS 128,640,513,558. Cash proceeds from long-term and short-term borrowing was TZS 5,405,241,343,480 compared to TZS 6,124,511,674,339 of the previous year. The decrease was TZS 719,270,330,859 due to change in market conditions.

**Table 16: Domestic Borrowing by instrument category**

Category	Borrowing (CV) 2023/24	Borrowing (CV) 2022/23
25 year Bonds	1,299,696,849,306	1,694,363,197,000.10
20 year Bonds	835,047,246,962	1,120,345,363,046.70
15 year Bonds	369,660,153,932	367,886,462,949.10
10 year Bonds	256,320,120,092	194,085,708,892.50
7 year Bonds	0	54,132,778,649.50
5 year Bonds	50,991,022,719	123,476,189,070.00
2 year Bonds	177,433,916,147	567,318,065,651.70
364 Days Treasury Bills	2,197,803,441,454	2,002,903,909,079.40
182 Days Treasury Bills	220,920,839,829	0
<b>TOTAL</b>	<b>5,407,873,590,441</b>	<b>6,124,511,674,339.00</b>

**6.7.3 Cash transfers**

Unspent fund during the year was TZS 30,384,020,383 the balance has been transferred to PMG.

**6.8 CONTINGENT LIABILITIES**

As at end June 2024, contingent liabilities stood at TZS 8,679.34 billion, out of which TZS 59.53 billion was pure Guarantees (70 per cent as per GLGGA), 31.06 billion was Guarantee for PO-RALG, TZS 1,256.96 billion was Consent Letters for an entity to secure fund, TZS 4,832.05 billion was the amount that the Government Guaranteed NIC for construction of Julius Nyerere Hydroelectric power dam;

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COMMENTARY ON THE FINANCIAL STATEMENTS (*continued*)

and TZS 2,499.74 billion was Pension funds and others implicitly guarantees to Social Security's Funds claims to the Government falls in two main categories, namely Claims emanated from unremitted Statutory Contributions and unsettled claims associated with Investments made by the funds in various Government Projects. As at 30 June 2024, the total outstanding from social security funds was TZS 2,499.74 billion. The outstanding balance is in favour of PSSSF and NHIF. On 10 January 2024, the Government issued a special bond amounting TZS 497.23 billion for the payment of NSSF debt.

**6.9 COMMITMENTS**

Total amount of TZS 216,032,526,141 was recorded as a commitment for the year ended 30 June, 2024 as follows:

Table: 17 List of Commitments

Category	Commitment 2023/24	Commitment 2022/23
Treasury Bond	0	74,089,179,430
International organization (IDA)	20,388,170,754	0
Interest on bank Overdraft expenses	190,122,939,318	0
Government share on liquidity management cost	5,047,836,763	0
Dar es Salaam stock exchange	241,099,439	0
Capital market security authority	232,479,867	0
<b>TOTAL</b>	<b>216,032,526,141</b>	<b>74,089,179,430</b>

**6.10 DEBT FORGIVENESS/RELIEF**

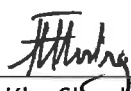
During the year under review, there was no debt relief /forgiveness.

**6.11 PURCHASE OF INTANGIBLE ASSETS**

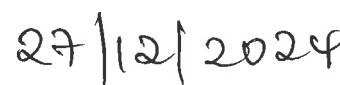
There was no any purchase of intangible assets for the year ended 30 June 2024. However, public debt uses debt management software named CS Meridian, owned by the Commonwealth Secretariat, for maintaining its debt data.

**6.12 AUDITORS**

The Controller and Auditor-General (CAG) is a statutory auditor for the Public Debt pursuant to the provisions of Article 143 of the Constitution of the United Republic of Tanzania of 1977 and the Public Audit Act, Cap.418.



Amina Kh. Shaaban  
Accounting Officer



Date

THE UNITED REPUBLIC OF TANZANIA  
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7.0 FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

7.1 STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024

		2024	2023
	Note	TZS	TZS
<b>ASSETS</b>			
<b>Current asset</b>			
Cash and cash equivalents	62	346,257,526,368	505,282,060,309
Prepayments	69	160,226,568,866	479,517,696,307
<b>Total current asset</b>		<b>506,484,095,234</b>	<b>984,799,756,616</b>
<b>TOTAL ASSETS</b>		<b>506,484,095,234</b>	<b>984,799,756,616</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Payables and accruals	89	7,820,626,761	73,010,755,085
Deposits	94	346,257,526,368	505,282,060,309
<b>Total current liabilities</b>		<b>354,078,153,129</b>	<b>578,292,815,394</b>
<b>Non-current liabilities</b>			
Borrowings (Public Debt)	101	97,357,841,894,400	82,254,705,968,252
<b>Total non-current liabilities</b>		<b>97,357,841,894,400</b>	<b>82,254,705,968,252</b>
<b>TOTAL LIABILITIES</b>		<b>97,711,920,047,529</b>	<b>82,832,998,783,646</b>
<b>Net assets</b>		<b>(97,205,435,952,295)</b>	<b>(81,848,199,027,029)</b>
<b>NET ASSETS/EQUITY</b>			
<b>Capital Contributed by:</b>			
Taxpayers/share capital		(41,638,235,410,370)	(41,638,235,410,370)
Accumulated surpluses/deficits		(55,567,200,541,925)	(40,209,963,616,659)
<b>TOTAL NET ASSETS/EQUITY</b>		<b>(97,205,435,952,295)</b>	<b>(81,848,199,027,029)</b>



Amina Kh. Shaaban  
Accounting Officer

27/12/2024


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FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (Cont'd...)

7.2 STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2024

		2024	2023
	Note	TZS	TZS
<b>REVENUE</b>			
Revenue			
Revenue grants	16	10,844,958,606,046	9,959,788,645,634
Other revenue	31	2,632,246,962	-
<b>Total revenue</b>		<b>10,847,590,853,008</b>	<b>9,959,788,645,634</b>
<b>TOTAL REVENUE</b>		<b>10,847,590,853,008</b>	<b>9,959,788,645,634</b>
<b>EXPENSES AND TRANSFERS</b>			
Expenses			
Use of goods and service	35	155,153,000	150,671,226
Interest expenses	42	4,404,189,813,482	3,444,006,876,031
Loss on foreign currency translation	45	6,296,608,659,601	252,152,084,639
Discount cost on T-bills/bonds	46	344,971,326,520	250,123,225,661
Other expenses	52	11,677,801,003	15,726,974,677
<b>Total Expenses</b>		<b>11,057,602,753,606</b>	<b>3,962,159,832,234</b>
Transfer			
Other transfers	60	15,147,225,024,668	16,859,603,648,827
<b>Total transfer</b>		<b>15,147,225,024,668</b>	<b>16,859,603,648,827</b>
<b>TOTAL EXPENSES AND TRANSFERS</b>		<b>26,204,827,778,274</b>	<b>20,821,763,481,061</b>
<b>The deficit for the year</b>		<b>(15,357,236,925,265)</b>	<b>(10,861,974,835,427)</b>



Amina Kh. Shaaban  
Accounting Officer

27/12/2024

Date

THE UNITED REPUBLIC OF TANZANIA  
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FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (Cont'd...)

7.3 STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2024

Details	Tax Payer's Fund	Accumulated Surplus/(Deficit)		Total
	TZS	TZS	TZS	TZS
Opening balance as at 01 Jul 2023	(41,638,235,410,370)	(40,209,963,616,659)	(81,848,199,027,029)	
Surplus/ deficit for the Year	-	(15,357,236,925,266)	(15,357,236,925,266)	
Closing balance as at 30 Jun 2024	(41,638,235,410,370)	(55,657,200,541,925)	(97,205,435,952,295)	
Opening balance as at 01 Jul 2022	(41,638,235,410,370)	(29,347,988,781,232)	(70,986,224,191,602)	
Surplus/ deficit for the year	-	(10,861,974,835,427)	(10,861,974,835,427)	
Closing balance as at 30 Jun 2023	(41,638,235,410,370)	(40,209,963,616,659)	(81,848,199,027,029)	

  
Amina Kh. Shaabani  
Accounting Officer

27/12/2024

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THE UNITED REPUBLIC OF TANZANIA  
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FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (Cont'd...)

7.4 CASHFLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2024

	2024	2023
	TZS	TZS
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>RECEIPTS</b>		
Revenue grants	10,801,253,446,999	9,970,287,493,382
Other revenue	2,632,246,962	-
Increase in deposit	-	190,311,332,367
<b>Total receipts</b>	<b>10,803,885,693,961</b>	<b>10,160,598,825,749</b>
<b>PAYMENTS</b>		
Use of goods and service	109,197,000	174,229,001
Other transfers	5,407,873,590,442	6,124,511,674,339
Other expenses	18,327,852,311	7,207,619,587
Interest expenses	4,365,613,518,859	3,434,970,730,392
Decrease in deposit	159,024,533,941	-
<b>Total payments</b>	<b>9,950,948,692,554</b>	<b>9,566,864,253,319</b>
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>852,937,001,408</b>	<b>593,734,572,429</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
<b>Financing activities</b>		
Cash repayments of amounts borrowed	(6,386,818,858,445)	(6,517,436,066,654)
Cash proceeds from other short or Long-term borrowings	5,405,241,343,480	6,124,511,674,339
<b>Total financing activities</b>	<b>(981,577,514,965)</b>	<b>(392,924,392,315)</b>
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>(981,577,514,965)</b>	<b>(392,924,392,315)</b>
<b>Net increase</b>	<b>(128,640,513,557)</b>	<b>(200,810,180,114)</b>
Cash Surrendered to PMG	30,384,020,383	10,498,847,748
Cash and cash equivalent at beginning of period	505,282,060,308	314,970,727,942
Cash and cash equivalent at end of period	346,257,526,368	505,282,060,308



Amina Kh. Shaaban  
Accounting Officer

27/12/2024

Date



**THE UNITED REPUBLIC OF TANZANIA  
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**FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (Cont'd...)**

7.5 STATEMENT OF COMPARISON OF BUDGET AND ACTUAL FOR THE YEAR ENDED 30 JUNE 2024						
	Budgeted Amount	Reallocations/		Final Budget (B)	Actual Amount on Comparison Basis (A)	Different Final Budget & Actual (B-A)
		Original Budget	Adjustments			
		TZS	TZS	TZS	TZS	TZS
<b>RECEIPTS</b>						
Revenue Grants	10,480,130,968,000		321,122,479,000	10,801,253,447,000	10,801,253,446,999	1
<b>Total Receipts</b>	<b>10,480,130,968,000</b>		<b>321,122,479,000</b>	<b>10,801,253,447,000</b>	<b>10,801,253,446,999</b>	<b>1</b>
<b>PAYMENTS</b>						
Use of Goods and Service	170,000,000		-	170,000,000	109,197,000	60,803,000
Other Expenses	10,202,200,000		8,125,721,000	18,327,921,000	18,327,852,312	68,688
Interest Expenses	4,163,751,336,000		207,495,130,851	4,371,246,466,851	4,365,613,518,859	5,632,947,992
Cash repayments of amounts borrowed	6,306,007,432,000		105,501,627,149	6,411,509,059,149	6,386,818,858,445	24,690,200,704
<b>Total Payment</b>	<b>10,480,130,968,000</b>		<b>321,122,479,000</b>	<b>10,801,253,447,000</b>	<b>10,770,869,426,616</b>	<b>30,384,020,384</b>
<b>Net Receipts/Payments</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>30,384,020,383</b>	<b>30,384,020,383</b>

  
Amina Kh. Shaaban  
Accounting Officer

27/12/2024

Date

## 8.0 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

### 8.1 GENERAL INFORMATION

The General information about the reporting entity

<b>PRINCIPAL PLACE OF BUSINESS</b> MINISTRY OF FINANCE, GOVERNMENT CITY- MTUMBA, TREASURY STREET, P.O BOX 2802, 48468 DODOMA - TANZANIA.	<b>BANKER</b> BANK OF TANZANIA, 2 MIRAMBO STREET P.O.BOX 2939, 11884 DAR ES SALAAM - TANZANIA.
<b>ACCOUNTING OFFICER FOR VOTE 001</b> DEPUTY SECRETARY PUBLIC FINANCIAL MANAGEMENT (DSPFM), GOVERNMENT CITY- MTUMBA, TREASURY STREET, P. OBOX 2802, 48468 DODOMA - TANZANIA	<b>LAWYERS</b> THE ATTORNEY GENERAL(AG), GOVERNMENT CITY- MTUMBA PLOT NO. 21 P.O BOX 630 DODOMA
<b>AUDITORS</b> CONTROLLER AND AUDITOR GENERAL (CAG), MKAGUZI HOUSE, MAHAKAMA ROAD, PO BOX 950. 41104 TAMBUKARELI DODOMA.	

### 8.2 BASIS OF PREPARATION

These financial statements comply with International Public Sector Accounting Standards - Accrual Basis of Accounting. Financial statement has been prepared on a going concern basis and the accounting policies have been applied consistently throughout the period. Moreover, the financial statements have been prepared in accordance with section 30 of Public Finance Act, CAP.348 and Comply with the requirements of International Public Sector Accounting Standards (IPSAS). The financial statements are presented in Tanzania Shillings (TZS).

### 8.3 AUTHORIZATION DATE

The financial statements were authorized for issue on 27/12/2024 by:

  
Accounting Officer

**NOTE TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (Cont'd...)**

**8.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**8.4.1 REPORTING ENTITY**

The financial statements are for the Public Debt (Vote 001) under the Ministry of Finance. The financial results of Vote 001 are sensitive to the accounting policies, assumptions and estimates that underlie the preparation of financial statements. In preparation of financial statements, management has selected appropriate accounting policies, made judgments, and estimated that they are reasonable and prudent. The accounting policies that are deemed critical to the results and financial position, in terms of materiality and degree of judgement involved, as well as the assumptions and estimates used, are described in the note below. The accounting policies adopted are consistent with those of previous years.

**8.4.2 Revenue from non-exchange transaction**

Revenue from non-exchange transactions comprises mainly of exchequer revenue. Exchequer revenue is recognized after amortization of deferred income received during the year under review. The amount that is recognized as revenue is posted to the statement of financial performance as amortization of revenue grants.

**8.4.3 Expenses**

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year is expensed.

**8.4.4 Other Transfers**

Other transfer payments relate to transfers to consolidated fund cash and non-cash.

**8.4.5 Cash and Cash Equivalent**

Cash and cash equivalent comprises cash at bank and short-term deposits with an original maturity of three months or less and is measured at amortized cost. For the purpose of the cash flow statement and Financial Position consist of cash and cash equivalents as defined above. For Vote 001, cash and cash equivalent are made up of balances of accounts of deposit in nature at the end of the financial year, such as redemption cash account and deposit general. Cash and cash equivalents are not available for use by the management; these are third-party money.

**8.5.1 Prepayments**

These are the payments made before due date at the year end. Expenses in respect of the same are recognised in the statement of financial performance in the year in which they fall due (succeeding year). For the current year, prepayments form part of current asset in the statement of financial position.

**NOTE TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (Cont'd...)**

**8.5.2 Deferred Income**

Deferred income relates to exchequer received in which the related expenses have not been incurred and grants received in monetary form for recurrent expenditure are recognized as deferred income revenue in the statement of financial position and are released to the statement of financial performance when recurrent expenditure is incurred.

**8.5.3 Deposit**

Deposit comprises of deposit general and redemption account. These are committed funds and form part of cash and cash equivalent as well as liabilities in the statement of financial position.

**8.5.4 Payables**

Accounts payable and accrued liabilities arise from debt service and loan management that have been due but not paid for at the reporting date. Payables are recognized and subsequently measured at their nominal value because they are generally due within 12 months.

**8.5.5 Provisions**

Provisions are future liabilities and expenses with present legal or constructive obligation as a result of past events probable that Vote 001 will settle the obligation and the value can be reliably measured.

**8.5.6 Short Term and long -term Borrowing**

Short term borrowing is the borrowing which matures within the next 12 months while long term borrowing is expected to mature after 12 months. For the financial year ended 30 June 2024 short and long-term borrowing, form part of liabilities in the statement of financial position. Short term and long-term borrowing form part of financial instrument, vote 001 financial liability includes loan from external creditors together with treasury bills and bonds from domestic market.

**8.5.7 Tax Payers Fund**

These are monies invested by the government to satisfy individual or collective needs or to create future benefits. It includes all monies invested on capital expenditure.

**8.5.8 Related Party Transactions**

The key management personnel of public debt include the Deputy Secretary Public Finance Management who is the Accounting Officer, Commissioner of Debt Management Division, Assistant Commissioner Debt Data Base Management, the Assistant Commissioner for Resource Mobilization, Assistant Commissioner Debt Analysis and Chief Accountant. None of the key management personnel receives any remuneration or other benefits from Vote 001 for their roles. Their remunerations and other benefits are paid through Vote 21 -The Treasury.

**8.6 SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS**

The preparation of the government's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and

**NOTE TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (Cont'd...)**

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liabilities, and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

**8.6.1 Judgments**

In the process of applying the government's accounting policies, management has made judgments, apart from those involving estimations, which have the most significant effect on the amounts recognized in the financial statements.

**8.6.2 Estimates and Assumptions**

The key assumptions concerning the future and other key sources of estimation of uncertainty at the balance sheet date, that have a significant risk of causing a material judgment to the carrying amount of assets and liabilities within the next financial year are properly disclosed in the financial statements.

**8.7 FUTURE CHANGES IN ACCOUNTING POLICIES**

Standards issued but not yet effective up to the date of issuance and some amendment thereon which might have impact on the Financial Statements are listed below. The issued standards are those that the Division reasonably expects to have an impact on disclosures, financial position or performance when applied at a future date. The entity intends to adopt these standards when they become effective.

- i. **IPSAS 43 - Leases:** IPSASB approved IPSAS 43, Leases with an effective date of January 1, 2025. IPSAS 43 supersedes IPSAS 13, *Leases* and introduces the right-of-use model for lessees, aligning with IFRS 16, *Leases*. The IPSASB will continue consideration of public sector specific leasing issues, such as concessionary leases, in its Other Lease-Type Arrangements project. The entity is currently assessing the impact of the standard.
- ii. **IPSAS 46- Measurement.** The objective of this Standard is to define measurement bases that assist in reflecting fairly the cost of services, operational capacity and financial capacity of assets and liabilities. The Standard identifies approaches under those measurement bases to be applied through individual IPSAS to achieve the objectives of financial reporting. An entity that prepares and presents financial statements under the accrual basis of accounting shall apply IPSAS 46, Measurement in measuring assets and liabilities. The measurement requirements described in this Standard apply to both initial and subsequent measurement, unless specific guidance is included in the individual IPSAS. IPSAS 46 will be effective for periods beginning on or after January 1, 2025.
- iii. **IPSAS 47- Revenue.**  
IPSAS 47 is a single source for revenue accounting guidance in the public sector, which presents two accounting models based on the existence of a binding arrangement. This new Standard provides focused guidance to help entities apply the principles to account for public

**NOTE TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (Cont'd...)**

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sector revenue transactions. To meet this objective requires an entity to consider the terms of the transaction, and all relevant facts and circumstances, to determine the type of revenue transaction and set out the accounting requirements to account for the revenue transaction. IPSAS 47 will be effective for periods beginning on or after January 1, 2026

- iv. **IPSAS 48: Transfer Expenses.** The objective of this standard is to establish the principles that a transfer provider (an entity) shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. In order to meet the objective, This Standard requires an entity to consider the terms of the transaction and all relevant facts and circumstances to determine the type of transfer expense transaction and sets out the accounting requirements for the transfer expense transaction. IPSAS 48 will be effective for periods beginning on or after January 1, 2026.
- v. **IFRS S1:** The objective of IFRS S1 (General Requirements for Disclosure of Sustainability related Financial Information) is to require an entity to disclose information about its sustainability-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity. The Standard requires an entity to disclose information about all sustainability-related risks and opportunities that could reasonably be expected to affect the entity's cash flows, its access to finance or cost of capital over the short, medium or long term. This Standard also prescribes how an entity prepares and reports its sustainability-related financial disclosures. It sets out general requirements for the content and presentation of those disclosures so that, the information disclosed is useful to primary users in making decisions relating to providing resources to the entity.
- vi. **IFRS S2:** The objective of IFRS S2 (Climate-related Disclosures) is to require an entity to disclose information about its climate-related risks and opportunities that is useful to primary users of general-purpose financial reports in making decisions relating to providing resources to the entity. The Standard requires an entity to disclose information about climate-related risks and opportunities that could reasonably be expected to affect the entity's cash flows, its access to finance or cost of capital over the short, medium or long term. Climate-related risks to which the entity is exposed include climate-related physical risks and climate-related transition risks.

## **8.8 EXCHANGE RATES**

All monetary amounts in the financial statements are expressed in Tanzanian Shilling, and the legal tender is shown as TZS. The Tanzanian Shilling closing rates for major currencies were:

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NOTE TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (Cont'd...)

Table 18: Closing exchange<sup>1</sup> rates for major currency

Currency	30 June 2024	30 June 2023
United States Dollar (USD)	2,640.0000	2,339.1000
British Pound	3,341.7120	2,954.5172
Euro	2,831.1360	2,557.1041
Chinese Yuan	363.2461	500.4493
Kuwait Dinar	8,608.0410	7,607.0767
Japanese Yen	16.4589	16.1931
Special Drawing Rights	3,469.9357	3,125.7393
Africa Unit of Accounts	3,441.9700	3,078.9900

## 8.9 RISK MANAGEMENT

The government is subjected to a number of risks: Strategic risks, financial risks, Operational risks, Knowledge and system risks (ICT risks), Competence risks, and Legal risks. Management of Vote 001 is responsible for ensuring appropriate risk management strategies and policies are in place within any mandate provided by legislation. Risks associated with activities carried under Vote 001 - Public Debt are: -

### 8.9.1 Interest rate risk

Interest rate risk refers to the risk of loss due to adverse movement in interest rates. The government strategically manages this type of risk by borrowing a mix of fixed and floating-rate debt. The majority portion of the public debt portfolio is fixed interest rate.

### 8.9.2 Foreign exchange risk

Foreign exchange risk refers to the risk of loss due to adverse movements in foreign exchange rates. The government is currently borrowing in a range of currencies in order to minimize the exchange rate risk that might be caused by borrowing in one currency. Such currencies include SDR, AUA, USD, GBP, EUR, Chinese Yuan, Kuwait Dinar, Saud Arabian Rial and Japanese Yen.

### 8.9.3 Liquidity Risk

Liquidity risk refers to the inability of the government to meet its own obligations when they fall due. To manage this risk, the government: -

- i. Maintains a well-defined public debt portfolio with different maturities;
- ii. Prepares public debt annual budget to accommodate all debts to be settled during that respective year;
- iii. Projects its cash flows in a monthly, quarterly and annually and provides enough cash cover in advance to Bank of Tanzania to facilitate payments when they fall due; and
- iv. Monitors cash flows of the government through Treasury Single Account (TSA) which has the ability to analyse the cash outturn.

<sup>1</sup> Exchange rate source - BOT

**NOTE TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (Cont'd...)**

**8.9.4 Rollover Risk**

Rollover risk is a risk associated with the refinancing of debt. Rollover risk is commonly faced by governments when their debt is about to mature and needs to be rolled over into new debt. If interest rates rise adversely, they would have to refinance their debt at a higher rate and incur more interest charges in the future. Some techniques that the government uses to manage its exposure to rollover risk are:

- i. Liberalization of Capital Account. Recently the government through the Bank of Tanzania has further liberalized the capital account to broaden investor base of debt securities; increase competition; enhance price discovery and hence lower cost of borrowing and roll over;
- ii. Re opening of the existing treasury bonds that will deepen the bond market; and
- iii. Government continued to develop the domestic market by listing treasury bonds in the secondary market in order to provide an exit to the investors when needs arise.

**8.9.5 Guaranteeing a non-viable project**

Extend guarantee to non-viable project may leading to an increase in contingent liabilities. Some techniques that the government uses to manage its exposure to this risk are:

- i. To provide trainings and awareness to PSE;
- ii. Enhance monitoring and evaluation of issued guarantees;
- iii. To provide Capacity buildings to 2 DMD officers to effectively analyse the Guarantees in 2024/25;

**8.9.6 Excessive borrowing**

Breach solvency and liquidity indicators due to excessive borrowing leading into unsustainable government debt. Some techniques that the government uses to manage its exposure to this risk are:

- i. Enhance adherence to the GLGGA, its regulations and Guidelines by MDAs;
- ii. Strengthen Government borrowing adherence to the medium strategy (MTDS) and Debt Sustainability Analysis reports.

**8.9.7 Increase in borrowing reference rates**

Possibility of increasing cost of borrowing due to fluctuations of reference rates leading to increase of debt service. Some techniques that the government uses to manage its exposure to this risk are:

- i. Strengthen domestic financial market
- ii. Optimizing Debt Portfolio Hedging Strategies

**8.9.8 Crowding out private sector**

Crowd out private sector due to high Net Domestic Financing leading to slowing GDP growth. Some techniques that the government uses to manage its exposure to this risk are:

- i. Strengthen domestic financial market
- ii. Domestic borrowing by adhering to the Issuance plan



**NOTE TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (Cont'd...)**

**8.10 ORIGINAL AND FINAL APPROVED BUDGET AND COMPOSITION OF ACTUAL AND BUDGET AMOUNTS**

The approved budget is developed and prepared on cash basis. During the financial year 2023/24 there was no supplementary budget. The original budget was approved by the legislative in June 2023. Statement of comparison of budget and actual amounts has been tied to cash flow. IPSAS 24 requires the disclosure of an explanation of the reasons for differences between the original and final budget, including whether those differences arise from reallocation within the budget or other factors such as policy shifts, natural disasters or other unforeseen events.

The original budget approved by the parliament for the financial year 2023/24 was TZS 10,480,130,968,000 and the final approved budget as at 30 June 2024 was TZS 10,801,253,447,000. During the year, Vote 001 reallocated its budget capacity of TZS 321,122,479,000 from other votes (reallocation between votes). The major reason for reallocation was due to: -

- i. Additional interest cost for new borrowings made from both domestic market and external sources;
- ii. Unfavourable exchange rate movement from TZS 2,345/USD used during budget preparation compared to the closing exchange rate of TZS 2,640/USD;
- iii. Unfavourable Interest rate movement in the global market as well as the cessation of USD Libor and the introduction of new reference rates (SOFR, SONIA); and
- iv. Convert liquidity paper into financing.

The Final budget for the financial year 2023/24 was TZS 10,801,253,447,000 and the exchequer notification received during the year was TZS 10,801,253,446,999 marking the variance of TZS 1 from the final budget. The amount of exchequer notification received during the year was TZS 10,801,253,446,999 while the actual expenditure as at 30 June 2024 was TZS 10,770,869,426,616 leaving a balance of TZS 30,384,020,383 which has been transferred to PMG.

**8.10.1 Reconciliation of actual amounts on a comparable basis and actual amounts in the financial statements**

Para 47 of IPSAS 24 requires the identification of major differences between actual amounts on a budget basis and the amounts recognized in the financial statements.

A reconciliation between the actual amounts on a comparable basis as presented in the statement of comparison of budget and actual amounts and the actual amounts in the statement of cash flows for the year ended 30 June 2024. The Financial Statements and budget documents are prepared for the same period. There is a **basis of difference**; the budget is prepared on a cash basis, and the Financial Statements are prepared on an accrual basis.

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DEBT MANAGEMENT DIVISION PUBLIC DEBT (VOTE 001)

NOTE TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (Cont'd...)

Table 19: Reconciliation of actual amounts on a comparable basis and actual amounts in the financial statements

Description	Operating - TZS	Financing -TZS	Total - TZS
Actual amount on a comparable basis as presented in the budget and actual comparative statement	1,011,961,535,348	(981,577,514,965)	30,384,020,383
Basis difference	(159,024,533,940)	-	(159,024,533,940)
Actual amount in the statement of cash flow	852,937,001,408	(981,577,514,965)	(128,640,513,557)

During the period ended 30 June 2024, the differences between the two statements (cash flow and budget vs actual statement) are the net of other receipts and payments from a deposit account to the tune of TZS 159,024,533,940

During the year, Notes related to the financial statements are as shown below;

	2024	2023
16 - Revenue Grants	TZS	TZS
Government grants other charges	10,770,869,426,616	9,959,788,645,634
Revenue Grants- Non-monetary	74,089,179,430	-
	10,844,958,606,046	9,959,788,645,634

Government grants other charges was TZS 10,770,869,426,616 which is the amount recognized after amortization of deferred income during the year compared to previous year (TZS 9,959,788,645,634). Government grants other charges have increased by TZS 811,080,780,982 mainly due to increase in debt service cost.

	2024	2023
31 - Other Revenue	TZS	TZS
Premium on treasury bond	2,632,246,962	0
	2,632,246,962	0

Premium on Treasury bond refer to treasury bonds secured above par value which is TZS 100. There was twenty year bond secured above par value in current year, compared to premium recorded in previous year.

	2024	2023
35 - Use of Goods and Service	TZS	TZS
Advertising and publication	155,153,000	150,671,226
	155,153,000	150,671,226

Advertising and publication expenses are related to government treasury bills and bonds calls for tender.

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NOTE TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (Cont'd...)

	2024	2023
	TZS	TZS
<b>42 - Interest Expenses</b>		
364-day Treasury Bills	0	41,015,787,353
Foreign Commercial Loans	1,162,227,181,446	723,103,293,026
Foreign/Bilateral Loans (Non-Paris club Countries)	5,485,642,373	4,950,029,009
Foreign/Bilateral Loans (Paris Club Countries)	18,762,331,693	8,458,474,139
Government Bonds	2,373,100,711,936	2,040,537,208,334
Government Stocks	17,115,838,253	21,217,967,598
International Organizations	481,384,923,478	297,783,057,398
Overdrafts	131,536,906,303	106,678,859,873
Special Bonds	214,576,278,000	200,262,199,300
	<b>4,404,189,813,482</b>	<b>3,444,006,876,031</b>

Interest expenses were TZS 4,404,189,813,482, whereas domestic debts were TZS 2,736,329,734,492, and external debt was TZS 1,667,860,078,990. In comparison with last year, out of which domestic debt interest was TZS 2,409,712,022,458 and external debt interest was TZS 1,034,294,853,573, resulting in an overall increase of TZS 960,182,937,451. The increase was mainly due to new borrowings from domestic and external sources, an increase in interest rates in the international money market and a weakening of local currency against the major dominating currency in the external debt portfolio.

	2023/24	2022/23
	TZS	TZS
<b>45 - Loss on Foreign Currency Translation</b>		
Foreign exchange differences (loss) - non-monetary	6, 296,608,659,601	252,152,084,639
	<b>6,296,608,659,601</b>	<b>252,152,084,639</b>

Foreign exchange loss of TZS 6, 296,608,659,601 was recorded compared to foreign exchange loss of TZS 252,152,084,639 in previous year. The loss is a result of the weakening of local currency (TZS) against major foreign currencies dominating the external debt portfolio at the end of financial year 2023/24.

Table 20: Translation losses by creditor's category

S/N	Creditors by Category	30 June 2024(TZS)	30th June 2023 (TZS)
1	International Organizations	4,191,013,661,218.96	209,427,151,506
2	Bilateral Paris Club Members	98,453,630,932.16	(169,821,833,267)
3	Bilateral Non-Paris Club Members (Non-PC)	135,594,193,210.98	85,542,249,436
4	Export-Import Credits	675,207,451,313.55	(18,283,670,101)
5	Commercial Credits	1,196,339,722,926	145,288,187,065
	Total	<b>6,296,608,659,601</b>	<b>252,152,084,639</b>

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NOTE TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (Cont'd...)

	2024	2023
	TZS	TZS
<b>46 Discount cost on T-bills/Bonds</b>		
Discount on Treasury bills	212,754,488,716	126,342,990,921
Discount on Treasury bonds.	132,216,837,804	123,780,234,740
	<b>344,971,326,520</b>	<b>250,123,225,661</b>

Discount cost refers to Treasury bills and bonds secured below par value, which is TZS 100. The increase in discount of TZS 94,848,100,858.60 compared to the previous year is due to a change in domestic market conditions mainly attributed to the decrease in creditors' appetite for Treasury bills and treasury bonds with maturities of less than 10 years.

Table 21: Summary of domestic borrowing discount by maturities as at 30 June 2024

Category	Discount on Borrowing 2023/24	Discount on Borrowing 2022/23
25 year Bonds	64,380,950,693.91	56,445,302,999.90
20 year Bonds	0	31,638,736,953.30
15 year Bonds	40,247,346,068.10	11,690,837,050.90
10 year Bonds	17,608,479,907.60	7,948,991,107.50
7 year Bonds	0	316,721,350.50
5 year Bonds	3,109,977,281.45	4,830,110,930.00
2 year Bonds	6,870,083,852.80	10,909,534,348.30
364 Days Treasury Bills	207,847,328,545.21	126,342,990,920.60
182 Days Treasury Bills	4,907,160,170.53	0
<b>TOTAL</b>	<b>344,971,326,519.6</b>	<b>250,123,225,661.00</b>

	2024	2023
	TZS	TZS
<b>52 - Other Expenses</b>		
Loan management and servicing fee	11,677,801,003	15,726,974,677
	<b>11,677,801,003</b>	<b>15,726,974,677</b>

Other expense includes payment to Dar es Salaam Stock Exchange and Capital Markets and Securities Authority. During the year 2023/24 other expenses was TZS 11,677,801,003 compared to 15,726,974,677 of the previous year 2022/23. The decrease of TZS 4,049,173,674 was due to liquidity management cost transferred to deposit as commitment.

	2024	2023
	TZS	TZS
<b>60 - Other Transfers</b>		
Transfer to consolidated fund - cash	5,407,873,590,442	6,124,511,674,339
Transfer to consolidated fund non cash	9,739,351,434,227	10,735,091,974,488
	<b>15,147,225,024,668</b>	<b>16,859,603,648,827</b>

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**NOTE TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (Cont'd...)**

The other transfers consisted of cash transfers to the consolidated fund, which represent domestic borrowing, and non-cash transfers to the consolidated fund, including external disbursements and advances to the government from the Bank of Tanzania (BOT). This accommodation code was introduced to account for borrowed loans, as the borrowing budget falls under the treasury management vote, while the outstanding loans are recorded under vote 001, which handles public debt. During the year under review, other transfer payments amounted to TZS 15,147,225,024,668, a decrease from TZS 16,859,603,648,827 reported in the previous year. This decline of TZS 1,712,378,624,159 was primarily due to a reduction in new borrowings from both external and domestic sources compared to the previous year.

	2024	2023
	TZS	TZS
<b>62 - Cash and Cash Equivalents</b>		
Deposit cash account	216,032,526,141	74,089,179,430
Redemption cash account	130,225,000,227	431,192,880,879
	<b>346,257,526,368</b>	<b>505,282,060,309</b>

Cash and cash equivalent as at 30th June, 2024 was TZS 346,257,526,368 consist of redemption cash account TZS 130,225,000,227 and deposit cash account TZS 216,032,526,141. Compared to the previous year TZS 505,282,060,309, cash and cash equivalent has decrease by 159,024,533,941 as a result of decrease in redemption account balance. There is no impairment because balances of Cash and Cash Equivalent is utilized within three months after year end.

	2024	2023
	TZS	TZS
<b>69 - Prepayments</b>		
Prepayments-interest expenses	104,737,538,526	201,899,866,163
Prepayments principal borrowing	55,489,030,340	277,617,830,144
	<b>160,226,568,866</b>	<b>479,517,696,307</b>

During the period under review, prepayments of TZS 160,226,568,866 were recorded compared to TZS 479,517,696,307 in previous financial year. The decrease of TZS 319,291,127,441 was due to decrease in debt obligation falling due early July 2024.

**Table 22: List of prepayments**

S/N	Description	Amount in TZS- 2024	Amount in TZS- 2023
1	T-Bills Principal	0	77,220,000,000
2	Special Bond Interest	1,500,000,000.00	21,405,000,000
3	Government Stock interest	1,475,832,598.03	1,475,832,598
4	Government Bonds Interest	94,780,167,630.00	161,972,227,711
5	Government Bonds Principal	32,469,000,000.00	169,119,820,570
7	International Org Principal	19,477,076,209.85	28,147,338,543
8	Foreign Commercial Principal	3,411,432,256.36	3,013,935,482
9	Bilateral Non-Paris Principal	131,521,875.00	116,735,550

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NOTE TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (Cont'd...)

10	Bilateral Non-Paris Interest	14,159,006.74	14,000,440
11	Foreign Commercial Interest	0	141,016,446
12	International Org Interest	6,967,379,291.00	16,891,788,967
	<b>Total</b>	<b>160,226,568,866.98</b>	<b>479,517,696,307</b>

	2024		2023
89 - Payables and Accruals	TZS		TZS
Finance Cost	7,767,177,761		73,003,262,085
Supplies of goods and services	53,449,000		7,493,000
	<b>7,820,626,761</b>		<b>73,010,755,085</b>

During the financial year 2023/24 the total amount of TZS 7,820,626,761 was recorded as outstanding liabilities (payables) compared to TZS 73,010,755,085 reported last financial year 2022/23. There was an increase of TZS 65,190,128,324 due to decrease of cost relating to Dar es Salaam Stock Exchange, Capital Market and Securities Authority, interest on government overdraft which was committed to deposit.

Table 23: List of Payables

S/N	Description	Amount in TZS- 2024	Amount in TZS- 2023
1	DSM Stock Exchange	0	158,928,950
2	Capital Market and Securities Authority	0	105,752,634
3	Advertisement and Publications	53,449,000	7,493,000
4	Interest on Deficit on Government Position	5,604,710,723	64,190,743,738
5	Liquidity Management Cost	2,162,467,038	8,547,836,763
	<b>Total</b>	<b>7,820,626,761</b>	<b>73,010,755,085</b>

	2024	2023
94 - Deposits	TZS	TZS
Deposit general	216,032,526,141	74,089,179,430
Deposit redemption account	130,225,000,227	431,192,880,879
	<b>346,257,526,368</b>	<b>505,282,060,309</b>

The deposit as at 30 June 2024 was TZS 346,257,526,368, consisting of redemption cash account TZS 130,225,000,227 and deposit cash account TZS 216,032,526,141. Compared to the previous year (TZS 505,282,060,309), cash and cash equivalent decreased by TZS 159,024,533,941 due to the decrease in redemption account balance.

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	2024	2023
	TZS	TZS
<b>101 - Borrowings (Public Debt)</b>		
Bilateral Creditors non-Paris club members	1,835,441,428,043	3,661,850,799,533
Bilateral Creditors Paris club members	1,839,758,521,477	1,501,719,930,155
Foreign Commercial Creditors	17,758,697,685,194	14,586,525,669,919
Government Bonds	20,304,022,117,000	18,250,489,217,000
Government Stocks	187,078,378,243	252,724,429,877
International Organisation	43,972,381,690,594	33,578,235,837,934
Other Domestic Borrowings	4,684,836,573,098	4,244,173,183,835
Special Bonds	4,446,974,730,752	4,049,740,000,000
Treasury Bills	2,328,650,769,999	2129,246,900,000
<b>Total Public Debt</b>	<b>97,357,841,894,400</b>	<b>82,254,705,968,252</b>

### 8.22.1 OUTSTANDING PUBLIC DEBT

In the year under review, the total outstanding debt was TZS 97,357,841,894,400 out of which the short-term loans amounted to TZS 12,522,508,525,112 compared to TZS 11,202,450,232,159, which were reported in the last financial year, while the balance of TZS 84,835,333,369,288 was long term loans compared with TZS 71,052,255,736,093 which was reported in the previous financial year.

**Table 24: Analysis of Debt Outstanding in Comparable Terms**

S/N	Description	Amount in TZS- 2024	Amount in TZS- 2023
	<b>Short term domestic and external debt</b>		
1	Short term domestic debt	2,328,650,770,000	2,129,246,900,000
2	Current portion of domestic long-term	6,676,738,120,112	6,189,473,577,158.8
3	External current portion of external long-term	3,517,119,635,000	2,883,729,755,000
	<b>Total short-term debt</b>	<b>12,522,508,525,112</b>	<b>11,202,450,232,159</b>
	<b>Long term domestic and external debt</b>		
1	Long term domestic debt	22,946,173,678,981	20,607,653,253,554
2	Long term external debt	61,889,159,690,307	50,444,602,482,539
	<b>Total long-term debt</b>	<b>84,835,333,369,288</b>	<b>71,052,255,736,093</b>
	<b>Grand total debt</b>	<b>97,357,841,894,400</b>	<b>82,254,705,968,252</b>

### 8.23 CONTINGENT LIABILITIES AND GUARANTEES

#### CONTINGENT LIABILITIES AND GUARANTEES

As at end June 2024, contingent liabilities stood at TZS 8,679.34 billion out of which: -

1. TZS 59.53 billion was pure Guarantees (70 per cent as per GLGGA),
2. 31.06 billion was from PO-RALG,
3. TZS 1,256.96 billion was Consent Letters,
4. TZS 4,832.05 billion was the amount that the Government Guaranteed NIC for construction of Julius Nyerere Hydroelectric power dam; and



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NOTE TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (Cont'd...)

5. TZS 2,499.74 was Pension funds and others implicitly guarantees to Social Security's Funds claims to the Government.

#### 8.24 COMMITMENTS

During the year under review TZS 216,032,526,141 was recorded as commitment for debt obligation compared to TZS 74,089,179,430 recorded in previous year.

Table 25: List of Commitments

S/N	DESCRIPTION	AMOUNT IN TZS
1	International organisation (IDA)	20,388,170,754
2	Interest on bank Overdraft expenses	190,122,939,318
3	Government share on liquidity management cost	5,047,836,763
4	Dar es Salaam stock exchange	241,099,439
5	Capital market security authority	232,479,867
Total Commitment		216,032,526,141

#### 8.25 RELATED PARTY TRANSACTIONS

No related party transactions were recorded by Vote 001 for the year ended 30 June 2024.

#### 8.26 SEGMENT REPORTING

The nature of Vote 001 does not have separate reportable segments.

#### 8.26 Reconciliation of surplus with net cash flow from operating activities

The Government, through circular No.11 of 2014/2015, adopted a direct method of reporting cash flow from operating activities in line with Para 28 and 29 of IPSAS 2. The referred standard requires the reporting entities to provide a reconciliation of surplus/deficit from ordinary activities with the net cash flow from operating activities as shown:

Table 26: RECONCILIATION

RECONCILIATION OF NET CASH FLOWS FROM OPERATING ACTIVITIES TO SURPLUS/(DEFICIT) FOR THE PERIOD ENDED 30 JUNE 2024		
	2024	2023
	TZS	TZS
Surplus/ Deficit for the Period	(15,237,016,488,295)	(10,861,974,835,427)
Add/ (Less) Non-Cash Item		
Current Grants from Other General Government units non-monetary	(74,089,197,430)	0
Fair value losses on Assets and Liabilities	344,971,326,520	250,123,225,661
Loss on Foreign Currency Translation	6,296,608,659,601	252,152,084,639
Transfer to Consolidated Fund non-cash	9,739,351,434,227	10,735,091,974,489
Add/ (Less) Change in Working Capital		
Deferred Income (Surrendered to PMG)	30,384,020,383	10,498,847,748



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NOTE TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 (Cont'd...)

Other Receipt (Decrease in Deposit)	(159,024,533,941)	190,311,332,367
Payables and Accruals	(65,190,128,324)	58,969,657,090
Prepayments	97,162,327,638	(41,437,714,135)
Net Cash Flow from Operating Activities	852,937,001,407	593,734,572,430

8.27 EVENTS AFTER REPORTING DATE

There was no event after reporting date.

  
Amina Kh. Shaaban  
Accounting Officer

27/12/2024

Date

THE UNITED REPUBLIC OF TANZANIA  
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SUPPLEMENTARY INFORMATION FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

9.0 APPENDICES

9.1 Appendix 1: Confirmation of Exchequer Issues

THE UNITED REPUBLIC OF TANZANIA  
MINISTRY OF FINANCE

Telephone: 0262963110  
Fax: 0262963109  
Email Address: [minister@hazina.go.tz](mailto:minister@hazina.go.tz)  
Web site: [www.hazina.go.tz](http://www.hazina.go.tz)  
(All official communications should be addressed to the Permanent Secretary Treasury).  
In reply please quote:



Government City – Mtumba,  
Treasury Avenue,  
P.O. Box 2802,  
**40468 DODOMA**  
TANZANIA.

Ref.No.EB/AG/159/23/01

30<sup>th</sup> July 2024

To: Commissioner,  
Public Debt (VOTE 001)  
P.O.BOX  
DODOMA

**RE: CONFIRMATION OF EXCHEQUER ISSUES FOR THE FINANCIAL  
YEAR 2023/2024**

Please confirm in writing the following as early as possible.

A: Exchequer Issues - Issued to you from 1<sup>st</sup> July, 2023 to 30<sup>th</sup> June, 2024  
are as follows;

i) Supply Vote	Shs	.
ii) Development Vote	Shs	-
iii) C.F.S.	Shs	10,801,253,446,999.70

B: Your net approved estimates as at this day of 30<sup>th</sup> June, 2024 are as shown below:

i) Supply Vote	Shs	
Less: Appropriation in Aid	Shs	-
Net approved estimate	Shs	
ii) Development Vote	Shs	
iii) C.F.S.	Shs	10,801,253,447,000.00

G. Mngara

For: PERMANENT SECRETARY – TREASURY

**THE UNITED REPUBLIC OF TANZANIA**  
**MINISTRY OF FINANCE**  
**DEBT MANAGEMENT DIVISION PUBLIC DEBT (VOTE 001)**  
**SUPPLEMENTARY INFORMATION FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024**

**9.2 Appendix 2: SUMMARY OF APPROPRIATION ACCOUNT**

SUMMARY OF APPROPRIATION ACCOUNT FOR THE YEAR ENDED 30TH JUNE 2024						
CODE	DESCRIPTION	APPROVED ESTIMATES	ACTUAL EXPENDITURE JUNE 2023	EXP. AS % OF APPROPRIATED ESTIMATES	VARIANCE	ACTUAL EXPENDITURE JUNE 2023
		JUNE 2024				
001100 1	Administration and general services	10,801,253,447,000	10,770,869,429,616	99.72	30,384,020,383	9,959,788,645,633.72
TOTAL		10,801,253,447,000	10,770,869,429,616	99.72	30,384,020,383	9,959,788,645,633.72

**9.3 Appendix 3: STATEMENT OF VOTE**

STATEMENT OF VOTE AS AT 30 JUNE 2024									
	2023/24				2022/23				
	Recurrent	Development	Total	Recurrent	Development	Total			
	TZS	TZS	TZS	TZS	TZS	TZS	TZS	TZS	TZS
ORIGINAL APPROVED ESTIMATES	10,480,130,968,000	-	10,480,130,968,000	9,093,984,694,000	-	-	-	-	9,093,984,694,000
Add/Less: Supplementary Estimates	-	-	-	-	-	-	-	-	-
Add/Less: Reallocation	321,122,479,000	-	321,122,479,000	876,302,799,391	-	-	-	-	876,302,799,391
FINAL APPROVED ESTIMATES	10,801,253,447,000	-	10,801,253,447,000	9,970,287,493,391	-	-	-	-	9,970,287,493,391
Exchequer Received during the year	10,801,253,446,999	-	10,801,253,446,999	9,970,287,493,381	-	-	-	-	9,970,287,493,381
Less: Net expenditure	10,554,836,900,475	-	10,554,836,900,475	9,885,699,466,203.85	-	-	-	-	9,885,699,466,203.85
Less: Transfer to Deposit A/C	216,032,526,141	-	216,032,526,141	74,089,179,429.87	-	-	-	-	74,089,179,429.87
Unutilized Exchequer Received	30,384,020,383	-	30,384,020,383	10,498,847,747.51	-	-	-	-	10,498,847,747.51
Unutilized Budget	(1)	-	(1)	(916,090,930.15)	-	-	-	-	(916,090,930.15)
Presented by: -									
Cash Transferred to PMG	30,384,020,383	-	30,384,020,383	10,498,847,747.51	-	-	-	-	10,498,847,747.51
Balance in hand with PMG	30,384,020,383	-	30,384,020,383	10,498,847,747.51	-	-	-	-	10,498,847,747.51

**THE UNITED REPUBLIC OF TANZANIA  
MINISTRY OF FINANCE  
DEBT MANAGEMENT DIVISION PUBLIC DEBT (VOTE 001)  
SUPPLEMENTARY INFORMATION FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024**

**9.4 Appendix 4: ANALYSIS OF OUTSTANDING LIABILITIES / PAYABLE**

**ANALYSIS OF OUTSTANDING LIABILITIES / PAYABLE AGE WISE AS AT 30 JUNE 2024**


S/ N	Categories	Outstanding -TZS	≤ 30 Days	> 30 ≤ 60 Days	> 60 ≤ 90 Days	> 90 ≤ 365 Days	> 365 ≤ 2 Years	Above 2 Years
1	Interest in government overdraft	5,604,710,723	5,604,710,723					
2	Supply of goods and services	53,469,000	53,469,000					
3	Liquidity management cost	2,162,467,038	2,162,467,038					
	<b>TOTAL</b>	<b>7,820,626,761</b>	<b>7,820,626,761</b>					

**ANALYSIS OF OUTSTANDING LIABILITIES / PAYABLE AGE WISE AS AT 30 JUNE 2023**

S/ N	Categories	Outstanding -TZS	≤ 30 Days	> 30 ≤ 60 Days	> 60 ≤ 90 Days	> 90 ≤ 365 Day	> 365 ≤ 2 Years	Above 2 Years
1	Interest in government overdraft	64,190,743,738.32	10,416,283,953.42	20,419,642,256.35	27,592,606,532.90	5,762,210,995.65	0	0
2	Supply of goods and services	7,493,000.00	7,493,000.00	0	0	0	0	0
3	Liquidity management cost	8,547,836,763.35	8,547,836,763.35	0	0	0	0	0
4	Capital Markets Securities listing fee	105,752,633.33	105,752,633.33	0	0	0	0	0
5	Dar es Salaam Stock Exchange	158,928,950.00	158,928,950.00	0	0	0	0	0
	<b>TOTAL</b>	<b>73,010,755,085.00</b>	<b>19,236,295,341.68</b>	<b>20,419,642,256.35</b>	<b>27,592,606,532.9</b>	<b>5,762,210,995.65</b>	<b>0.00</b>	<b>0.00</b>

THE UNITED REPUBLIC OF TANZANIA  
MINISTRY OF FINANCE  
DEBT MANAGEMENT DIVISION PUBLIC DEBT (VOTE 001)  
SUPPLEMENTARY INFORMATION FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

9.5 Appendix 5: EXCHEQUER RELEASED

THE UNITED REPUBLIC OF TANZANIA						
						
EXCHEQUER RELEASED LIST FROM 01/07/2023 TO 30/06/2024						
DATE	MINISTRY/ DEPARTMENT	EXCHEQUER NUMBER	EXCHEQUER AMOUNT	WITHDRAWN AMOUNT	NET AMOUNT	EXCHEQUER
<b>Exchequer Type: 102 - Other Charges</b>						
18-Jul-2023	00010000 - PUBLIC DEBT	EB/AG/159/23/2939	678,217,196,205.75	0.00	678,217,196,205.75	
27-Jul-2023	00010000 - PUBLIC DEBT	EB/AG/159/23/2986	77,500,000,000.00	0.00	77,500,000,000.00	
16-Aug-2023	00010000 - PUBLIC DEBT	EB/AG/159/23/3062	249,303,347,807.70	0.00	249,303,347,807.70	
30-Aug-2023	00010000 - PUBLIC DEBT	EB/AG/159/23/3126	429,721,862,036.56	0.00	429,721,862,036.56	
14-Sep-2023	00010000 - PUBLIC DEBT	EB/AG/159/23/3270	119,077,229,237.71	0.00	119,077,229,237.71	
26-Sep-2023	00010000 - PUBLIC DEBT	EB/AG/159/23/3293	512,030,732,077.29	0.00	512,030,732,077.29	
18-Oct-2023	00010000 - PUBLIC DEBT	EB/AG/159/23/3446	762,220,969,660.67	0.00	762,220,969,660.67	
27-Oct-2023	00010000 - PUBLIC DEBT	EB/AG/159/23/3481	133,673,565,988.49	0.00	133,673,565,988.49	
14-Nov-2023	00010000 - PUBLIC DEBT	EB/AG/159/23/3641	722,213,731,458.06	0.00	722,213,731,458.06	
21-Nov-2023	00010000 - PUBLIC DEBT	EB/AG/159/23/3657	5,000,000,000.00	0.00	5,000,000,000.00	
05-Dec-2023	00010000 - PUBLIC DEBT	EB/AG/159/23/3716	199,341,439,696.99	0.00	199,341,439,696.99	
12-Dec-2023	00010000 - PUBLIC DEBT	EB/AG/159/23/3796	3,137,500,000.00	0.00	3,137,500,000.00	
15-Dec-2023	00010000 - PUBLIC DEBT	EB/AG/159/23/3850	946,228,164,949.59	0.00	946,228,164,949.59	
28-Dec-2023	00010000 - PUBLIC DEBT	EB/AG/159/23/3884	920,000,000.00	0.00	920,000,000.00	
11-Jan-2024	00010000 - PUBLIC DEBT	EB/AG/159/23/3969	986,781,964,454.62	0.00	986,781,964,454.62	
31-Jan-2024	00010000 - PUBLIC DEBT	EB/AG/159/23/4034	4,020,000,000.00	0.00	4,020,000,000.00	
09-Feb-2024	00010000 - PUBLIC DEBT	EB/AG/159/23/4095	785,599,115,469.50	0.00	785,599,115,469.50	

**THE UNITED REPUBLIC OF TANZANIA  
MINISTRY OF FINANCE  
DEBT MANAGEMENT DIVISION PUBLIC DEBT (VOTE 001)  
SUPPLEMENTARY INFORMATION FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024**


29-Feb-2024	00010000 - PUBLIC DEBT	EB/AG/159/23/4168	320,000,000.00	0.00	320,000,000.00
12-Mar-2024	00010000 - PUBLIC DEBT	EB/AG/159/23/4241	924,702,342,768.50	0.00	924,702,342,768.50
28-Mar-2024	00010000 - PUBLIC DEBT	EB/AG/159/23/4288	980,000,000.00	0.00	980,000,000.00
28-Mar-2024	00010000 - PUBLIC DEBT	EB/AG/159/23/4287	10,382,792,880.00	0.00	10,382,792,880.00
05-Apr-2024	00010000 - PUBLIC DEBT	EB/AG/159/23/4327	973,071,494,687.39	0.00	973,071,494,687.39
19-Apr-2024	00010000 - PUBLIC DEBT	EB/AG/159/23/4371	328,995,640,683.61	0.00	328,995,640,683.61
30-Apr-2024	00010000 - PUBLIC DEBT	EB/AG/159/23/4394	500,000,000.00	0.00	500,000,000.00
02-May-2024	00010000 - PUBLIC DEBT	EB/AG/159/23/4421	229,931,464,890.00	0.00	229,931,464,890.00
02-May-2024	00010000 - PUBLIC DEBT	EB/AG/159/23/4425	503,669,800,000.00	0.00	503,669,800,000.00
11-May-2024	00010000 - PUBLIC DEBT	EB/AG/159/23/4474	323,758,243,183.19	0.00	323,758,243,183.19
31-May-2024	00010000 - PUBLIC DEBT	EB/AG/159/23/4554	178,616,760,922.29	0.00	178,616,760,922.29
10-Jun-2024	00010000 - PUBLIC DEBT	EB/AG/159/23/4583	711,338,087,941.77	0.00	711,338,087,941.77
			<b>10,801,253,446,999.70</b>	<b>0.00</b>	<b>10,801,253,446,999.70</b>

THE UNITED REPUBLIC OF TANZANIA  
 MINISTRY OF FINANCE  
 DEBT MANAGEMENT DIVISION PUBLIC DEBT (VOTE 001)  
 SUPPLEMENTARY INFORMATION FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

9.6 Appendix 6: STATEMENT OF OUTSTANDING PUBLIC DEBT

STATEMENT OF OUTSTANDING PUBLIC DEBT AS AT 30 JUNE 2024

Creditor Category	2023/24	2022/23
Domestic	TZS	TZS
Treasury Bills	2,328,650,769,999	2129,246,900,000
Government Bonds	20,304,022,117,000	18,250,489,217,000
Special Bonds	4,446,974,730,752	4,049,740,000,000
Government Stocks	187,078,378,243	252,724,429,877
Other Domestic Borrowings <sup>2</sup>	4,684,836,573,098	4,244,173,183,835
<b>Total Domestic Public Debt</b>	<b>31,951,562,569,092</b>	<b>28,926,373,730,712</b>
External		
International Organisation	43,972,381,690,594	33,578,235,837,934
Bilateral Creditors non-Paris club members	1,835,441,428,043	3,661,850,799,533
Bilateral Creditors Paris club members	1,839,758,521,477	1,501,719,930,155
Foreign Commercial Creditors	17,758,697,685,194	14,586,525,669,919
<b>Total External Public Debt</b>	<b>65,406,279,325,308</b>	<b>53,328,332,237,541</b>
<b>Total Public Debt Stock</b>	<b>97,357,841,894,400</b>	<b>82,254,705,968,252</b>



Amina Kh. Shaabani  
Accounting Officer

27/12/2024

Date

<sup>2</sup> Other Domestic Borrowing Includes Government Overdraft At The End Of The Period, NMB Loans, Tax Reserve Certificates And Duty Drawbacks

THE UNITED REPUBLIC OF TANZANIA  
 MINISTRY OF FINANCE  
 DEBT MANAGEMENT DIVISION PUBLIC DEBT (VOTE 001)  
 SUPPLEMENTARY INFORMATION FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

9.7 Appendix 7: PARITY CHANGE

PARITY CHANGE SUMMARY IN EQUIVALENT TZS FOR PUBLIC DEBT AS AT 30 JUNE 2024

DESCRIPTION	PARITY CHANGE	
	2023/2024	2022/2023
International organisations	4,191,013,661,219	209,427,152
Export-Import credits	98,453,630,932	-18,283,670
Commercial credits	1,196,339,722,926	145,288,187
Total Bilateral Creditors -Paris Club Members	675,207,451,313	-169,821,833
Total Bilateral Creditors - Non-Paris club members	135,594,193,211	85,542,249
Total External Parity	6,296,608,659,601	252,152,085

9.8 Appendix 8: EXTERNAL DISBURSEMENTS

SUMMARY OF EXTERNAL DISBURSEMENTS FOR PUBLIC DEBT AS AT 30 JUNE 2024

External Debt Disbursement	2023/2024		2022/2023	
International organisations	6,741,271,321,687		5,130,025,810,123	
Bilateral Creditors -Paris Club Members	272,771,772,173		119,063,963,184	
Bilateral Creditors - Non-Paris club members	50,959,771,522		19,381,538,186	
Commercial credits	3,075,126,187,444		3,214,042,399,232	
Total External Disbursement	10,140,129,052,826		8,482,513,710,727	



**THE UNITED REPUBLIC OF TANZANIA  
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SUPPLEMENTARY INFORMATION FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024**

**9.9 Appendix 9: AGE ANALYSIS OF OUTSTANDING DOMESTIC IN TZS '000'**  
**AGE ANALYSIS OF OUTSTANDING DOMESTIC - PUBLIC DEBT AS AT 30 June 2024**

Instrument Name	Debt Stock	up to 1 month	>1 - 3 months	>3 - <=12 months	> 1 Year <= 3	> 3 Year <= 5	> 5 Year
Treasury Bills	2,328,650,770	328,782,350	398,914,100	1,600,954,320	-	-	-
Government Bonds	20,304,022,117	32,469,000	321,929,100	1,056,274,580	1,420,493,330	1,572,723,900	15,900,132,207
Special Bonds	4,446,974,731	-	-	600,000,000	1,670,234,731	-	2,176,740,000
Government Stock	187,078,378	-	-	-	51,333,308	135,745,070	-
Other Domestic Borrowings	4,684,836,573	-	-	4,666,065,440	18,771,133	-	-
<b>GRAND TOTAL</b>	<b>31,951,562,569</b>	<b>361,251,350</b>	<b>720,843,200</b>	<b>7,923,294,340</b>	<b>3,160,832,501</b>	<b>1,708,468,970</b>	<b>18,076,872,207</b>

**9.10 Appendix 10: AGE ANALYSIS OF OUTSTANDING EXTERNAL IN TZS '000'**  
**AGE ANALYSIS OF OUTSTANDING EXTERNAL- PUBLIC DEBT AS AT 30 June 2024**

Creditor Category	Debt outstanding in TZS	1 MONTH	1-3 MONTHS	3-12 MONTHS	1-3 YEARS	3-5 YEARS	OVER 5 YEARS
International Organization	43,972,381,691	-	157,740,109	674,132,681	2,418,188,234	4,667,889,273	36,054,431,392
Bilateral PC	1,839,758,521	-	25,243,378	69,136,593	228,455,024	402,715,181	1,114,208,344
Bilateral NPC	1,835,441,428	-	-	87,527,089	175,000,443	61,844,691	1,511,069,205
Commercial Credits	17,758,697,685	225,545,689	41,577,745	2,236,216,351	5,670,406,073	5,143,273,178	4,441,678,648
<b>External Debt Stock</b>	<b>65,406,279,325</b>	<b>225,545,689</b>	<b>224,561,232</b>	<b>3,067,012,714</b>	<b>8,492,049,774</b>	<b>10,275,722,323</b>	<b>43,121,387,590</b>

THE UNITED REPUBLIC OF TANZANIA  
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DEBT MANAGEMENT DIVISION PUBLIC DEBT (VOTE 001)  
SUPPLEMENTARY INFORMATION FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

9.11 Appendix 11: AGE ANALYSIS OF OUTSTANDING DOMESTIC IN TZS “000”  
AGE ANALYSIS OF OUTSTANDING DOMESTIC - PUBLIC DEBT AS AT 30 JUNE 2023

Instrument Name	Debt outstanding in TZS		1 MONTH	1-3 MONTHS	3-12 MONTHS	1-3 YEARS	3-5 YEARS	OVER 5 YEARS
Treasury Bills	2,129,246,900		72,700,000	269,349,500	1,787,197,400	-	-	-
Government Bond	18,250,489,217		243,209,000	37,254,000	767,951,800	1,880,289,180	1,827,521,530	13,494,263,707
Special Bonds	4,049,740,000		-	-	850,000,000	273,000,000	-	2,926,740,000
Stock	252,724,430		-	65,646,052	-	51,333,308	-	135,745,070
Other Domestic Borrowing	4,244,173,184		-	-	4,225,412,726	18,760,458	-	-
<b>SUB TOTAL</b>	<b>28,926,373,731</b>		<b>315,909,000</b>	<b>372,249,552</b>	<b>7,630,561,926</b>	<b>2,223,382,946</b>	<b>1,827,521,530</b>	<b>16,556,748,777</b>

8.12 Appendix 12: AGE ANALYSIS OF OUTSTANDING EXTERNAL IN TZS “000”  
AGE ANALYSIS OF OUTSTANDING EXTERNAL- PUBLIC DEBT AS AT 30TH JUNE 2023

Creditor Name	Debt outstanding in TZS	1 MONTH	1-3 MONTHS	3-12 MONTHS	1-3 YEARS	3-5 YEARS	OVER 5 YEARS
International Organization	33,578,235,838	0	121,563,017	528,888,543	1,800,847,253	2,954,097,138	28,172,839,887
Bilateral PC	1,501,719,930	-	22,634,951	59,478,762	160,472,906	239,852,679	1,019,280,631
Bilateral NPC	3,661,850,800	12,055,197	24,875,267	70,520,254	72,166,416	71,246,775	3,410,986,890
Commercial Credits	14,586,525,670	153,909,577	143,961,778	1,626,059,411	3,979,676,124	3,862,973,915	4,819,944,865
<b>Total External Debt</b>	<b>53,328,332,238</b>	<b>165,964,774</b>	<b>313,035,013</b>	<b>2,284,946,970</b>	<b>6,013,162,700</b>	<b>7,128,170,507</b>	<b>37,423,052,274</b>

THE UNITED REPUBLIC OF TANZANIA  
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SUPPLEMENTARY INFORMATION FOR THE YEAR ENDED 30 JUNE 2024

8.13 Appendix 13: EXTERNAL DEBT STOCK BY CURRENCY

EXTERNAL DEBT STOCK BY CURRENCY JUNE 2024

CURRENCY	EQUIVALENT AMOUNT IN TZS -2024	EQUIVALENT AMOUNT IN TZS -2023
SDR	30,221,016,720,218.70	26,761,625,603,881.90
USD	27,445,791,585,951.90	22,759,704,422,275
EUR	4,009,314,472,423.42	1,400,794,665,658.50
JPY	986,587,435,862.70	947,101,910,665.10
CNY	1,170,561,249,847.34	951,175,302,495.80
GBP	256,561,094,096.68	196,494,309,399.41
KWD	967,194,760,891.86	183,334,487,657.70
SAR	81,580,407,799.18	69,051,451,991.40
AED	29,769,780,106.83	31,035,438,284.60
IQD	4,865,668.50	15,547,039.62
KRW	237,896,952,440.69	18,896,969,422.50
SEK	0	9,102,128,766.10
<b>TOTAL</b>	<b>65,406,279,325,307.90</b>	<b>53,328,332,237,538</b>

External debt portfolio was translated from different foreign currencies using closing selling exchange rates as at 30 June 2024 and domestic debt instruments are reported at face value.

#### 8.14 Appendix 14: RECURRENT EXPENDITURE

#### BUDGET COVERAGE: RECURRENT EXPENDITURE

#### SUB VOTE CODE AND NAME: 1001-ADMINISTRATION AND HUMAN RESOURCE

CATEGORY	BUDGET		ACTUAL		% of the Budgeted Amount
	APPROVED BUDGET	BUDGET AFTER REALLOCATION	FUND ALLOCATED	EXPENDITURE Amount (TZS)	
External Principal	2,763,946,757,000	3,036,547,107,515	3,036,547,107,515	3,011,856,906,811	99.19
Domestic Principal	3,542,060,675,000	3,374,961,951,634	3,374,961,951,633	3,374,961,951,633	100.00
External Interest	1,364,377,091,000	1,663,427,758,633	1,663,427,758,633	1,657,794,811,435	99.66
Domestic Interest	2,799,374,245,000	2,707,818,708,218	2,707,818,708,218	2,707,818,707,425	99.99
OC	10,372,200,000	18,497,921,000	18,497,921,000	18,437,049,312	99.67
<b>TOTAL OC</b>	<b>10,480,130,968,000</b>	<b>10,801,253,447,000</b>	<b>10,801,253,446,999</b>	<b>10,770,869,426,616</b>	<b>99.72</b>

Source: IFMIS as of 30 June 2024

### 8.15 Appendix 15: RECURRENT EXPENDITURE PERFORMANCE

#### Budget Coverage: RECURRENT EXPENDITURE

Sub-Vote Code and Name: 1001 - ADMINISTRATION AND HUMAN RESOURCE MANAGEMENT

Objective Code and Name: FINANCIAL MANAGEMENT AND ACCOUNTABILITY IMPROVED

CODES AND LINKAGES				ANNUAL PHYSICAL TARGET	CUMULATIVE STATUS ON MEETING THE PHYSICAL TARGET				EXPENDITURE STATUS				REMARKS ON IMPLEMENTATION
Target Code	M	P	R	Target Description	Actual Progress	Estimated % Completed	On track	At risk	Annual Budget	Cumulative Expenditure	Actual	% Spent	
1	2	3	4	5	6	7	8	9	10	11	12	13	14
Objective D: Financial Management and Accountability Improved													
D01S				Government debt falling due timely by June 2026	By the end of June 30, 2024, Government debt has been paid on time: - (i). External debt Interest cost has been paid to the tune of TZS 1,658 billion; (ii) Domestic debt interest has been paid to the tune of TZS 2,708 billion; (iii) External debt Principal were reduced by TZS 3,012 billion (iv) Domestic debt Principal of TZS 3,375 billion was paid	100%	V					99.72	on track
D02S				Loan Management services Coordinated by June 2026.	i) By the end of June 2024, TZS.18.328 billion has been paid as Loan Management servicing fees. (ii) Advertisement and publication costs were paid to the tune of TZS. 109 million.	100%	V			10,782,755,526,000	10,752,432,377,303.80	99.67%	On track
Objective Total									10,801,253,447,000	10,770,869,426,616.		99%	
Total									10,801,253,447,000	10,770,869,426,616.		99%	

Controller and Auditor General

AR/NA/VOTE 001/2023/24

## 8.16 Appendix 16: INTRA ENTITY TRANSACTIONS

### INTRA ENTITY TRANSACTIONS

LIST OF TRANSACTIONS/BALANCES WITH OTHER GOVERNMENT ENTITIES FOR THE YEAR ENDED 30 June 2024						
S/N	Goods/services received	Name of entity provided goods/services	Amount Paid		Payable	
			2023/24	2022/23	2023/24	2022/23
1	Advance to the Government	Bank of Tanzania	4,225,412,725,523	-	4,666,065,440,111	4,225,412,725,523
2	Interest on Overdraft	Bank of Tanzania	64,190,743,738	56,204,999,999	5,604,710,723	64,190,743,738
3	Cost Sharing of Liquidity Management Cost	Bank of Tanzania	8,547,836,763	82,205,893	2,162,467,038	8,547,836,763
4	Government security Listing	Dar Es Salaam Stock Exchange	158,928,950	2,413,437,094	0	158,928,950
5	CMSA-Charges	Capital Markets and Securities Authority	105,752,633	1,309,376,700	0	105,752,633
6	Advertising of Government Securities	Daily Newspaper	3,068,000.00	33,748,000.00	53,449,000	3,068,000.00