



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 2025**

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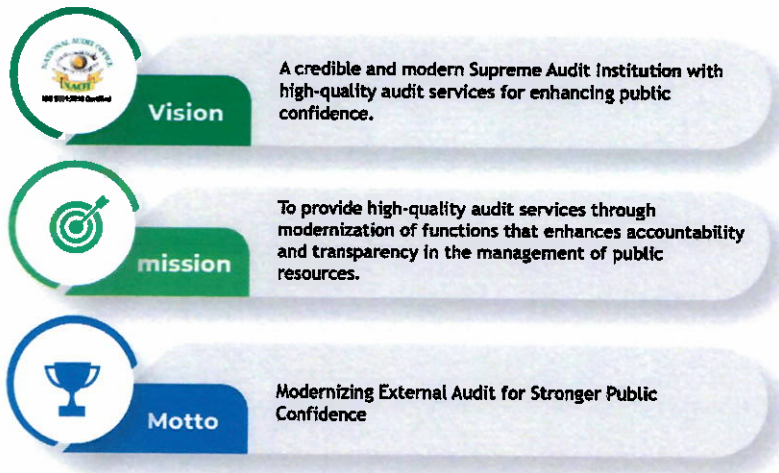
AR/NA/VOTE 001/2024/25

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.

NAOT Vision, Mission & Motto



Core Values



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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 Public Debt (Vote 001), which comprise the statement of financial position as at 30 June 2025, 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 the Public Debt (Vote 001) as at 30 June 2025, 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 in 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 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. These matters were addressed in the context of my audit of financial statements as a whole and in forming my opinion thereon, and I do not provide a separate opinion on these matters.


No.	Key audit matter	How my audit addressed the key audit matter
	Debt Sustainability Analysis (DSA)	
	<p>During the financial year 2024/25, 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.</p> <p>The DSA utilized the debt portfolio as of 30 June 2025 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.</p> <p>Given the level of significant management judgments and estimates involved, this is considered to be a key audit matter.</p>	<p>I have performed the following audit procedure include:</p> <ul style="list-style-type: none"> • Reviewing the Debt Sustainability Report of December 2025. • 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, in doing so, consider whether the other information 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 for 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 for 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 skepticism 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 to 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, the 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.

1.2 REPORT ON COMPLIANCE WITH LEGISLATIONS

1.2.1 Compliance with the Budget Act and other Budget Guidelines

Subject matter: Budget formulation and execution

I conducted a compliance audit of budget formulation and execution at Public Debt (Vote 001) for the year ended 30 June 2025 as per the, Budget Act Cap 439(RE 2020), and the Budget Guidelines issued by the Ministry of Finance. I reviewed budget submissions, approval memoranda, commitment registers, ledger entries and variance analyses to confirm that the entity prepared estimates in the prescribed format, obtained timely authorisations before incurring obligations, recorded transactions accurately and reported variances as required.

Conclusion

Based on the audit procedures performed, I conclude that Public Debt (Vote 001) complies, in all material respects, with the requirements of the Budget Act and related Budget Guidelines.

1.2.2 Compliance with the Government Loans, Guarantees and Grants Act

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 2024/25 as per the requirements of the Government Loans, Guarantees and Grants Act, Cap. 134 and its Regulation.

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 2026



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2.0 FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

STATEMENT BY HONORABLE MINISTER FOR FINANCE



I am pleased to present the Financial Statements for the Ministry of Finance (MoF) for the year 2024/25, reflecting our continued commitment to sound public financial management, transparency, and accountability. These statements provide a comprehensive account of revenue, expenditure, debt management, and financial position as of 30th June 2025, in compliance with the Public Finance Act, Cap 348 and International Public Sector Accounting Standards (IPSAS's).

During the financial year 2024/25, the plans and budget were implemented in line with national priorities outlined in Vision 2025, the 2020 Ruling Party Election Manifesto, and Third Five-Year Development Plan (FYDP III), which are all cascaded down into our Strategic Plan for 2021/22 - 2025/26. This statement outlines the main achievements realized by the Ministry in the course of executing its mandate, mainly in areas of: macroeconomic management and performance; government resource mobilization; public debt management; management of government budget, asset, and procurement; and expenditure controls. Further, it describes the challenges encountered during implementation and any remedial actions taken to address the challenges.

2.1 Macroeconomic Management and Performance

Despite ongoing global economic uncertainties and domestic challenges, the Government has remained focused on promoting inclusive economic growth. In 2024, the real Gross Domestic Product (GDP) at 2015 constant prices increased to TZS 156,635.32 billion from TZS 148,521.02 billion in 2023, representing a growth rate of 5.5 percent, up from 5.1 percent in 2023. The growth was largely driven by: Continued implementation of strategic and flagship projects in energy and transport infrastructure; the commencement of electricity generation at the Julius Nyerere Hydropower Plant and passenger transportation via the Standard Gauge Railway (SGR) from Dar es Salaam to Dodoma; increased private sector lending; effective monetary policy management; favourable weather conditions that supported agricultural production; and the government's investment in social services, including education, health, water, and social protection. On the other hand, GDP at current prices increased to TZS 205,846.49 billion from TZS 186,753.69 billion in 2023. As a result, the GDP per capital was an average of TZS 3,204,244 (USD 1,227.4) in 2024, compared to TZS 3,058,847 (USD1,276.8) in 2023, representing an increase of 4.8 percent.

Other macroeconomic indicators have remained stable following implementation of prudent fiscal and monetary policies. Specifically, during the period under

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review, inflation rate stood at an average of 3.1 percent which is within the country's medium-term target of between 3.0 to 5.0 percent; a slight increase of credit to the private sector to 17.1 percent in May 2025 compared to 16.5 percent in May 2024; and the overall weighted average and negotiated lending rates stood at 15.18 percent and 12.88 percent respectively in May 2025 compared to 15.23 percent and 12.68 percent in similar period in 2024. On the other hand, the overall and negotiated deposit rates increased to 8.58 percent and 10.64 percent, respectively from 8.05 percent and 9.72 percent in corresponding period in 2024. The upward movement in deposit rates indicates the stronger competition for liquidity driven by expanding loan demand. Additionally, as of May 2025 foreign reserves stood at USD 5,136.6 million slightly below the USD 5,162.6 million recorded in the same period of 2024. The reserve is adequate to cover 4.2 months of import of goods and services, surpassing the national benchmark of a minimum of 4 months.

2.2 Government Resource Mobilization

The Ministry of Finance has remained committed in mobilizing government resources from both domestic and external sources to facilitate implementation of plans and budget. Our commendable efforts for the fiscal year 2024/25 have successfully resulted into collection of domestic revenue excluding LGA own sources amounting to TZS 33,408.59 billion equivalent to 100.5 percent of the annual target of TZS 33,254.31 billion. Likewise, the Government managed to mobilize concessional loans and receive grants amounting to TZS 8,435.78 billion equivalent to 139 percent of the annual target of TZS 6,076.31 billion reflecting the improvement in economic diplomacy and build of trust among Development Partners on government commitment toward implementation of development programs. Additionally, we have raised loans amounting to TZS 6,615.26 billion through issuance of government securities from domestic market equivalent to 99.96 percent of the annual target of TZS 6,617.79 billion. Moreover, external non-concessional loans were mobilized to the tune of TZS 2,950.65 billion equivalent to 98.8 percent of the annual target of TZS 2,986.64 billion. The external non-concessional loans were mobilized specifically to finance flagship and strategic projects as stipulated in the Five-Year Development Plan (FYDP III).

2.3 Public Debt Management

The public debt has remained sustainable in the short, medium and long term due to a number of efforts instituted by the Government including adherence to existing laws, guidelines and strategies particularly, Government Loans, Guarantees and Grants Act, Cap. 134, Debt Sustainability Analysis, Medium Term Debt Management Strategy (MTDS), and Annual Borrowing Plan. The recent Debt Sustainability Analysis (DSA) conducted in November 2025 confirmed that all solvency indicators are within acceptable levels as follows; the present value of public debt to GDP is 40.7 percent, compared to the threshold of 55 percent; the present value of external public debt to GDP is 24.9 percent, compared to the threshold of 40 percent; and the present value of external debt to exports is 125.4 percent compared to the threshold of 180 percent. The positive outcomes are attributed to stable macroeconomic outlook supported by conducive

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government policies and efficient debt management strategy. Similarly, In March 2025, Moody's Investors Service conducted the first review of Tanzania's sovereign credit rating for 2025 and published the results which continue keeping Tanzania at B1 with stable outlook. These results portray a positive image of our nation on the global stage.

2.4 Management of Government Budget, Asset, Procurement and Expenditure Control

During the year 2024/25, the Ministry implemented several measures to enhance budget execution, asset and procurement management, and expenditure control. Key actions include: issuing Treasury Circular No.1 of 2024/25 which provides instructions for effective implementation of government budget; conducting regular expenditure tracking to all fund disbursed to implementing agencies at all levels; verifying arrears and other compensation claims before payments to ensure good use of public fund; and conduct real time audit to works-related projects to ensure value for money. To improve financial management and accountability, the Ministry upgraded electronic systems, including: integrating 11 public institutions' systems with the Government Accounting System (MUSE); integrating MUSE with the Central Budget Management System (CBMS) to streamline fund requests and budget reallocations; developing an e-Payment module and integrated with National e- Procurement Management System (NeST) and MUSE; and finalizing modules for asset disposal in the Government Assets Management Information System (GAMIS). Additionally, MoF continued to promote transparency and accountability in government budget by preparing and timely publishing all key budget documents including Budget Estimate Books; Vol. I, II, III & IV, the Citizen's Budget Book, quarterly Budget Execution Reports (BERs), and the Planning and Budget Guideline for the year 2025/26.

2.5 Challenges and Remedial Actions

As outlined in the preceding sections, MoF realized notable achievements in executing its plans and budget for FY 2024/25. Nevertheless, there were challenges along the way. These challenges included limited adoption of the NeST by stakeholders in both the public and private sectors causing delays in procurement, service delivery, and development projects; the depreciation of the Tanzanian shilling against the US dollar, which increased the cost of servicing external debt and other foreign payments; and escalating expenditure arrears and membership contributions to regional and international organizations. In response, the Ministry implemented a number of interventions that supported continued execution including building capacity of stakeholders and encouraging broader use of NeST to ensure timely procurement; diversifying foreign currency borrowing to reduce reliance on the US dollar and minimize exchange rate exposure; facilitating the implementation of the national strategy to improve foreign currency availability; and assessing the cost-benefit of our memberships to certain organizations.

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2.6 Conclusion

The achievements outlined in this policy statement would not have been possible without the continued collaboration and support extended by our stakeholders. It reflects the unified efforts from both internal and external stakeholders of MoF committed to sound macroeconomic management, effective resource mobilization, transparent budget management and expenditure control and disciplined public spending. Significantly, we extend our sincere gratitude to all including oversight institutions, regulatory bodies, development partners and the citizens at large for their continued engagement, which remains vital to the Ministry of Finance's ability to deliver on its mandate. We reaffirm our commitment to implementing sound fiscal and financial policies that promote sustainable, inclusive economic growth and strengthen public financial management and accountability.



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

01 Agasti, 2025

DATE

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3.0 STATEMENT BY THE ACCOUNTING OFFICER

3.1. INTRODUCTION

I am pleased to present for the third time to the stakeholders of Vote 001-Public Debt, the financial statements for the year ended 30th June 2025. The financial statements have been prepared in accordance with the International Public Sector Accounting Standards (IPSASs) accrual basis and General Accepted Accounting Principles (GAAPs). Submission of these financial statements is in fulfilment of section 30 of the Public Finance Act Cap. 348 and sections 30 and 31 of Audit Act Cap. 418.

3.2. NATURE OF REPORTING ENTITY

Vote 001 - Public debt was established in July 2022 under Public Accounting Committee (PAC) directives to increase transparency by separating Public Debt and its related issues from other consolidated fund services. Vote 001 - Public Debt under MoF through Debt Management Division Vote 001 is responsible for safeguarding debt database and facilitates accounting of public debt obligations by enhancing timely payments of debt obligation reporting and accountability.

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

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- customers' expectations; and
- vi). **Teamwork** - staff shall believe in working collaboratively to achieve intended objectives.

3.4. PRINCIPAL ACTIVITIES

- i) The debt management division is designated with the following activities:
- ii) To formulate and implement government medium term debt management strategies and policies;
- iii) To analyse and advise the government on the effect of debt re-profiling;
- iv) To mobilize resources to meet Government financing needs from commercial sources;
- v) To conduct debt sustainability analysis;
- vi) To advise and prepare annual borrowing plan;
- vii) To explore various financing options by assessing its costs and risks for the purpose of designing appropriate debt management strategies;
- viii) Support development of domestic market;
- ix) To facilitate payments of domestic and external debts;
- x) To maintain public debt and guarantee database; and
- xi) 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. Government Loans, Guarantees and Grants Act (GLGGA)Cap. 134, Public Finance Act Cap. 348, Budget Act Cap. 439 and Five-Year Development Plan III (FYDP III) govern DMD. 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.

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3.6. STRATEGIES AND OBJECTIVES

The Strategic Plan is the leading instrument for planning, priority setting and decision making. It facilitates 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. DMD is in the fourth 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 strategic plan of MoF. 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 F** - Institutional capacity for quality service delivery improved

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

- i) New government guarantees not exceeding 2 percent of GDP annually by June, 2026;
- ii) Implied interest rate remains within indicative threshold of 7 percent by June 2026;
- iii) External non-concessional loans mobilization reaches 100 percent 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 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 30th June 2025 are given under Table 1 below:

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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	<ul style="list-style-type: none"> i). Financial Reports for Vote 001 for the year ended 30th June 2025 prepared in compliance with IPSAS Accrual and Guidelines. ii). Maintenance and validation of Public Debt Database (CS Meridian). iii). Successfully serviced the External and Domestic Debt that fell due for the period under review. iv). Timely preparation of public debt report.
2.	E. Resource mobilization, allocation and utilization improved.	<ul style="list-style-type: none"> i. Present value of Government debt as percent of GDP remains within the indicative threshold of 55% by June 2026 ii. Implied interest rate remains within indicative thresholds of 7% by June 2026 	<p>Government financing needs have been met.</p> <ul style="list-style-type: none"> i). Successfully raised TZS 6,615.26 billion from the domestic market, equivalent to 99.96% of the budget ii). Successfully raised TZS 2,950.65 billion from ENCB, equivalent to 98.80% of the budget iii). 2024 DSA results show that public debt remains sustainable in the short, medium and long term
3.	F. Institutional capacity for quality service delivery improved	Increased staff skills and competencies	44 staff were trained on various short-term courses and 3 Staffs pursuing long-term courses

3.8. 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. IFRS S1 requires the Financial Statements to disclose information about sustainability related risks and opportunities as well as S2 to disclose information about its climate related risks and opportunities.

DMD sustainability practices under the umbrella of Governance include 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 current sustainability practice under the umbrella of Environment includes securing debt finances for economic growth while simultaneously protecting the environment.

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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. DMD engages with various stakeholders as per Para 2.11.

3.8.1 LIQUIDITY

During the financial year ended 30th June 2025, the Ministry managed to keep liquidity indicators within permissible thresholds. In the year 2024/25, the liquidity indicators show that the external debt service to export was 24.1 percent (which is below and within the threshold of 40 percent) while the external debt service to revenue was 15.9 percent (below the threshold of 18 percent). This was achieved through prudent liquidity management, which includes maintaining sufficient cash and cash equivalents as well as striving to ensure that public debt due are settled within the payment period.

3.8.2 SOLVENCY

DMD confirms that, applicable accounting standards have been complied with and that the financial statements have been prepared on a going concern basis. Results for solvency indicators show that, the Present Value (PV) of external public debt to GDP stands at 24.9 percent against a benchmark of 40 percent and the PV of total public debt to GDP is 40.7 percent below the 55 percent benchmark in year 2024/25, hence the debt is sustainable over the short, medium to long term. However, DMD has a reasonable expectation that Vote 001 will continue its operations for the foreseeable future.

3.9. CORPORATE GOVERNANCE

The debt Management Division is responsible for the governance of Public Debt by enhancing compliance with corporate governance standards, including the GLGGA Cap. 134, its regulations, guidelines and manuals, code of conduct and ethics. 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 budget.

Additionally, DMD management is also responsible for identifying key risk areas and ensuring that a system of internal control policies and procedures are operating and comply with corporate governance principles. 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.

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3.9.1 Key Management Personnel

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

In regard to the organization structure, Debt Management Division (Public debt - vote 001) comprises of three sections and one unit named: Resource mobilization section; debt risk management section; debt database section and finance and accounts 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 of Appointment
1	Ms. Amina Shaaban	Accounting Officer	Msc. Agricultural Economics Post Graduate in Development Economics, Advanced Diploma in Economics Planning	February 2023
2	Mr. Japhet Justine	Commissioner Debt Management Division	Masters of philosophy in Development Finance, Bachelor of commerce in accounting	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's in Economics, Advanced Diploma in Economic Planning	December 2019
6	CPA. Pendo Mwakisese	Chief Accountant - Public Debt	CPA(T), MSc Finance, Advanced Diploma in Accountancy	June, 2023

3.9.2 Audit Committee

Vote 001 Audit Committee was appointed in 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 matters deemed to be appropriate. During the year under review, the committee members and duties performed are as follows.

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Table 3: Audit Committee members

SN	Name	Position	Qualifications	Nationality	Date of Appointment
1	CPA. John M. Cheyo	Chairperson	CPA (T)	Tanzanian	1 st September, 2023
2	Mr. Omary W. Khama	Member	MA (ECON), BA ECO	Tanzanian	21 th August, 2023
3	CPA Leticia P. Ng'wandu	Member	CPA (T), MBA	Tanzanian	21 th August, 2023
4	Dr. Charles A. Mwamwaja	Member	PHD, MBA	Tanzanian	21 th August, 2023

The Roles and Responsibilities of the Audit Committee

The audit committee's roles have been defined in the Vote 001's Audit Committee Charter.

During the year under review, the Committee performed the following activities:

Table 4: Activities performed by the Audit Committee

S/N.	Planned Activities	Implementation/ Issues discussed
1	Review and Approve the Internal Audit Plan	Reviewed and approved the Internal Audit Plan for the year 2024/25.
2	Review and Approve the Audit Committee Work Plan	Reviewed and approved the Annual Audit Committee Work Plan for the financial year 2024/25.
3	Review and approve the internal audit budget and resource plans	Review and approve the internal audit budget and resource plans for the year 2024/25.
4	Review and approve the internal audit charter	Review and approve the internal audit charter for the year 2024/25.
5	Review quarterly and annual internal audit reports and External Audit Report	The Audit Committee reviewed the internal auditor's quarterly 2024/25 reports, Annual Internal Audit Report for 2023/24 and CAG's report for 2022/23 and advised the Accounting Officer on the matters of concern.
6	Review the Response to Management Letter	The Audit Committee reviewed the Management letter for the year ended 30th June 2024 and advised the Management on issues that required further attention.
7	Review of the Ministry - Vote 001's Financial Statements	Reviewed the Draft Financial Statements for the year ended 30th June 2024 before they were submitted to the CAG.
8	Review of Performance Reports for the Year	Reviewed quarterly financial and operational performance reports of the Ministry and advised the Ministry's Management.

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S/N.	Planned Activities	Implementation/ Issues discussed
9	Review quarterly and annual risk management reports	Reviewed quarterly risk management reports for the financial year 2024/25 and advised the Ministry's Management.
10	Review the terms of engagement and work plan of the external auditor	Reviewed the terms of engagement and work plan of the external auditor for 2023/24.
11	Review and Approve Audit Committee Report	Reviewed and approved the Annual Audit Committee Report for the financial year 2023/24.
12	Undertake annual performance evaluation and prepare an annual report on its functions	Audit Committee annual performance report for 2023/24 prepared.

Audit Committee Meetings

The Committee held three (3) meetings as planned during the year under review. The Commissioner of Debt Management Division, Commissioner of External Finance Division, Chief Accountant, Chief Internal Auditor and Director of Legal Services attended the meetings as invitees. The attendance of each member during the period under review is shown in the table below:

Table 5: Audit Committee Members' Attendance in the year 2024/2025

SN	Name	Position	26/08/2024	07/02/2025	13/08/2025
1.	CPA John M. Cheyo	Chairperson	-	/	/
2.	Mr. Omari W. Khama	Member	/	/	/
3.	CPA Leticia K. Ng'wandu	Member	/	/	/
4.	Dr. Charles A. Mwamwaja	Member	/	/	-

Key: / Present - Absent

3.9.3 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 provide technical advice to the NDMC on all issues related to debt management. Throughout the fiscal year 2024/25, the committee conducted 15 meetings. The Technical Debt Management Committee comprises 21 members. Below is the list of their titles and the institutions they represent:

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Table 6: 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

Table 7: Technical Debt Management Committee (TDMC) meetings 2024/25

Quarter	Month	Date	TDMC meeting	No. of papers
1	July - September	23rd July 2024	1st TDMC	16
		27th August 2024	2nd TDMC	12
		30th August 2024	1 Extraordinary TDMC	1
2	October - December	4th October 2024	3rd TDMC	15
		15th October 2024	2nd Extraordinary TDMC	6
		22nd November 2024	4th TDMC	18
		23rd December 2024	5th TDMC	11
3	January - March	27th January 2025	6th TDMC	13

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Quarter	Month	Date	TDMC meeting	No. of papers
		26TH February 2025	7th TDMC	14
		10TH March 2025,	3rd Extraordinary TDMC	8
		20th March 2025	4th Extraordinary TDMC	2
4	April - June	28th March 2025	5th Extraordinary TDMC	1
		29th April 2025	8th TDMC	13
		9th May 2025	9th TDMC	7
		26th May 2025	10th TDMC	7
Total				144

National Debt Management Committee (NDMC)

The National Debt Management 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 for Finance on all matters relating to debt management. Throughout the fiscal year 2024/25, the committee has conducted 12 meetings. The National Debt Management Committee comprises of 13 members. Below is the list of their titles and the institutions they represent:

Table 8: National Debt Management Committee

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

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The functions of the NDMC are: -

- i) To advise the Minister on matters related to external and domestic borrowings, issuing of Government. Guarantee and receiving grants on behalf of the Government;
- ii) To advise the Minister on the formulation of the Government Medium-Term Debt Strategy on annual rolling basis and annual borrowing plan;
- iii) To monitor the implementation of the Medium-Term Debt Strategy and annual borrowing plan approved by the Government each quarter;
- iv) To advise on the formulation of the Annual Debt Strategy and borrowing plan;
- v) To monitor, co-ordinate and direct the activities of all government departments and institutions involved in the management of debt, guarantee and grants;
- vi) To prepare quarterly debt and budget execution reports; and
- vii) To advise on measures to be taken against any person for noncompliance of the provisions of this act.

Table 9: National Debt Management Committee (NDMC) meetings 2024/25

Quarter	Month	Date	NDMC MEETING	No. of Papers
1	July - September	17th July 2024	1st NDMC	13
		4th September 2024	1st Extraordinary NDMC	13
2	October - December	16th October 2024	2nd NDMC	18
		28th November 2024	2nd extraordinary NDMC	18
		24th December 2024	3rd Extraordinary NDMC	7
3	January - March	30th January 2025	3rd NDMC	14
		12th March 2025	4th extraordinary NDMC	19
		21st March 2025	5th extraordinary NDMC	2
		28th March 2025	6th extraordinary NDMC	1
4	April - June	14th May 2025	4th NDMC	18
		6th June 2025	7th extraordinary NDMC	7
		25th June 2025	8th extraordinary NDMC	1
Total				131

3.10. 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 table 10 below:

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Table 10: Stakeholders, Service offered and Expectations

STAKEHOLDER	SERVICE/PRODUCT OFFERED	EXPECTATIONS
Business Community, Investors, Vendors and Tax Payers	i). Macro-economic and financial policies; ii). Fiscal policies; iii). Economic information; iv). Provision of technical support on financial information management systems; auctioneer general licensing; and vi). Financial guidelines, laws and regulations.	i). Sound and robust economic and financial policies; ii). Fair, predictable and equitable fiscal policies; iii). Accurate, timely and reliable information; iv). Real-time and reliable technical support; v). Timely issuance of licenses; and vi). Updated financial laws, regulations and guidelines;
Professional Boards, Academic and Research Institutions.	i). Allocation and release of funds; ii). Fiscal policies; iii). Economic and financial information; iii). Practical training opportunities for students; and iv). Provision of advice on appropriate training programs.	i). Adequate allocation and timely disbursement of funds; ii). Facilitative fiscal policies; iii). Accurate, timely and reliable information; and Adequate practical training for students.
Politicians.	i). Economic information; ii). Fiscal policies, strategies and guidelines; iii). Budget performance reports; and iv). Budget speech.	i). Accurate, timely, and reliable financial and economic information; ii). Fair, predictable and equitable fiscal policies; and Accurate, timely, and reliable budget performance reports.
Parliament.	i). Fiscal policies; ii). Funds allocation and release; iii). Macro-economic information; iv). Financial and economic management reports; v). Budget guidelines; vi). Financial laws, regulations and	i). Fair, predictable and equitable fiscal policies; ii). Adequate allocation and timely disbursement of funds; iii). Accurate, timely, and reliable information iv). Realistic and credible budgets;
	guidelines vii). Budget ceiling proposals; viii). Budget speech; Structured Responses and Action Plans to implement CAG Audit Recommendations and PAC and LAAC Directives; and financial statement reports ix).	v). Accurate reports in respect of status of implementation of Audit recommendations; and vi). Effective implementation of financial laws and regulations.
Employees and cadres under MoF.	i). Employment data and other	i). Proper employment record keeping;

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	<ul style="list-style-type: none"> ii). information; iii). Remunerations and incentives; iv). Schemes of service; standing orders, regulations and establishment matters; v). Training and career development; vi). Working tools, equipment and facilities (conducive working environment); vii). Counselling, coaching and mentoring; viii). Guidelines and Code of conduct; ix). Job confirmation, descriptions, and promotions; and Salary advance. 	<ul style="list-style-type: none"> ii). Transparent, fair allotment and reliable training programmes; iii). Conducive working environment and adequate working tools and equipment; iv). Timely confirmation and promotions; and v). Effective information sharing.
Parastatals.	<ul style="list-style-type: none"> i). Economic and financial Information; and ii). Economic and financial policies, regulations, circulars and guidelines. 	<ul style="list-style-type: none"> i). Accurate, timely and reliable economic and financial information; and ii). Sound and robust economic and financial policies
Development Partners.	<ul style="list-style-type: none"> i). Budget Performance reports; ii). Project Information and Implementation Reports; iii). Economic and financial information; iv). National Budget; v). Macro-economic and financial Policies; vi). Dialogue opportunities; vii. Strategies and guidelines; 	<ul style="list-style-type: none"> i). Clear, concise, and comprehensive reports; ii). Accurate, timely, and reliable economic and financial information; iii). Sound and robust economic and financial policies; iv). Effective dialogues; and v). Effective implementation of CAGs and internal audit recommendations.

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	and viii. Status of implementation of CAGs and internal audit recommendations.	
National Audit Office	<ul style="list-style-type: none"> i). Funds allocation and release; ii). Financial reports; iii). Procurement reports; iv). Financial laws, regulations and other legislations; v). Information on internal audit functions; vi). Report on the status of implementation of CAG audit recommendations; and vii). Structured Responses and Action Plan to implement audit recommendations. 	<ul style="list-style-type: none"> i). Adequate allocation and timely disbursement of funds; ii). Compliance with Financial and procurement laws, Regulations and legislations; iii). Financial reports aligned with international standards; and iv). Structured Responses and Action Plan to implement audit recommendations
General Public.	<ul style="list-style-type: none"> i). National budget; ii). Economic and financial information; iii). Payment of compensation claims; iv). Disposal of unserviceable assets through public auctions; and v). Policies and Strategies 	<ul style="list-style-type: none"> i). Accurate, timely and reliable economic and financial information; ii). Timely payment of claims; iii). Fair auctions; and iv). Updated policies and strategies.
Regional and International Bodies.	<ul style="list-style-type: none"> i). Payment of fees/contributions; ii). Economic and financial information; iii). Policies and Strategies; and iv). Reports on Implementation of International protocols and conventions. 	<ul style="list-style-type: none"> i). Timely payment of contributions/fees; ii). Accurate, timely, and reliable economic and financial information; Clear and predictable policies; and iii). Effective implementation of international protocols and conventions. iv).
Pensioners.	<ul style="list-style-type: none"> i). Payment of pension benefits; and ii). Education on pension payment procedures. 	<ul style="list-style-type: none"> i). Improved pension benefits; ii). Timely payment of pension benefits; and iii). Awareness programs on pension payment procedures.
MDAs/RSs/LGAs.	<ul style="list-style-type: none"> i). Funds allocation and release; ii). Budget scrutinization; iii). Budget guidelines; and fiscal 	<ul style="list-style-type: none"> i). Adequate allocation and timely disbursement of funds;
	<ul style="list-style-type: none"> iv). policies; Financial, procurement and 	<ul style="list-style-type: none"> ii). Proper alignment of budget with national priorities; and

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	<ul style="list-style-type: none"> v). audit guidelines; vi). Financial and economic policies, laws, regulations, circulars, and guidelines; vii). National budget; viii). Budget ceilings; ix). Economic and financial information; and ix). Technical support on financial information management systems 	<ul style="list-style-type: none"> iii). Updated financial and economic policies, laws, regulations, circulars, and guidelines. iv). Timely and reliable technical support on financial information management systems.
Private Sector, NGOs, CSOs and CBOs.	<ul style="list-style-type: none"> i). National budget speech; ii). Ministry's speech; and iii). Economic and financial information. 	<ul style="list-style-type: none"> i). Accurate, timely and reliable information; ii). Transparency and Accountability; and iii). Access to Information
Media	<ul style="list-style-type: none"> i). National budget speech; ii). Ministry's speech; and iii). Economic and financial information. 	<ul style="list-style-type: none"> i). Accurate, timely and reliable information; ii). Transparency and Accountability; and iii). Access to Information
Trade Unions.	<ul style="list-style-type: none"> i). Information on public service remunerations and working conditions; and ii). Economic and financial information 	<ul style="list-style-type: none"> i). Timely payment of salaries and other benefits; ii). Quality customer service; and iii). Enhanced engagement/dialogue with the Government
Financial Institutions.	<ul style="list-style-type: none"> i). Economic and financial policies; ii). Tax and non-tax policies; Economic and iii). financial iv). Information; and Financial laws, regulations, legislations and guidelines 	<ul style="list-style-type: none"> i). Fair and predictable fiscal policies; ii). Updated financial laws, regulations, legislations and guidelines; and iii). Updated economic and financial policies.

3.11. IMPLEMENTATION OF THE PLAN AND BUDGET

During the financial year 2024/25 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 13,131,838,005,000 and after reallocation between Votes amounting to TZS 102,060,627,696; the final budget was TZS 13,029,777,377,304 out of which actual debt service amounted to TZS 12,844,016,865,808 equivalent to 98.57% of the debt service budget. Table 11 below shows the implementation of plans and budget.

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Table 11: Implementation of plan and budget

S/N	DETAILS	2024/25 (TZS)	2023/24 (TZS)	DIFFERENCE (TZS)
1.	Final Budget	13,029,777,377,304	10,801,253,447,000	2,228,523,930,304
2.	Exchequer received	12,994,795,645,392	10,801,253,447,000	2,193,542,198,392
3.	Actual expenditure	12,844,016,865,808	10,770,869,426,616	2,073,147,439,192

The exchequer received was TZS 12,994,795,645,392 out of which TZS 12,844,016,865,808 was actual expenditure and unspent exchequer balance amounting to TZS 150,778,779,584 was transferred to the Paymaster General's account.

The expenditure of TZS 12,844,016,865,808 includes debt service TZS 12,825,470,522,176 of which principal was TZS 7,785,166,040,046 (Domestic TZS 4,587,193,257,758 and External TZS 3,197,972,782,288); interest was TZS 5,040,304,482,129 (Domestic TZS 3,106,621,393,848 and External TZS 1,933,683,088,281) and other payments of TZS 18,546,343,632 which cover Capital market and Security Authority; Dar Es Salaam Stock Exchange, liquidity management cost as well as advertisement and publications.

3.12. RISK MANAGEMENT AND INTERNAL CONTROL

3.12.1 RISK MANAGEMENT

The Debt Management Division assumes final responsibility for the internal control system and risk of the division. As the function of the management to ensure that there is proper internal control system in the division, the risk operational manual is in place and adhered in order to bring reasonable assurance regarding to effectiveness and efficiency of its operation; safeguarding of debt database; compliance with applicable laws and regulations; reliability of accounting records and maintain sustainability on normal as well as abnormal conditions.

During the year under review, the DMD managed to prepare and disseminate risk register which shows risks and mitigations measures. Moreover, the frameworks for MTDS and DSA are both consistent with debt management objective of minimizing borrowing costs with prudence degree of risk as well as supporting domestic debt market development.

3.12.2 DEBT SUSTAINABILITY

Debt sustainability refers to the situation in which a borrower is expected to continue servicing its debts without unrealistic adjustment to fiscal policies (IMF 2002). The 2025 Debt Sustainability Analysis (DSA) indicates that key debt burden indicators, specifically the present value (PV) of external public debt to GDP and the PV of total public debt to GDP remain well below their respective policy benchmarks. The PV of external public debt to GDP stands at 24.9 percent against a benchmark of 40 percent, while the PV of total public debt to GDP is 40.7 percent, below the 55 percent benchmark in the year 2024/25.

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These results confirm that Tanzania’s public debt remains sustainable in the short, medium, and long term. This favourable assessment reflects a stable macroeconomic outlook, supported by conducive government policies and an efficient debt management strategy.

Table 12: Public and External Debt Sustainability Indicators

Public and External DSA	Threshold	2024/25	2025/26	2026/27	2027/28	2028/29
PV of Public Debt-to-GDP (%)	55	40.7	39.3	37.9	36.6	36.3
PV of Debt-to-Exports (%)	180	125.4	123.1	123.8	119.3	114.3
PV of External Debt-to-GDP (%)	40	24.9	24.4	23.6	22.4	21.1
Debt Service-to-Exports (%)	15	11.6	12.8	12.2	13.7	13.3
Debt Service-to-Revenue (%)	18	14.7	15.5	14.9	16.1	15.4

Source: Ministry of Finance

3.12.3 MEDIUM-TERM DEBT MANAGEMENT STRATEGY (MTDS) AND AN ANNUAL BORROWING PLAN (ABP)

In accordance with Section 25.1(a) of the Government Loans, Guarantees, and Grants Act, Cap. 134, the Government through the Ministry of Finance is required to prepare a Medium-Term Debt Management Strategy (MTDS) and an Annual Borrowing Plan (ABP) in line with the overall fiscal framework. The ABP is a structural plan that guides the debt management in operationalizing the provisions described in the borrowing strategy selected in the MTDS.

In alignment with its legal obligation to mobilize the required financing, the Government has formulated MTDS and ABP to inform stakeholders and investors about its strategy to fund the 2024/25, 2025/26 and 2026/27. This is structured in accordance with the Government’s overarching debt management objective, articulated in Regulation 4 of the Government Loans, Guarantees, and Grants Act, Cap. 134, which aims to meet the Government’s financing needs while minimizing borrowing costs. This primary goal is complemented by secondary objectives, which focus on fostering the development of domestic financial markets, ensuring the sustainability of the debt, and mitigating debt-related risks.

The publication of the MTDS and ABP underscores the Government’s commitment to fiscal responsibility, transparency, and predictability in debt management operations. This serves as a valuable tool for market participants and investors, enabling them to plan their investments effectively. MTDS and ABP outlines the Government’s anticipated borrowing requirements as stipulated in the 2024/25 Annual Budget, using various debt instruments slated for issuance throughout the fiscal year, as defined in the MTDS.

According to the 2024 MTDS, the current approach prioritizes borrowing from semi-concessional sources. This shift aims to reduce the cost of borrowing associated with commercial and domestic markets while ensuring adequate financing for strategic projects. As outlined in the Annual Borrowing Plan (ABP), the gross financing requirement for FY2024/25 approved by Parliament was estimated at TZS 13,940,651 million, with TZS

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7,322,861 million expected from external sources and TZS 6,617,789 million from domestic sources.

The MTDS assesses key risks associated with the public debt portfolio, particularly market risk arising from interest rate and exchange rate volatility. These risks influence the cost and sustainability of debt servicing and are central to informing borrowing decisions. The analysis and indicators presented herein are based on debt data as of June 2024, reflecting the most recent structure and risk profile of the portfolio.

i). Interest Rate volatility

The debt portfolio is exposed to interest rate risk which is measured by the Average Time to Re-fixing (ATR) and debt re-fixing in one year (% of total). The higher the ATR indicates that a relatively low share of debt and lower debt re-fixing in one year will have its interest re-set in a shorter period of time. The current trend shows that the ATR on total debt has declined from 10.6 years in 2023 to 9.8 years as of June 2024. The total debt re-fixing within one year as a percentage of total has increased from 23.7 percent in 2023 to 25.9 percent as of June 2024.

ii). Exchange Rate volatility

The share of debt denominated in foreign currency increased to 66.8 percent from 63.7 percent end of June 2023, implying exposure of the portfolio to exchange rate risk. Despite the exposure to the exchange rate, short-term foreign exchange (% of reserves) is 24.1 percent below the strategic benchmark of 75, which implies reserve supports external debt service.

iii). Liquidity Risk

The exposures to rollover risk are measured by the Average Time to Maturity (ATM) and percentage of total domestic debt maturing in one year. The ATM shows a declining trend from 11.1 years in 2023 to 10.7 years as of June 2024, reflecting reduced access to concessional loans from development partners that have longer maturities. This trend is driven by global economic tensions impacting the economies of developed nations and Tanzania's transition to a middle-income economy.

Table 13: Cost and Risk Indicators of Public Debt as at June 2025

Risk Indicators		External debt	Domestic debt	Total debt
Amount (in millions of USD)		24,393.0	12,102.7	36,495.8
As percent of total		67.1	32.9	100
Nominal debt as % GDP		32.4	16.1	48.5
PV of Debt as % of GDP		23.5	16.0	39.6
Cost of debt	Interest payment as % GDP	1.0	1.6	2.6
	Weighted Av. IR (%)	3.0	10.1	5.4
Refinancing	ATM (years)	11.4	9.0	10.7
	Debt maturing in 1yr (% of total)	4.9	28.2	11.9
	Debt maturing in 1yr (% of GDP)	1.8	4.5	6.4

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Risk Indicators		External debt	Domestic debt	Total debt
Interest rate	ATR (years)	10.1	9.0	9.8
	Debt re-fixing in 1yr (% of total)	24.9	28.2	25.9
	Fixed rate debt (% of total)	77.2	100.0	84.1
Foreign exchange (FX)	FX debt (% of total debt)			66.8
	ST FX debt (% of reserves)			24.1

Source: Ministry of Finance

iv). Mitigation Measures of Public Debt

The Government will maintain prudent debt management policies by ensuring commitment to fiscal consolidation in the medium term to minimize risks through prudent borrowing and use of proceeds to invest in projects with high economic returns; and enhancing revenue mobilization in order to safeguard the countries macroeconomic stability. Also, the Government will prioritize borrowing on concessional and semi-concessional terms, including seeking financing from export credit agencies, while carefully venturing to non-concessional sources for projects of significant importance to the economy. In addition to that, the Government will continue to strengthen supervision of both financial institutions and state-owned enterprises to minimize risks associated with contingent liabilities.

3.12.4 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 on-going basis in order to provide reasonable assurance on:

- i). Effectiveness and efficiency of Debt Management operations;
- ii). Safeguarding of the debt database;
- iii). Compliance with applicable laws and regulations;
- iv). Reliability of accounting and financial records;
- v). Division sustainability under normal as well as under adverse conditions; and
- vi). Responsible behaviour to all stakeholders.

Efficiency of any internal control system depends 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 satisfy that they were effective and meet accepted criteria.

a. Key elements of the internal control system

- i). **Delegation**

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The overall objectives and functions of the DMD are approved by President Office Public Service Management, which delegates the day-to-day operations to Management for execution with clear organization structure and detailed lines of authority.

ii). Budgets

Detailed annual budget emanated from the Division's Strategic Plan was prepared by the Management and approved by the Parliament of United Republic of Tanzania in June 2024.

iii). Competence

Staff skills were maintained both by a formal recruitment process and a performance appraisal system. Training needs of DMD were identified and necessary training to staff facilitated both in house and external which helps to strengthen staff skills and competences. Internal Audit

An Internal Audit Unit was in place and performed its functions as per requirement. The Unit assessed risk and reviews 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 Internal Auditor General Division (IAGD).

3.13. EMPLOYEES' WELFARE

3.13.1 Management and Employees Relationship

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

3.13.2 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 complement to Debt Management Division.

3.13.3 Medical assistance

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

3.13.4 Financial Assistance to Staff

Through Ministry of Finance, staffs are able to access advance fund which is extended to all confirmed employees. The fund is revolved and advanced to staff after the assessment

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by the management based on needs, availability of resources, circumstance and ability to make payment in accordance with the existing regulation. Additionally, Hazina Savings and Credit Co- operative Society (HAZINA SACCOS) under Ministry of Finance is promoting financial welfare for its members.

3.14. PERSONS WITH DISABILITIES

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

3.15. 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, tribe, religion and disability. In the year under review, the division has 50 staff of which 27 were male and 23 were female.

3.16. PREJUDICIAL ISSUES

There were no issues beyond the management control in achieving objectives

3.17. 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 to take appropriate actions in case of the need to do so and to exercise their bodies.

3.18. ACHIEVEMENTS

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

- i). The Government managed to raise TZS 6,795.03 billion from the domestic market out of which TZS 6,615.26 billion was used for rollover matured principal obligation and Net Domestic Financing for URT and TZS 179.77 billion used for financing budget for RGOZ. During the period, the realized amount for URT was TZS 6,615.26 billion at cost value equivalent to 99.96 percent of the planned amount. Out of the realized amount, TZS 1,800.02 billion was Treasury bills and TZS 4,815.24 billion was Treasury bonds. Out of the borrowed amount, TZS 3,839.32 billion was used to roll-over matured obligations, and TZS 2,775.94 billion for NDF;
- ii). The Government managed to roll over the matured principal repayment obligation and met the NDF at 106.7 percent attributed by gained obtained from a slight

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- decrease of the principal repayment during the period under review. This achievement was supported by the Government various initiatives including implementation of a hybrid approach to determine coupon rates, that effective commenced in January 2025. The approach aligns coupon rates more closely with prevailing market conditions. Consequently, enhanced liquidity, price discovery, and overall market efficiency;
- iii). Regarding External Non-Concessional Borrowing (ENCB), the government planned to raise TZS 2,986.63 billion for the year 2024/25. On the outturn the amount raised was TZS 2,950.65 billion equivalent to 98.8 percent of ENCB budget;
 - iv). The government continued to improve strategic partnerships with international and regional financial institutions, enhancing the country's access to concessional funding and technical expertise;
 - v). Conducted 15 TDMC Meetings and 12 NDMC meetings, which enabled approval for financing of various development projects through grants and loans;
 - vi). In March 2025, Moody Investors Service published results of their first review of sovereign credit ratings for 2025, which continue keeping Tanzania at B1 with Stable Outlook. Fitch Ratings continued keeping Tanzania at B+ with Stable Outlook on their last review completed in December 2024. These results are better compared to East and Central Africa peer countries. The results reflect among others, strong macro-economic performance with high GDP growth, prudent management of the national debt, conducive environment for private sector investments and strengthened international cooperation;
 - vii). Formulated the annual borrowing plan and Reviewed Medium Term Debt Management Strategy (MTDS) 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. MTDS is for 2024/25 to 2026/27;
 - viii). Conducted Debt Sustainability Analysis (DSA) to assess the country's ability to fulfill 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;
 - ix). Successfully Monitoring of the following integrations:
 - a) Meridian and MUSE that automated the payment,
 - b) Core Banking System and Meridian and ensured the exchange rate is timely updated in meridian,
 - c) Government Security System (GSS) and Meridian to ensure the auctions results are automatically updated in Meridian and capture the new instruments and;
 - d) Datawarehouse is automatically updated with debt data from meridian for other stakeholders' consumption.
 - x). Timely paid debt obligation due amounting to TZS 12,844.01 billion of which principal TZS 7,785.16 billion (domestic TZS 4,587.19 billion, external 3,197.97 billion) and interest was TZS 5,040.30 billion out of which domestic TZS 3,106.62 billion and external TZS 1,933.68 billion, other payments TZS 18.54 billion which is equivalent to 98.08 percent of the budget.
 - xi). Maintenance and validation of Public Debt Database (CS Meridian) and Timely

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- preparation and dissemination of public debt and other reports to various stakeholders.
- xii). Successful initiated negotiation with the Government of Angola on the long Outstanding debt in arrears. The two Government is yet to sign the Deed of Settlement as per the agreement reached.
 - xiii). Continuing with amendment to improve the Government Loan, Guarantee and Grant Act Cap 134, regulations.

3.19. CHALLENGES

The following challenges were encountered in the financial year 2024/25:

- i). In the first half of 2024/25, there was a mixed performance across the maturity spectrum whereby 20- and 25- year Treasury bonds were oversubscribed and treasury bills, 5-, 10- and 15-year Treasury bonds were undersubscribed. The underperformance, stemmed from a various factor, including the lower coupon rates from government securities at the time, and increased credit demand by the private sector.
- ii). Market Risk: Adverse movement in interest rates, exchange rates, and commodity prices affect the cost of debt servicing and the value of the debt portfolio which require necessary skills and expertise within the team to manage risks effectively.
- iii). Some of the demand notes and disbursement notifications were not received on time from external creditors and project managers respectively; and
- iv). Recording of debt stock in MUSE from CS Meridian for the purpose of preparing financial statement is done manually which is prone to human error.
- v). Excessive disbursement in comparison to approved budget results to increased pressure on debt service.
- vi). Unfavourable exchange rate movement caused by depreciation of Tanzanian Shilling against major currency in external debt portfolio have affected budget plan and execution.

3.20. FUTURE DEVELOPMENT PLAN (WAY FORWARD)

DMD Strategic plan is incorporated within the Ministry of Finance third strategic plan 2021/22 - 2025/26. In the course of implementing the Strategic Plan, DMD 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 on providing strategic leadership while meeting financing needs of the government at minimum borrowing cost with prudent degree of risk and ensure periodic public debt reports are available for use.

- i). To continue utilizing the hybrid coupon rates determination methodology and re-opening of previously issued bonds to further develop benchmark securities; To enhance building capacity for the BMDC-TWG through targeted training programs, study visit, and attachment to address the evolving dynamics of the securities market and alternative financing mechanisms;

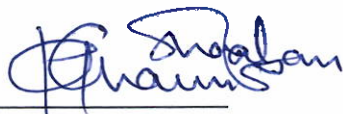
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- ii). To strengthen stakeholders' engagement within the domestic bond market by leveraging the Market Leaders' Forum and conducting quarterly market mini-surveys and implement advanced analytical tools to continuously monitor market conditions;
- iii). Implement targeted training programs, continuous professional development, and mentorship to strengthen the team's skills and capabilities; Additionally Implement advanced analytical tools to continuously monitor market conditions and forecast trends such as Bloomberg;
- iv). To continue improving communication with creditors and coordination with external finance department and project implementers;
- v). Continuing integrating MUSE with Meridian to ensure debt stock is automatically loaded in MUSE and providing detailed disclosure for material statement in order to maintain transparency and accountability as per IPSAS-> requirements;
- vi). The government continue to maintain strong relationship with development partners to ensure provision of fund and all Donor's commitments are aligned with Government Budget Processes;
- vii). 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; and
- viii). Diversifying foreign currency borrowing to reduce reliance on the US dollar and minimize exchange rate exposure; facilitating the implementation of the National Strategy to Improve Foreign Currency Availability.

3.21. 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**

06/03/2026

Date

REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 30 JUNE 2025

4.0 STATEMENT OF RESPONSIBILITY BY THOSE CHARGED WITH GOVERNANCE

The Management of Vote 001 - Public Debt under Debt Management Division is responsible for the preparation of the annual Financial Statements, which gives a true and fair view of the entity's state of affairs and its operating results in accordance with International Public Sector Accounting Standards (IPSASs) 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 30th June, 2025. The Government Budget for the vote was approved for accounting/fiscal period from 01st July 2024 to 30th June 2025. 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 service 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 (IPSASs) Accrual basis; and Guidelines issued from time to time by Paymaster General and Accountant General. The Management is taking all responsibility by building confidence to 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 does not present fairly in all material respect 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. Shaaban
Accounting Officer**

Controller and Auditor General



Date

AR/NA/VOTE 001/2024/25

THE UNITED REPUBLIC OF TANZANIA
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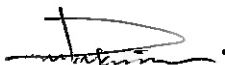
5.0 DECLARATION OF THE HEAD OF FINANCE AND ACCOUNTING UNIT

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 30th June, 2025 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 30th June, 2025 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.



Digitally Signed By Pendo Mwakisese
Wed Mar 04 20:47:14 EAT 2026

Signature: _____ Pendo Mwakisese
Position: **Chief Accountant** CA/PD

NBAA Membership No: **ACPA 2039**

Date: 19 January, 2026

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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: 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 summary of appropriation account, statement of vote, age analysis of outstanding liabilities and statement of outstanding public debt as at 30th June 2025.

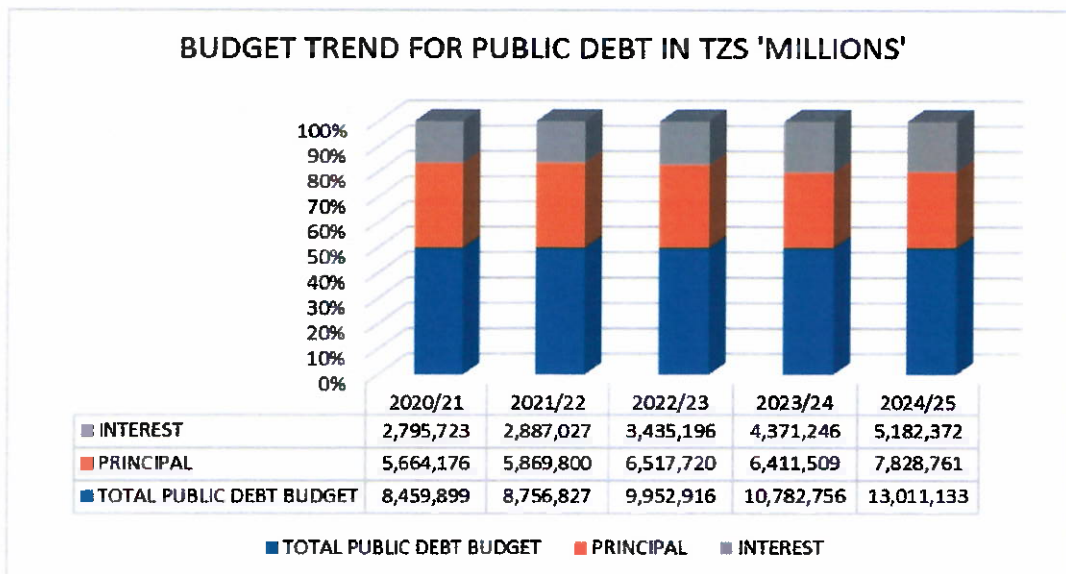
6.1. OVERVIEW OF THE FINANCIAL INFORMATION

Original approved budget for Public Debt (Vote 001) for the financial year 2024/25 was TZS 13,131,838,005,000. During the year, the vote re-allocated budget capacity to other votes amounting to TZS 102,060,627,696 resulting to final budget of TZS 13,029,777,377,304.

The major reason for the reallocation:

- i). Disbursement outturn was not as expected from commercial creditors.
- ii). Non submission of payment invoices by some creditors which were due in June 2025

Chart 1: Trend for Public Debt Budget



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Table 14: Summary of Financial overview

Description	2024/25	2023/24	Major Reason for Increase/ Decrease
Total Revenue	12,875,458,471,340	10,847,590,853,008	<ul style="list-style-type: none"> Unfavourable exchange rate movement from TZS 2,555/USD used during budget preparation compared to closing exchange rate of TZS 2,641/USD. Unfavourable Interest rate movement in the global market. Previous year commitment paid through deposit
Total expenses and Transfers	25,373,199,773,052	26,204,827,778,274	<ul style="list-style-type: none"> Realization of loss on foreign currency translations Realization of discount cost on T-bills/bonds Increase in debt service cost due to increase in variable interest rate, new borrowing and disbursement
Surplus/ (Deficit) for the year	(12,497,741,301,712)	(15,357,236,925,265)	<ul style="list-style-type: none"> Realization of loss on foreign currency Translations Realization of discount cost on T-bills/bonds. Increase in interest expenses due to increase in variable interest rate and new borrowing and disbursement Increase in transfer expenses
Current Assets	1,137,294,117,658	506,484,095,234	<ul style="list-style-type: none"> Increase of prepayments for debt obligation falling due in early July 2025 as compared to previous year.
Current Liabilities	786,877,244,173	354,078,153,129	<ul style="list-style-type: none"> Increase of deposits and payables/accrual for domestic debt obligation falling due in early July 2025 as compared to previous year.
Non-Current Liabilities	110,053,594,127,492	97,357,841,894,400	<ul style="list-style-type: none"> Increase in Non-Current Liabilities is due to new disbursements from existing and new borrowings both domestic and external.
Net Asset/Equity	(109,703,177,254,007)	(97,205,435,952,295)	<ul style="list-style-type: none"> Decrease in net assets is caused by increase in foreign exchange losses which has contributed to the overall accumulated deficit. Increase in new borrowings both domestic and external.

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6.2. REVENUE

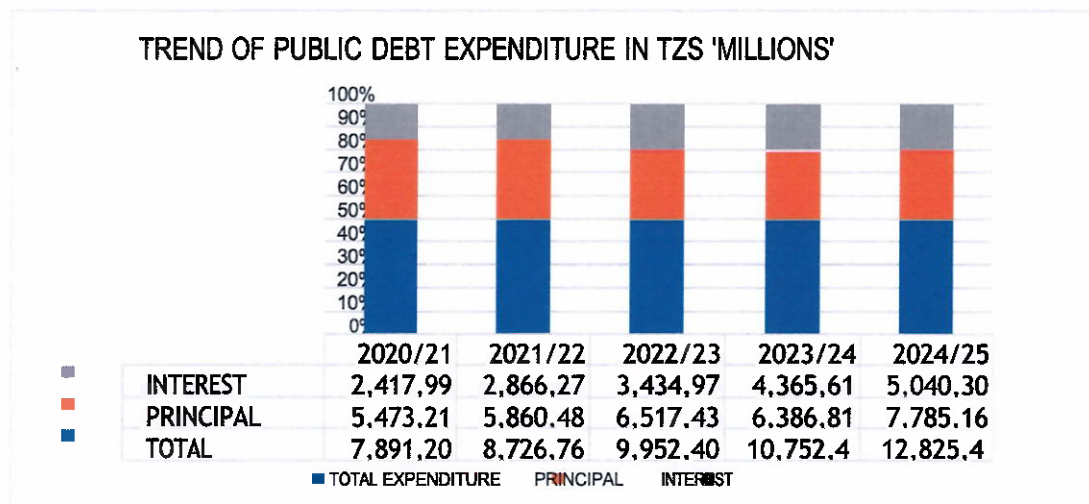
6.2.1 EXCHEQUER ISSUES NOTIFICATION

During the financial year 2024/25, the exchequer received amounted to TZS 12,994,795,645,392 compared to the TZS 10,801,253,447,000 received in the previous financial year of 2023/24. There was an increase of TZS 2,193,542,198,392 attributed by additional cost for new borrowings from domestic market and external sources.

6.2.2 TOTAL REVENUE

Total revenue for the year under review was TZS 12,875,458,471,340 from non-exchange transactions of which TZS 12,852,819,204,522 was the amount recognized after amortization of deferred income during the year, TZS 22,639,266,818 was other revenue from Treasury bond premium and Revenue Grant non-monetary TZS 8,802,338,714 for previous year commitment for principal repayment.

Chart 2: Trend of Public Debt Expenditure



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6.3. EXPENSES

6.3.1 Interest expenses

Debt service on interest expenses was TZS 5,094,153,668,549 whereby domestic debt was TZS 3,158,951,457,619 and external debt was TZS 1,935,202,210,930 in comparison with last year the overall increase was TZS 689,963,855,067 out of which domestic debt interest was TZS 424,140,845,776 while external debt interest was TZS 265,823,009,291. The increase was mainly due to new borrowings from domestic and external sources, increase of interest rate in international financial market and weakening of local currency against major dominating currency in external debt portfolio.

6.3.2 Foreign exchange loss

During the year 2024/25, foreign exchange loss of TZS 2,004,101,150,344 was recorded compared to foreign exchange loss of TZS 6,296,608,659,601 in previous year. The realization of low loss on foreign currency translation was due to the recovering of local currency (TZS) against major foreign currencies dominating in external debt portfolio at the end of financial year 2024/25. The Table 15 illustrate summary of creditors and their parity changes.

Table 15: parity change summary

PARITY CHANGE SUMMARY IN EQUIVALENT TZS BY CREDITOR CATEGORY FOR THE YEAR ENDED 30TH JUNE 2025		
Name of the creditor category	June 2025	June 2024
Multilaterals/International organizations	1,402,966,856,663	4,191,013,661,219
Bilateral Creditors Paris Club members	268,714,887,655	98,453,630,932
Bilateral Creditors Non-Paris Club members	4,527,910,089	135,594,193,211
Export - Import creditors	36,412,660,675	675,207,451,313
Commercial creditors	291,478,835,262	1,196,339,722,926
TOTAL PARITY CHANGE	2,004,101,150,344	6,296,608,659,601

6.3.3 Other Expenses

During the year 2024/25 other expenses was TZS 16,280,316,157 compared to TZS 11,677,801,003 realized in previous years. The increase of TZS 4,602,515,154 was due to increase in liquidity management cost.

6.3.4 Other transfers

Other transfers were made up of consolidated fund cash transfer which is domestic borrowing and consolidated fund non cash transfer which comprises of external disbursement and Advances to Government by BOT. This accommodation code was introduced to recognize borrowed loan because the budget for borrowing is under vote responsible for treasury management while the outstanding loan is recorded in vote 001public debt. The treatment of other transfers in the Statement of Financial Performance has resulted into high deficit during the year under review.

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In 2024/25, other transfer payments were TZS 17,994,570,802,101 compared to TZS 15,147,225,024,668 reported in the previous year. The increase of TZS 2,847,345,777,433 was due to the increase of new borrowings from external and domestic sources compared to previous year.

6.4. ASSETS

Total assets at the end of financial year 2024/25 comprised of current asset amounting to TZS 1,137,294,117,658, of which TZS 650,384,384,122 was cash and cash equivalent and TZS 486,909,733,536 was prepayment, compared to total assets of TZS 506,484,095,234 in 2023/24. Total assets increased by TZS 630,810,022,524 attributed by both cash and cash equivalent and prepayments.

6.4.1 Cash and Cash equivalent

Cash and cash equivalent as at 30th June 2025 was TZS 650,384,384,122 consisting of redemption cash account TZS 455,148,010,929 and deposit cash account TZS 195,236,373,193 compared to TZS 346,257,526,368, cash and cash equivalent recorded in previous year 2023/24. Implying an increase of TZS 304,126,857,754 as a result of increase in redemption account balance.

6.4.2 Prepayments

During the period under review, prepayments of TZS 486,909,733,536 were recorded compared to TZS 160,226,568,866 in previous financial year 2023/24. The Increase of TZS 326,683,164,670 was due to increase in debt obligations falling due early July 2025.

Table 16: List of prepayments

S/N	Description	Amount in TZS- 2025	Amount in TZS- 2024
1	Special Bond Interest	15,142,041,923	1,500,000,000.00
2	Government Stock interest	1,475,832,598	1,475,832,598.03
3	Government Bonds Interest	159,598,853,753	94,780,167,630.00
4	Government Bonds Principal	149,000,000,000	32,469,000,000.00
5	Government Stock Principal	51,333,307,758	0
6	International Org Principal	20,387,147,866	19,477,076,209.85
7	Foreign Commercial Principal	3,385,935,482	3,411,432,256.36
8	Bilateral Non-Paris Principal	1,118,698,509	131,521,875.00
9	Bilateral Non-Paris Interest	147,340,540	14,159,006.74
10	International Org Interest	5,315,075,107	6,967,379,291.00
11	Treasury Bills Principal	80,005,500,000	
	Total	486,909,733,536	160,226,568,866.98

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FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

6.5. LIABILITIES

Total liabilities of TZS 110,840,471,371,665 at the end of financial year were made up of current liabilities TZS 786,877,244,173 and non-current liabilities TZS 110,053,594,127,492 recording an increase of TZS 13,128,551,324,136 compared to total liabilities of TZS 97,711,920,047,529 recorded in the previous year. The increase is attributed to 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 2024/25.

6.5.1 Current liabilities

During the year under review, TZS 786,877,244,173 was current liabilities out of which deposit was TZS 650,384,384,122; payable and accruals was TZS 136,492,860,051 Compared to previous year TZS 354,078,153,129, current liabilities increased by TZS 432,799,091,044. The increase was due to prepayment of debt service obligations falling due early July 2025.

6.5.2 Deposits

Deposit as at 30th June 2025 was TZS 650,384,384,122 out of which TZS 195,236,373,193 was deposit general and TZS 455,148,010,929 was redemption account compared to TZS 346,257,526,368 in 2023/24. Deposit has increased by TZS 304,126,857,754 which was attributed to debt service obligations falling due early July 2025.

6.5.3 Payables and Accruals

In 2024/25, the total amount of TZS 136,492,860,051 was recorded as outstanding liabilities (payables) compared to TZS 7,820,626,761 reported in 2023/24. The increase of TZS 128,672,233,290 was due to interest on deficit on government position and liquidity management cost.

Table 17: List of payables

S/N	Description	Amount in TZS- 2025	Amount in TZS- 2024
1	Advertisement and Publications	0	53,449,000
2	Interest on Deficit on Government Position	136,395,502,538	5,604,710,723
3	Liquidity Management Cost	97,357,513	2,162,467,038
	Total	136,492,860,051	7,820,626,761

6.5.4 Non - Current Liabilities

Non-current liabilities comprise of external and domestic debt stock. As at 30th June 2025 debt stock amounted to TZS 110,053,594,127,492 compared to TZS 97,357,841,894,400 which was reported in 2023/24. Out of the total debt stock TZS 74,550,483,007,521 was external debt while domestic debt was TZS 35,503,111,119,971 The overall increase in debt stock was TZS 12,695,752,233,092 due to disbursements

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FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

received from existing and new external loans and new borrowings from domestic sources for the year under review.

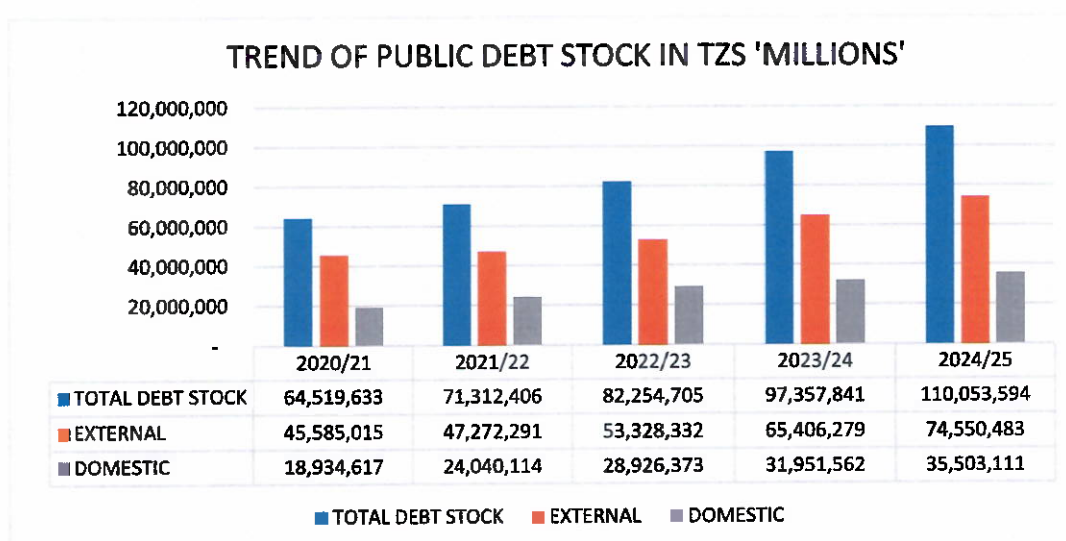
6.5.5 Short Term and Long-Term Loans

In the year under review, the total outstanding debt was TZS 110,053,594,127,492. Out of which, the short-term loans amounted to TZS 13,029,286,078,316 compared to TZS 12,522,508,525,112 recorded in 2023/24 while the balance of TZS 97,024,308,049,176 was long term loans compared to TZS 84,835,333,369,288 which was reported in the previous financial year.

Table 18: Short term and long-term loans

S/N	Description	Amount in TZS- 2025	Amount in TZS- 2024
Short-term domestic and external debt			
1	Short-term domestic debt	1,555,801,439,000	2,328,650,770,000
2	Current portion of domestic long-term	7,083,778,109,316	6,676,738,120,112
3	External current portion of external long-term	4,389,706,530,000	3,517,119,635,000
	Total short-term debt	13,029,286,078,316	12,522,508,525,112
Long term domestic and external debt			
1	Long term domestic debt	26,863,531,571,655	22,946,173,678,981
2	Long term external debt	70,160,776,477,521	61,889,159,690,307
	Total long-term debt	97,024,308,049,176	84,835,333,369,288
	Grand total debt	110,053,594,127,492	97,357,841,894,400

Chart 3: Trend of outstanding public debt stock



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FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

6.6. NET ASSETS

Net assets include taxpayer's fund and accumulated surplus/deficit. The term taxpayer's 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 IPSAS implementation transitional period which ended June 2017. As at 30th June 2025, public debt net asset/worth was TZS 109,703,177,254,007 compared to TZS 97,205,435,952,295 in the previous year.

6.7. CASH FLOW STATEMENT

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

6.7.1 Cash flow from Operating Activities

During the year under review TZS 13,321,561,769,964 was received which includes TZS 12,994,795,645,392 revenue grants from treasury, TZS 22,639,266,818 premium from Treasury bond and increase in deposit TZS 304,126,857,754. Total payment made was TZS 11,560,447,490,629 resulting to a net cash flow from operating activities of TZS 1,761,114,279,335. The amount paid includes: use of goods and services TZS 200,917,950 other transfers TZS 6,501,596,664,867 other expenses TZS 18,442,783,195 and interest expenses TZS 5,040,207,124,617.

6.7.2 Cash flow from financing Activities

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 2024/25 was TZS 7,785,166,040,046 (domestic debt - TZS 4,587,193,257,758 and external debt - TZS 3,197,972,782,288) compared to TZS 6,386,818,858,445 (domestic debt -TZS 3,374,961,551,633 and external debt - TZS 3,011,856,906,811) of the previous financial year, implying an increase of TZS 1,398,347,181,601. The increase was due to repayment of external and domestic debt. Net cash flow from financing activities during the year under review was TZS 1,306,208,641,996 reflecting a net increase of TZS 454,905,637,338. Cash proceeds from long term and short-term borrowing was TZS 6,478,957,398,050 compared to TZS 5,405,241,343,480 of previous year. The increase was TZS 1,073,716,054,570 due to favourable market conditions.

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FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

Table 19: Domestic Borrowing by instrument category

Category	Borrowing (CV) 2024/25	Borrowing (CV) 2023/24
25-year Bonds	1,547,476,065,330	1,299,696,849,306
20-year Bonds	2,063,786,412,081	835,047,246,962
15-year Bonds	466,298,436,732	369,660,153,932
10 year Bonds	213,261,863,382	256,320,120,092
5 year Bonds	276,361,923,786	50,991,022,719
2 year Bonds	134,393,685,471	177,433,916,147
364 Days Treasury Bills	1,800,018,278,085	2,197,803,441,454
182 Days Treasury Bills	0	220,920,839,829
TOTAL	6,501,596,664,867	5,407,873,5 90,441

6.7.3 Cash transfers

Unspent fund during the year under review was TZS 150,778,779,584 which has been transferred to Paymaster General (PMG).

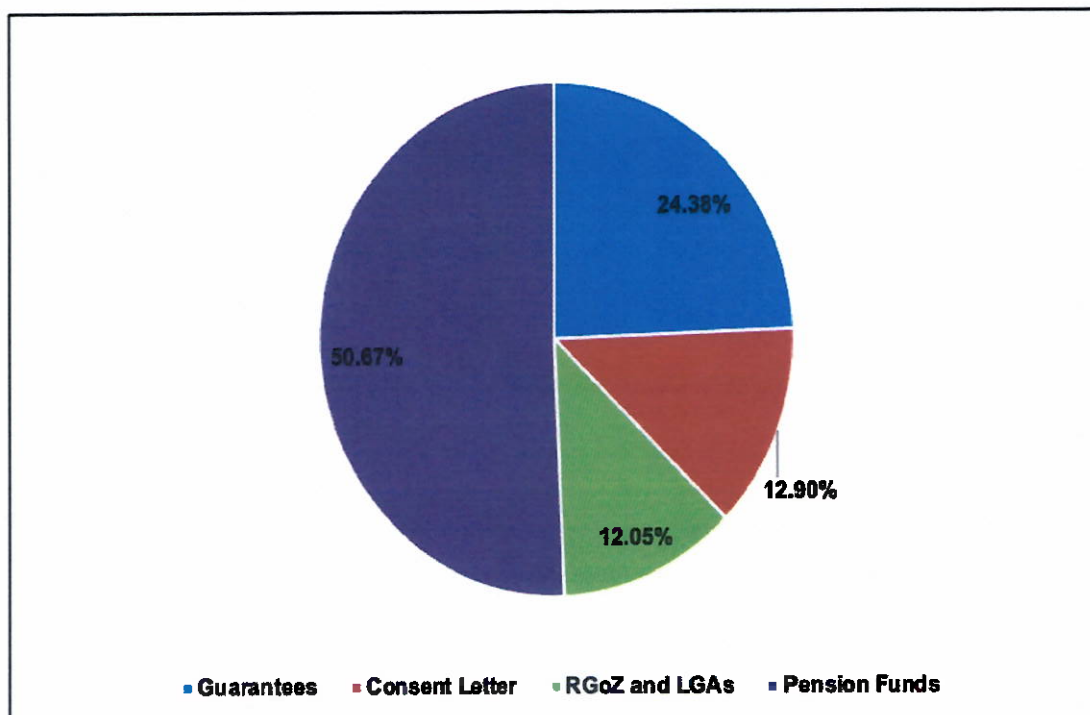
6.8. CONTINGENT LIABILITIES

As at the end of June 2025, the Contingent Liability decreased to TZS 4,519.46 billion (46.64 percent) from TZS 8,469.6 billion recorded at the end of June 2025. The decrease was attributed to the termination of the National Insurance Corporation (NIC) agreement, which accounted for over 50 percent of the total contingent liabilities. Out of which, 50.67 percent is the liabilities emanating from the pension fund (Chart 4). In managing contingent liabilities, the Government will continue to strengthen supervision of both financial institutions and state-owned enterprises with a view to minimizing risks associated with contingent liabilities.

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FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

Chart 4: Contingent Liabilities Composition



Source: Ministry of Finance

6.9. COMMITMENTS

During the year ended 30th June 2025 there was no commitment recorded compared to previous year 2023/24 of TZS 216,032,526,141.

Table 20: List of Commitments

Category	Commitment 2024/25	Commitment 2023/24
International organization (IDA)	0	20,388,170,754
Interest on bank Overdraft expenses	0	190,122,939,318
Government share on liquidity management cost	0	5,047,836,763
Dar es Salaam stock exchange	0	241,099,439
Capital market security authority	0	232,479,867
TOTAL	0	216,032,526,141

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6.10. DEBT FORGIVENESS/RELIEF

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

6.11. INTANGIBLE ASSETS

Public debt uses specific 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 the 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**

06/03/2026

Date

THE UNITED REPUBLIC OF TANZANIA
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FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025


7.0 FINANCIAL STATEMENT FOR THE YEAR ENDED 30 JUNE 2025

7.1. STATEMENT OF FINANCIAL POSITION

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2025			
		2025	2024
	Note	TZS	TZS
ASSETS			
Current asset			
Cash and cash equivalents	62	650,384,384,122	346,257,526,368
Prepayments	69	486,909,733,536	160,226,568,866
Total current assets		1,137,294,117,658	506,484,095,234
TOTAL ASSETS		1,137,294,117,658	506,484,095,234
LIABILITIES			
Current liabilities			
Payables and accruals	89	136,492,860,051	7,820,626,761
Deposits	94	650,384,384,122	346,257,526,368
Total current liabilities		786,877,244,173	354,078,153,129
Non-current liabilities			
Borrowings (Public Debt)	101	110,053,594,127,492	97,357,841,894,400
Total non-current liabilities		110,053,594,127,492	97,357,841,894,400
TOTAL LIABILITIES		110,840,471,371,665	97,711,920,047,529
Net assets		(109,703,177,254,006)	(97,205,435,952,295)
NET ASSETS/EQUITY			
Capital Contributed by:			
Taxpayers/share capital		(41,638,235,410,370)	(41,638,235,410,370)
Accumulated surpluses/deficits		(68,064,941,843,636)	(55,567,200,541,925)
TOTAL NET ASSETS/EQUITY		(109,703,177,254,006)	(97,205,435,952,295)



Amina Kh. Shaaban
 Accounting Officer




Date

THE UNITED REPUBLIC OF TANZANIA
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 DEBT MANAGEMENT DIVISION PUBLIC DEBT (VOTE 001)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

7.2. STATEMENT OF FINANCIAL PERFORMANCE

STATEMENT OF FINANCIAL PERFORMANCE FOR THE PERIOD ENDED 30 JUNE 2025			
		2025	2024
	Note	TZS	TZS
REVENUE			
Revenue			
Revenue grants	16	12,852,819,204,522	10,844,958,606,046
Other revenue	31	22,639,266,818	2,632,246,962
Total revenue		12,875,458,471,340	10,847,590,853,008
TOTAL REVENUE			
12,875,458,471,340			
10,847,590,853,008			
EXPENSES AND TRANSFERS			
Expenses			
Use of goods and service	35	147,468,950	155,153,000
Interest expenses	42	5,094,153,668,549	4,404,189,813,482
Loss on foreign currency translation	45	2,004,101,150,344	6,296,608,659,601
Fair value losses on Assets and Liabilities	46	263,946,366,951	344,971,326,520
Other expenses	52	16,280,316,157	11,677,801,003
Total Expenses		7,378,628,970,951	11,057,602,753,606
Transfer			
Other transfers	60	17,994,570,802,101	15,147,225,024,668
Total transfer		17,994,570,802,101	15,147,225,024,668
TOTAL EXPENSES AND TRANSFERS		25,373,199,773,052	26,204,827,778,274
Deficit for the period		(12,497,741,301,712)	(15,357,236,925,265)


 Amina Kh Shaaban
 Accounting Officer

06/03/2026
 Date

**THE UNITED REPUBLIC OF TANZANIA
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DEBT MANAGEMENT DIVISION PUBLIC DEBT (VOTE 001)**

FINANCIAL STATEMENT FOR THE YEAR ENDED 30 JUNE 2025

7.3. STATEMENT OF CHANGES IN NET ASSETS AND EQUITY

STATEMENT OF CHANGES IN NET ASSETS AND EQUITY FOR THE PERIOD ENDED 30 JUNE 2025			
	Tax Payer's Fund	Accumulated Surplus/{Deficit}	Total
	TZS	TZS	TZS
Opening balance as at 01 Jul 2024	(41,638,235,410,370)	(55,567,200,541,925)	(97,205,435,952,295)
Surplus/ deficit for the year	0	(12,497,741,301,712)	(12,497,741,301,712)
Closing balance as at 30 Jun 2025	(41,638,235,410,370)	(68,064,941,843,637)	(109,703,177,254,007)
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	0	(15,357,236,925,265)	(15,357,236,925,265)
Closing balance as at 30 Jun 2024	(41,638,235,410,370)	(55,567,200,541,925)	(97,205,435,952,295)



Armina Kh Shaaban
Accounting Officer

06/03/2026

Date

Controller and Auditor General


AR/NA/VOTE 001/2024/25

THE UNITED REPUBLIC OF TANZANIA
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FINANCIAL STATEMENT FOR THE YEAR ENDED 30 JUNE 2025

7.4. CASHFLOW STATEMENT

CASHFLOW STATEMENT FOR THE PERIOD ENDED 30 JUNE 2025		
	2025	2024
	TZS	TZS
CASH FLOW FROM OPERATING ACTIVITIES		
RECEIPTS		
Revenue grants	12,994,795,645,392	10,801,253,446,999
Other revenue	22,639,266,818	2,632,246,962
Increase in deposit	304,126,857,754	0
Total receipts	13,321,561,769,964	10,803,885,693,961
PAYMENTS		
Use of goods and service	200,917,950	109,197,000
Other transfers	6,501,596,664,867	5,407,873,590,442
Other expenses	18,442,783,195	18,327,852,312
Interest expenses	5,040,207,124,617	4,365,613,518,859
Decrease in deposit	0	159,024,533,941
Total payments	11,560,447,490,629	9,950,948,692,554
NET CASH FLOW FROM OPERATING ACTIVITIES	1,761,114,279,335	852,937,001,408
CASH FLOW FROM FINANCING ACTIVITIES		
Financing activities		
Cash repayments of amounts borrowed	-7,785,166,040,046	-6,386,818,858,445
Cash proceeds from other short or Long-term borrowings	6,478,957,398,049	5,405,241,343,480
Total financing activities	-1,306,208,641,997	-981,577,514,965
NET CASH FLOW FROM FINANCING ACTIVITIES	-1,306,208,641,997	-981,577,514,965
Net increase	454,905,637,338	-128,640,513,558
Cash Surrendered to PMG	150,778,779,584	30,384,020,383
Cash and cash equivalents at the beginning of the period	346,257,526,368	505,282,060,309
Cash and cash equivalents at the end of the period	650,384,384,122	346,257,526,368


 Amina Kh Shaaban
 Accounting Officer

06/03/2026
 Date

**THE UNITED REPUBLIC OF TANZANIA
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FINANCIAL STATEMENT FOR THE YEAR ENDED 30 JUNE 2025**

7.5. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNT FOR THE PERIOD ENDED 30 JUNE, 2025

	Original Budget TZS	Reallocations/ Adjustments		Final Budget {B}	Actual Amount on Comparison Basis {A}	Different Final Budget & Actual {B-A}
			TZS			
RECEIPTS						
Revenue Grants	13,131,838,005,000	(102,060,627,696)		13,029,777,377,304	12,994,795,645,392	34,981,731,912
Total Receipts	13,131,838,005,000	{102,060,627,696}		13,029,777,377,304	12,994,795,645,392	34,981,731,912
PAYMENTS						
Use of Goods and Service	170,000,000	30,917,950		200,917,950	200,917,950	0
Other Expenses	10,202,200,000	8,240,662,683		18,442,862,683	18,442,783,195	79,488
Interest Expenses	5,581,973,180,000	(399,600,917,743)		5,182,372,262,257	5,040,207,124,617	142,165,137,640
Cash repayments of amounts borrowed	7,539,492,625,000	289,268,709,414		7,828,761,334,414	7,785,166,040,046	43,595,294,368
Total Payment	13,131,838,005,000	{102,060,627,696}		13,029,777,377,304	12,844,016,865,808	185,760,511,496
Net Receipts/Payments	0	0		0	150,778,779,584	{150,778,779,584}

Amina Kh Shaaban

06/03/2026

Amina Kh Shaaban
Accounting Officer

Date

Controller and Auditor General

AR/NA/VOTE 001/2024/25

**THE UNITED REPUBLIC OF TANZANIA
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FINANCIAL STATEMENT FOR THE YEAR ENDED 30 JUNE 2025

8.0 NOTES TO THE FINANCIAL STATEMENTS

8.1. GENERAL INFORMATION

The General information about the reporting entity

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

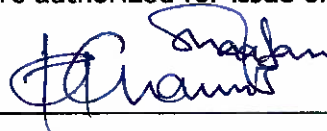
8.2. BASIS OF PREPARATION

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 (IPSASs). The financial statements are presented in Tanzania Shillings (TZS).

8.3. AUTHORIZATION DATE

The financial statements were authorized for issue on 06/03/2026 by:

Accounting Officer



Controller and Auditor General

AR/NA/VOTE 001/2024/25

**THE UNITED REPUBLIC OF TANZANIA
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FINANCIAL STATEMENT FOR THE YEAR ENDED 30 JUNE 2025

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. In preparation of financial statements, management has selected appropriate accounting policies, assumptions, estimates and apply judgement that are reasonable and prudent.

The accounting policies that deemed critical to the results and financial position, in terms of materiality, assumptions, estimates and degree of judgement involved. The accounting policies adopted are in 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, services received, loss on foreign currency translation and fair value losses on assets and liabilities incurred during the year are expensed.

8.4.4 Other Transfers

Other transfers were made up of consolidated fund cash transfer which is domestic borrowing and consolidated fund non cash transfer which comprises of external disbursement and Advances to Government by BOT. This accommodation code was introduced to recognise borrowed loan because the budget for borrowing is under vote responsible for treasury management while the outstanding loan is recorded in vote 001 public debt. The treatment of other transfers in the Statement of Financial Performance has resulted into high deficit during the year under review.

8.4.5 Cash and Cash Equivalent

Cash and cash equivalent comprises of 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 financial year such as redemption cash account and deposit general. Cash and cash equivalent are not available for use by the management; these are third party money.

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FINANCIAL STATEMENT FOR THE YEAR ENDED 30 JUNE 2025

8.4.6 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) Current year prepayments form part of current asset in the statement of financial position.

8.4.7 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.

8.4.8 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.

8.4.9 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.

8.4.10 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.

8.4.11 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 30th June 2025 short and long-term borrowing form part of liabilities and financial instruments which includes loan from external creditors together with treasury bills and bonds from domestic market in the statement of financial position.

During Preparation of Financial Statement of Public Debt, all borrowings are classified as Non-Current Liabilities to the face of financial position with more disclosure to Note 101 as per IPSAS 1 Para 71 which stipulates that, "Whichever method of presentation is adopted, for each asset and liability line item that combines amounts expected to be recovered or settled no more than twelve months after the reporting date, and more than

**THE UNITED REPUBLIC OF TANZANIA
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DEBT MANAGEMENT DIVISION PUBLIC DEBT (VOTE 001)**

FINANCIAL STATEMENT FOR THE YEAR ENDED 30 JUNE 2025

twelve months after the reporting date, an entity shall disclose the amount expected to be recovered or settled after more than twelve months”.

8.4.12 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.

8.4.13 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.

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

8.5.1 Judgments

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

8.5.2 Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation of uncertainty 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.

i). Cash and Cash Equivalents

Cash and cash equivalents that have less than three months maturity (short term) was assumed to have the carrying amount approximately to their fair value, this assumption is applied to cash and cash equivalent in course of settlement of deposit and redemption account.

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8.6. 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.** IPSASs 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 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

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the transfer expense transaction. IPSASs 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 includes; climate-related physical risks and climate-related transition risks.

8.7. EXCHANGE RATES

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

Table 21: Closing exchange rates for major currency

Currency	30 th June 2025	30 th June 2024
United States Dollar (USD)	2,641.19	2,640.0000
British Pound	3,630.0515	3,341.7120
Euro	3,095.2106	2,831.1360
Chinese Yuan	368.4233	363.2461
Kuwait Dinar	8,641.7891	8,608.0410
Japanese Yen	18.3111	16.4589
Special Drawing Rights	3,611.7751	3,469.9357
Africa Unit of Accounts	3,545.0910	3,441.9700

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8.8. 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: -

8.8.1 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 public debt portfolio is fixed interest rate.

8.8.2 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.

8.8.3 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) iv) Monitors cash flows of the government through Treasury Single Account (TSA) which has the ability to analyse the cash outturn.

8.8.4 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

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borrowing and roll over;

- ii) Re opening of the existing treasury bonds that will deepen the bond market; and 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.

8.8.5 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;

8.8.6 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.

8.8.7 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

8.8.8 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) Capital account liberalization to broaden investor base
- iii) Domestic borrowing by adhering to the Issuance plan

8.9. ORIGINAL AND FINAL APPROVED BUDGET AND COMPOSITION OF ACTUAL AND BUDGET AMOUNTS

The original budget was approved by the legislative in June 2024 which is developed and prepared on cash basis. 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

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arise from reallocation within the budget or other factors such as policy shifts, natural disasters or other unforeseen events.

The original approved budget for the financial year 2024/25 was TZS 13,131,838,005,000 and the final approved budget as at 30th June 2025 was TZS 13,029,777,377,304. During the year, Vote 001 reallocated its budget capacity of TZS 102,060,627,696 to other votes (reallocation between votes). The major reason for reallocation was due to favourable Interest rate movement in the global market.

The Final budget for the financial year 2024/25 was TZS 13,029,777,377,304 and the exchequer notification received during the year was TZS 12,994,795,645,392 marking the variance of TZS 34,981,731,912 from the final budget. The amount of exchequer notification received during the year was TZS 12,994,795,645,392 while the actual expenditure as at 30th June 2025 was TZS 12,844,016,865,808 leaving a balance of TZS 150,778,779,584 which has been transferred to PMG.

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

Para 47 of IPSASs 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 2025. 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.

Table 22: Reconciliation of actual amounts on a comparable basis and actual amounts in the financial statements for the year 2024/2025

Description	Operating - TZS	Financing -TZS	Total - TZS
Actual amount on a comparable basis as presented in the budget and the actual comparative statement	1,456,987,421,580	(1,306,208,641,996)	150,778,779,584
Basis difference	304,126,857,755	-	304,126,857,755
Actual amount in the statement of cash flow	1,761,114,279,335	(1,306,208,641,996)	454,905,637,339

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Table 23: Reconciliation of actual amounts on a comparable basis and actual amounts in the financial statements for the year 2023/24

Description	Operating - TZS	Financing -TZS	Total - TZS
Actual amount on a comparable basis as presented in the budget and an actual comparative statement	1,011,961,535,348	(981,577,514,965)	30,384,020,383
Basis difference	(159,024,533,941)	0	(159,024,533,941)
Actual amount in the statement of cash flow	852,937,001,407	(981,577,514,965)	(128,640,513,558)

During the period ended 30 June 2025, the differences between the two statements (cash flow and budget vs actual statement) are the net of other receipts and payments from deposit account to the tune of TZS 304,126,857,754 compared to previous year of TZS (159,024,533,941).

8.10. Notes of statements of financial performance, position and Cashflow statements

16. Revenue Grants

	2025	2024
	TZS	TZS
Government grants other charges	12,844,016,865,808	10,770,869,426,616
Revenue Grants- Non monetary	8,802,338,714	74,089,179,430
	12,852,819,204,522	10,844,958,606,046

Government grants other charges was TZS 12,844,016,865,808 which is the amount recognized after amortization of deferred income during the year compared to previous year TZS 10,770,869,426,616 Government grants other charges have increased by TZS 2,073,147,439,192 mainly due to increase in debt service cost.

31. Other Revenue

	2025	2024
	TZS	TZS
Interest from Premium on Treasury bond	22,639,266,818	2,632,246,962.10
	22,639,266,818	2,632,246,962.10

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

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35 - Use of Goods and Services

	2025	2024
	TZS	TZS
Advertising and publication	147,468,950	155,153,000
	147,468,950	155,153,000

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

42. Interest Expenses

	2025	2024
	TZS	TZS
Foreign Commercial Loans	1,290,146,958,799	1,162,227,181,446
Foreign/Bilateral Loans (Non-Paris club Countries)	5,222,405,298	5,485,642,373
Foreign/Bilateral Loans (Paris Club Countries)	28,379,264,102	18,762,331,693
Government Bonds	2,770,507,680,382	2,373,100,711,936
Government Stocks	14,489,996,187	17,115,838,253
International Organizations	611,453,582,731	481,384,923,478
Overdrafts	136,395,502,538	131,536,906,303
Special Bonds	237,558,278,512	214,576,278,000
	5,094,153,668,549	4,404,189,813,482

Interest expenses were TZS 5,094,153,668,549, where domestic debts were TZS 3,158,951,457,619 and external debt was TZS 1,935,202,210,939. In comparison with last year, out of which domestic debt interest was TZS 2,736,329,734,492 and external debt interest was TZS 1,667,860,078,990, resulting in an overall increase of TZS 689,963,855,067. The increase was mainly due to new borrowings from domestic and external sources and weakening of the local currency against the major dominating currencies in the external debt portfolio.

45. Loss on Foreign Currency Translation

	2024/25	2023/24
	TZS	TZS
Foreign exchange differences (loss) - non monetary	2,004,101,150,344	6,296,608,659,601
	2,004,101,150,344	6,296,608,659,601

Foreign exchange loss of TZS 2,004,101,150,344 was recorded compared to foreign exchange loss of TZS 6,296,608,659,601 in previous year. The loss is a result of weakening of local currency (TZS), against major foreign currencies dominating in external debt portfolio at the end of financial year 2024/25.

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Table 24: Translation losses by creditor's category

S/N	Creditors by Category	30th June 2025(TZS)	30th June 2024(TZS)
1	International Organizations	1,402,966,856,662	4,191,013,661,219
2	Bilateral Paris Club Members	268,714,887,655	98,453,630,932
3	Bilateral Non-Paris Club Members (Non-PC)	4,527,910,089	135,594,193,211
4	Commercial Credits	327,891,495,938	1,871,547,174,239
	Total	2,004,101,150,344	6,296,608,659,601

46. Fair Value Losses on Assets and Liabilities

	2025	2024
	TZS	TZS
Discount on Treasury bills	201,250,161,915	212,754,488,716
Discount on Treasury bonds	62,696,205,036	132,216,837,804
	263,946,366,951	344,971,326,520

Discount cost refers to Treasury bill and bonds secured below par value which is TZS 100. The decrease in discount of TZS 81,024,959,569 compared to previous year is due to change of domestic market conditions.

Table 25: Summary of domestic borrowing discount by maturities as at 30 June 2025

Category	Discount on Borrowing 2024/25	Discount on Borrowing 2023/24
25-year Bonds	7,966,242,499	64,380,950,693
15-year Bonds	30,552,639,388	40,247,346,068
10-year Bonds	7,988,336,618	17,608,479,907
20-year Bonds	9,702,195,787	0
5-year Bonds	5,151,676,215	3,109,977,281
2-year Bonds	1,335,114,530	6,870,083,852
364 Days Treasury Bills	201,250,161,914	207,847,328,545
182 Days Treasury Bills	0	4,907,160,170
Total	263,946,366,951	344,971,326,516

52. Other Expenses

	2025	2024
	TZS	TZS
Loan management and servicing fee	16,280,316,157	11,677,801,003
	16,280,316,157	11,677,801,003

Other expense includes payment to Dar es Salaam Stock Exchange and Capital Markets and Securities Authority. During the year 2024/25 other expenses was TZS 16,280,316,157

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compared to TZS 11,677,801,003 of the previous year 2023/24. The increase of TZS 4,602,515,154 was due to charges of Dar es salaam Stock exchange and Capital Securities and Money market authority.

60. Other Transfers

	2025	2024
	TZS	TZS
Transfer to consolidated fund - cash	6,501,596,664,867	5,407,873,590,442
Transfer to the consolidated fund non-cash	11,492,974,137,234	9,739,351,434,227
	17,994,570,802,101	15,147,225,024,668

Table 26: Analysis of Other Transfer as at 30 June 2025

ANALYSIS OF NON-CASH TRANSFER		
SN	DETAILS	AMOUNT IN TZS
1	DISBURSEMENT OF EXTERNAL	10,498,511,751,249
2	ADJUSTMENTS EXTERNAL	-157,585,783,458
3	ARREARS - EXTERNAL	4,079,933,565
4	ARREARS - DOMESTIC	10,674,675
5	OVERDRAFT	647,957,561,203
6	SPECIAL BOND	500,000,000,000
	TOTAL	11,492,974,137,234
ANALYSIS OF CASH TRANSFER		
1	BORROWING - BONDS	4,701,578,386,782
2	BORROWING - BILLS	1,800,018,278,085
	TOTAL	6,501,596,664,867

Other transfers were made up of consolidated fund cash transfer, which is domestic borrowing, and consolidated fund non-cash transfer, which comprises external disbursement and Advances to the government by the BOT. This accommodation code was introduced to recognise borrowed loan because the budget for borrowing is in a vote responsible for treasury management while the outstanding loan is recorded in Vote 001 Public Debt. During the year under review other transfer payments was TZS 17,994,570,802,101 compared to TZS 15,147,225,024,668 reported in the previous year. The increase of TZS 2,847,345,777,433 was due to the increase in new borrowings from external and domestic sources compared to the previous year 2023/24.

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62. Cash and Cash Equivalents

	2025	2024
	TZS	TZS
Deposit cash account	195,236,373,193	216,032,526,141
Redemption cash account	455,148,010,929	130,225,000,227
Total	650,384,384,122	346,257,526,368

-Cash and cash equivalent as at 30th June, 2025 was TZS 650,384,384,122 consist of redemption cash account TZS 455,148,010,929 and deposit cash account TZS 195,236,373,193. Compared to the previous year TZS 346,257,526,368 cash and cash equivalent has increased by 304,126,857,754 as a result of increase in redemption account balance. There is no impairment because balances of Cash and Cash Equivalent is utilized within three months after year end.

69. Prepayments

	2025	2024
	TZS	TZS
Prepayments-interest expenses	181,679,143,922	104,737,538,526
Prepayments principal borrowing	305,230,589,614	55,489,030,340
	486,909,733,536	160,226,568,866

During the period under review, prepayments of TZS 486,909,733,536 were recorded compared to TZS 160,226,568,866 in the previous financial year. The increase of TZS 326,683,164,670 was due to an increase in debt obligation falling due early July 2025.

Table 27: List of prepayments

S/N	Description	Amount in TZS- 2025	Amount in TZS- 2024
1	T-Bills Principal	80,005,500,000	0
2	Special Bond Interest	15,142,041,923	1,500,000,000
3	Government Stock interest	1,475,832,598	1,475,832,598
4	Government Stock Principal	51,333,307,758	0
5	Government Bonds Interest	159,598,853,753	94,780,167,630
6	Government Bonds Principal	149,000,000,000	32,469,000,000
7	International Org Principal	20,387,147,866	19,477,076,209
8	Foreign Commercial Principal	3,385,935,482	3,411,432,256
9	Bilateral Non-Paris Principal	1,118,698,509	131,521,875
10	Bilateral Non-Paris Interest	147,340,541	14,159,007
11	International Org Interest	5,315,075,108	6,967,379,291
	Total	486,909,733,538	160,226,568,866

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89. Payables and Accruals

	2025	2024
	TZS	TZS
Finance Cost	136,492,860,051	7,767,177,761
Supplies of goods and services	0	53,449,000
	136,492,860,051	7,820,626,761

During the financial year 2024/25 the total amount of TZS 136,492,860,051 was recorded as outstanding liabilities (payables) compared to TZS 7,820,626,761 reported last financial year 2023/24. There was an increase of TZS 128,672,233,290 due to interest on government overdraft.

Table 28: List of Payables

S / N	Description	Amount in TZS 2025	Amount in TZS 2024
1	Advertisement and Publications	0	53,449,000
2	Interest on Deficit on Government Position	136,395,502,538	5,604,710,723
3	Liquidity Management Cost	97,357,513	2,162,467,038
	Total	136,492,860,051	7,820,626,761

94. Deposits

	2025	2024
	TZS	TZS
Deposit general	195,236,373,193	216,032,526,141
Deposit redemption account	455,148,010,929	130,225,000,227
	650,384,384,122	346,257,526,368

Deposit as at 30th June 2025 was TZS 650,384,384,122 consists of redemption cash account TZS 455,148,010,929 and deposit cash account TZS 195,236,373,193. Compared to previous year TZS 346,257,526,368, cash and cash equivalent has increase by TZS 304,126,857,754 as a result of increase in redemption account balance.

101. Borrowings (Public Debt)

	2025	2024
	TZS	TZS
Bilateral Creditors non-Paris club members	1,324,935,550,166	1,835,441,428,043
Bilateral Creditors Paris club members	2,733,112,894,855	1,839,758,521,477
Foreign Commercial Creditors	19,816,357,178,476	17,758,697,685,194
Government Bonds	23,634,984,762,000	20,304,022,117,000
Government Stocks	187,078,378,243	187,078,378,243
International Organisation	50,676,077,384,024	43,972,381,690,594
Other Domestic Borrowings	5,332,804,808,977	4,684,836,573,098

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Special Bonds	4,346,974,730,752	4,446,974,730,752
Treasury Bills	2,001,268,439,999	2,328,650,769,999
Total Public Debt	110,053,594,127,492	97,357,841,894,400

In the year under review, the total outstanding debt was TZS 110,053,594,127,492, out of which the short-term loans amounted to TZS 13,029,286,078,316, compared to TZS 12,522,508,525,112, which were reported in the last financial year, while the balance of TZS 97,024,308,049,176 was long-term loans, compared with TZS 84,835,333,369,288, which was reported in the previous financial year.

Table 29: Analysis of Debt Outstanding in Comparable Terms

S/N	Description	Amount in TZS- 2025	Amount in TZS- 2024
Short term domestic and external debt			
1	Short term domestic debt	1,555,801,439,000	2,328,650,770,000
2	Current portion of domestic long-term	7,083,778,109,316	6,676,738,120,112
3	External current portion of external long-term	4,389,706,530,000	3,517,119,635,000
	Total short-term debt	13,029,286,078,316	12,522,508,525,112
Long term domestic and external debt			
1	Long term domestic debt	26,863,531,571,655	22,946,173,678,981
2	Long term external debt	70,160,776,477,521	61,889,159,690,307
	Total long-term debt	97,024,308,049,176	84,835,333,369,288
	Grand total debt	110,053,594,127,492	97,357,841,894,400

Table 30: Reconciliation of External Debt Stock Between Muse Vs Meridian

101 - Borrowing (Public Dept)	International Organization	Bilateral creditors- Non-Paris Club Members	Bilateral creditors- Paris Club Members	Foreign Commercial creditors
Debt stock as per MERIDIAN	50,675,167,312,367	1,323,948,373,532	2,733,112,894,855	19,816,382,675,249
Add:				
Prepayments current year	20,387,147,866	1,118,698,509	-	3,385,935,482
Less:				
Prepayments previous year	19,477,076,210	131,521,875	-	3,411,432,256
Total as per MUSE	50,676,077,384,024	1,324,935,550,166	2,733,112,894,855	19,816,357,178,476

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The accounting treatment for prepayments of external loans in MUSE is different from CS MERIDIAN due to the fact that MUSE recognizes accrual basis while CS MERIDIAN recognizes cash basis.

8.11. CONTINGENT LIABILITIES AND GUARANTEES

As at the end of June 2025, the Contingent Liability decreased to TZS 4,519.46 billion (46.64 percent) from TZS 8,469.6 billion recorded at the end of June 2025. The decrease was attributed to the termination of the NIC agreement, which accounted for over 50 percent of the total contingent liabilities. Out of which, 50.67 percent is the liabilities emanating from Pension fund. Chart 4 presents the Contingent Liabilities Debt composition. In managing contingent liabilities, the Government will continue to strengthen supervision of both financial institutions and state-owned enterprises with a view to minimize risks associated with contingent liabilities.

8.12. Commitments

During the year under review there was no commitments however TZS 195,170,776,081 remained outstanding from previous year.

Table 31: List of Commitments

S/N	DESCRIPTION	AMOUNT IN TZS
1	Interest on bank Overdraft expenses	190,122,939,318
2	Government share on liquidity management cost	5,047,836,763
Total commitment		195,170,776,081

8.13. Related Party Transactions

No related party transactions were recorded by Vote 001 for the year ended 30th June 2025.

8.14. Segment Reporting

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

8.15. Reconciliation of surplus with net cash flow from operating activities

The Government through circular No.11 of 2014/2015 adopted a direct method in reporting cash flow from operating activities in line to 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:

THE UNITED REPUBLIC OF TANZANIA
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FINANCIAL STATEMENT FOR THE YEAR ENDED 30 JUNE 2025

Table 32: Reconciliation

RECONCILIATION OF NET CASH FLOWS FROM OPERATING ACTIVITIES TO SURPLUS/{DEFICIT} FOR THE PERIOD ENDED 30th JUNE, 2025		
	Amount in TZS-2025	Amount in TZS-2024
Surplus/ Deficit for the Period	(12,497,741,301,712)	(15,357,236,925,265)
Add/ {Less} Non-Cash Item		
Current Grant from Other General Government units non-monetary	(8,802,338,714)	(74,089,197,430)
Fair value losses on Assets and Liabilities	263,946,366,951	344,971,326,520
Loss on Foreign Currency Translation	2,004,101,150,344	6,296,608,659,601
Transfer to Consolidated Fund Non-Cash	11,492,974,137,234	9,739,351,434,227
Add/ {Less} Change in Working Capital		
Deferred Income	150,778,779,584	30,384,020,383
Other Receipt	304,126,857,754	(159,024,533,941)
Payables and Accruals	128,672,233,290	(65,190,128,324)
Prepayments	(76,941,605,396)	97,162,327,638
Net Cash Flow from Operating Activities	1,761,114,279,335	852,937,001,407

8.16. EVENTS AFTER REPORTING DATE

There was no event after the reporting date



Amina Kh. Shaaban
 Accounting Officer



Date

THE UNITED REPUBLIC OF TANZANIA
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DEBT MANAGEMENT DIVISION PUBLIC DEBT (VOTE 001)

FINANCIAL STATEMENT FOR THE YEAR ENDED 30 JUNE 2025

THE UNITED REPUBLIC OF TANZANIA MINISTRY OF FINANCE

Telephone: 0262963110
Fax: 0262963109
Email Address:
minister@hazina.go.tz Web
site:www.hazina.go.tz (All
official communications
should be addressed to the
Permanent Secretary
Treasury).



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

In reply please quote:
Ref.No. EB/AG/159/25/01

17th July 2025

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

RE: CONFIRMATION OF EXCHEQUER ISSUES FOR THE FINANCIAL
YEAR 2024/2025

Please confirm in writing the following as early as possible.

A: Exchequer Issues - Issued to you from 1st July, 2024 to 30th June, 2025
are as follows;

i) Supply Vote Shs 12,994,795,645,391.60

ii) Development Vote

iii) C.F.S. Shs SB:

B: Your net approved estimates as at this day of 30th June, 2025, are as
shown below:

i) Supply Vote Shs 13,029,777,377,303.30

Less: Appropriation in Aid Shs

Net approved estimate Shs

ii) Development Vote Shs

iii) C.F.S. Shs

A handwritten signature in black ink, appearing to be 'G. Mngara', written over a horizontal line.

G. Mngara

For: PERMANENT SECRETARY-TREASURY

**THE UNITED REPUBLIC OF TANZANIA
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FINANCIAL STATEMENT FOR THE YEAR ENDED 30 JUNE 2025

Appendix 2: Summary of Appropriation Account

SUMMARY OF APROPRIATION ACCOUNT FOR THE YEAR ENDED 30TH JUNE, 2025						
CODE	DESCRIPTION	APPROVED ESTIMATES	ACTUAL EXPENDITURE	VARIANCE	EXP. AS % OF APPROPRIATED ESTIMATES	ACTUAL EXPENDITURE
		JUNE, 2025	JUNE, 2025			JUNE, 2024
11001	Administration and general services	13,029,777,377,304	12,844,016,865,808	185,760,511,496	98.57	10,770,869,429,616
TOTAL		13,029,777,377,304	12,844,016,865,808	185,760,511,496	98.57	10,770,869,429,616

THE UNITED REPUBLIC OF TANZANIA
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FINANCIAL STATEMENT FOR THE YEAR ENDED 30 JUNE 2025

Appendix 3: Statement of Vote

	STATEMENT OF VOTE AS AT 30 JUNE 2025									
	2024/25					2023/24				
	Recurrent	Develo P ment	Total	Recurrent	Develo pment	Total	Recurrent	Develo pment	Total	
TZS	TZS	TZS	TZS	TZS	TZS	TZS	TZS	TZS	TZS	
ORIGINAL APPROVED ESTIMATES	13,131,838,005,000	0	13,131,838,005,000	10,480,130,968,000	-	10,480,130,968,000	-	10,480,130,968,000		
Add/Less: Supplementary Estimates	0	0	0							
Add/Less: Reallocation	(102,060,627,696)	0	(102,060,627,696)			321,122,479,000		321,122,479,000		
FINAL APPROVED ESTIMATES	13,029,777,377,304	0	13,029,777,377,304	10,801,253,447,000	-	10,801,253,447,000	-	10,801,253,447,000		
Exchequer Received during the year	12,994,795,645,392	0	12,994,795,645,392	10,801,253,446,999	-	10,801,253,446,999	-	10,801,253,446,999		
Less: Net expenditure	12,844,016,865,808	0	12,844,016,865,808	10,554,836,900,475	-	10,554,836,900,475	-	10,554,836,900,475		
Less: Transfer to Deposit A/C	0	0	0	216,032,526,141	-	216,032,526,141	-	216,032,526,141		
Unutilized Exchequer Received	150,778,779,585	0	150,778,779,585	30,384,020,383	-	30,384,020,383	-	30,384,020,383		
Unutilized	34,981,731,912	0	34,981,731,912	(1)	-	(1)	-	(1)		

THE UNITED REPUBLIC OF TANZANIA
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 DEBT MANAGEMENT DIVISION PUBLIC DEBT (VOTE 001)

FINANCIAL STATEMENT FOR THE YEAR ENDED 30 JUNE 2025

Budget							
Presented by: -							
Cash	150,778,779,585	0	150,778,779,585				
Transferred to PMG				30,384,020,383	-		30,384,020,383
Balance in hand with PMG	150,778,779,585	0	150,778,779,585	30,384,020,383	-		30,384,020,383

**THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF FINE
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FINANCIAL STATEMENT FOR THE YEAR ENDED 30 JUNE 2025**

Appendix 4: Analysis of Outstanding Liabilities / Payables

ANALYSIS OF OUTSTANDING LIABILITIES / PAYABLES AGE WISE AS AT 30 JUNE 2025							
S/N	Categories	Outstanding -TZS	≤ 30 Days	> 30 ≤ 60 Days	> 60 ≤ 90 Days	> 90 ≤ 365 Days	Above 2 Years
1	Interest on government overdraft	136,395,502,538				136,395,502,538	
2	Liquidity Management Cost	97,357,513	97,357,513				
	TOTAL	136,492,860,051	97,357,513			136,395,502,538	
ANALYSIS OF OUTSTANDING LIABILITIES / PAYABLES AGE WISE AS AT 30 JUNE 2024							
S/N	Categories	Outstanding -TZS	≤ 30 Days	> 30 ≤ 60 Days	> 60 ≤ 90 Days	> 90 ≤ 365 Days	Above 2 Years
1	Interest in government overdraft	5,604,710,723	5,604,710,723				
2	Supply of goods and services	53,449,000	53,449,000				
3	Liquidity management cost	2,162,467,038	2,162,467,038				
	TOTAL	7,820,626,761	7,820,626,761				

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FINANCIAL STATEMENT FOR THE YEAR ENDED 30 JUNE 2025

Appendix 5: Exchequer released

THE UNITED REPUBLIC OF TANZANIA



EXCHEQUER RELEASED LIST FROM 01/07/2024 TO 30/06/2025						
DATE	MINISTRY/ DEPARTMENT	EXCHEQUER NUMBER	EXCHEQUER AMOUNT	WITHDRAWN AMOUNT	NET AMOUNT	EXCHEQUER
Exchequer Type: 102 - Other Charges						
07-Jul- 2024	00010000 PUBLIC DEBT	- EB/AG/159/25/0006	964,638,895,836.89	0.00	964,638,895,836.89	
31-Jul- 2024	00010000 PUBLIC DEBT	- EB/AG/159/25/00064	1,000,000,000.00	0.00	1,000,000,000.00	
07-Aug- 2024	00010000 PUBLIC DEBT	- EB/AG/159/25/00137	727,149,578,200.50	0.00	727,149,578,200.50	
28-Aug- 2024	00010000 PUBLIC DEBT	- EB/AG/159/25/00198	9,526,406,196.00	0.00	9,526,406,196.00	
06-Sep- 2024	00010000 PUBLIC DEBT	- EB/AG/159/25/00272	982,071,554,822.00	0.00	982,071,554,822.00	
26-Sep- 2024	00010000 PUBLIC DEBT	- EB/AG/159/25/00327	40,991,440,536.00	0.00	40,991,440,536.00	
08-Oct- 2024	00010000 PUBLIC DEBT	- EB/AG/159/25/00418	1,487,194,550,120.33	0.00	1,487,194,550,120.33	
06-Nov- 2024	00010000 PUBLIC DEBT	- EB/AG/159/25/00562	798,999,760,175.17	0.00	798,999,760,175.17	

Controller and Auditor General

AR/NA/VOTE 001/2024/25

**THE UNITED REPUBLIC OF TANZANIA
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FINANCIAL STATEMENT FOR THE YEAR ENDED 30 JUNE 2025

30-Nov-2024	00010000 PUBLIC DEBT	-	EB/AG/159/25/00655	3,118,281,929.42	0.00	3,118,281,929.42
11-Dec-2024	00010000 PUBLIC DEBT	-	EB/AG/159/25/00697	1,003,559,753,224.78	0.00	1,003,559,753,224.78
27-Dec-2024	00010000 PUBLIC DEBT	-	EB/AG/159/25/00725	1,820,000,000.00	0.00	1,820,000,000.00
08-Jan-2025	00010000 PUBLIC DEBT	-	EB/AG/159/25/00772	1,043,873,197,559.71	0.00	1,043,873,197,559.71
31-Jan-2025	00010000 PUBLIC DEBT	-	EB/AG/159/25/00857	820,000,000.00	0.00	820,000,000.00
06-Feb-2025	00010000 PUBLIC DEBT	-	EB/AG/159/25/00885	1,145,964,142,259.33	0.00	1,145,964,142,259.33
28-Feb-2025	00010000 PUBLIC DEBT	-	EB/AG/159/25/00978	16,759,580,931.00	0.00	16,759,580,931.00
06-Mar-2025	00010000 PUBLIC DEBT	-	EB/AG/159/25/01028	838,959,816,090.23	0.00	838,959,816,090.23
28-Mar-2025	00010000 PUBLIC DEBT	-	EB/AG/159/25/01094	3,530,000,000.00	0.00	3,530,000,000.00
14-Apr-2025	00010000 PUBLIC DEBT	-	EB/AG/159/25/01184	1,304,208,085,872.72	0.00	1,304,208,085,872.72
30-Apr-2025	00010000 PUBLIC DEBT	-	EB/AG/159/25/01269	980,000,000.00	0.00	980,000,000.00
05-May-2025	00010000 PUBLIC DEBT	-	EB/AG/159/25/01288	305,116,288,264.34	0.00	305,116,288,264.34

**THE UNITED REPUBLIC OF TANZANIA
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FINANCIAL STATEMENT FOR THE YEAR ENDED 30 JUNE 2025

09-May-2025	00010000 PUBLIC DEBT	-	EB/AG/159/25/01323	771,636,936,274.74	0.00	771,636,936,274.74
30-May-2025	00010000 PUBLIC DEBT	-	EB/AG/159/25/01424	238,123,427.82	0.00	238,123,427.82

**THE UNITED REPUBLIC OF TANZANIA
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05-Jun-2025	00010000 PUBLIC DEBT	EB/AG/159/25/01468	767,125,045,238.62	0.00	767,125,045,238.62
09-Jun-2025	00010000 PUBLIC DEBT	EB/AG/159/25/01479	213,049,897,330.00	18,931,998,177.99	194,117,899,152.01
13-Jun-2025	00010000 PUBLIC DEBT	EB/AG/159/25/01485	81,396,309,280.00	0.00	81,396,309,280.00
30-Jun-2025	00010000 PUBLIC DEBT	DE/AG/102/25/00091	500,000,000,000.00	0.00	500,000,000,000.00
Mfumo wa Ulipaji Serikalini [MUSE]	Grand Total		13,013,727,643,569.60	18,931,998,177.99	12,994,795,645,391.60

Appendix 6: Statement of outstanding public debt as at 30th June, 2025

Creditor Category	2024/25	2023/24
Domestic	TZS	TZS
Treasury Bills	2,001,268,439,999	2,328,650,769,999
Government Bonds	23,634,984,762,000	20,304,022,117,000
Special Bonds	4,346,974,730,752	4,446,974,730,752
Government Stocks	187,078,378,242	187,078,378,243
Other Domestic Borrowings ¹	5,332,804,808,977	4,684,836,573,098
Total Domestic Public Debt	35,503,111,119,970	31,951,562,569,092
External		
International Organisation	50,676,077,384,024	43,972,381,690,594
Bilateral Creditors non-Paris club members	1,324,935,550,166	1,835,441,428,043

¹ 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
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FINANCIAL STATEMENT FOR THE YEAR ENDED 30 JUNE 2025

Bilateral Creditors Paris club members	2,733,112,894,855	1,839,758,521,477
Foreign Commercial Creditors	19,816,357,178,476	17,758,697,685,194
Total External Public Debt	74,550,483,007,521	65,406,279,325,308
Total Public Debt Stock	110,053,594,127,492	97,357,841,894,400

Appendix 7: Parity change summary in equivalent TZS for public debt as at 30th June 2025

DESCRIPTION	PARITY CHANGE	
	2024/2025	2023/2024
International organisations	1,402,966,856,663	4,191,013,661,219
Commercial credits	327,891,495,938	1,294,793,353,858
Total Bilateral Creditors -Paris Club Members	268,714,887,655	675,207,451,313
Total Bilateral Creditors - Non-Paris club members	4,527,910,089	135,594,193,211
Total External Parity	2,004,101,150,344	6,296,608,659,601

Appendix 8: Summary of External Disbursements for Public Debt as at 30th June 2025

External Debt Disbursement	2024/2025	2023/2024
	International organisations	5,849,445,621,902
Bilateral Creditors -Paris Club Members	690,093,886,933	272,771,772,173
Bilateral Creditors - Non-Paris club members	15,620,337,422	50,959,771,522
Commercial credits	3,943,351,904,991	3,075,126,187,444
Total External Disbursement	10,498,511,751,248	10,140,129,052,826

**THE UNITED REPUBLIC OF TANZANIA
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FINANCIAL STATEMENT FOR THE YEAR ENDED 30 JUNE 2025

Appendix 9: Age Analysis of Outstanding Domestic- Public Debt as at 30th June 2025

Instrument Name	Debt Stock	up to 1 month	>1 - 3 months	>3 - <=12 months	> 1 Year <= 3	> 3 Year <= 5	> 5 Year
Treasury Bills	2,001,268,440,000	142,005,500,000	196,677,000,000	1,662,585,940,000	0	0	0
Government Bonds	23,634,984,762,000	149,000,000,000	132,529,700,000	463,730,400,000	1,885,557,630,000	1,396,544,677,000	4,134,866,830,000
Special Bonds	4,346,974,730,751	0	0	1,623,000,000,000	390,000,000,000	239,434,730,752	404,540,000,000
Government Stock	187,078,378,242	51,333,307,758	0	0	0	135,745,070,485	0
Other Domestic Borrowings	5,332,804,808,977	0	0	5,332,365,070,564	439,738,414	0	0
GRAND TOTAL	35,503,111,119,972	342,338,807,758	329,206,700,000	9,081,681,410,564	2,275,997,368,414	1,771,774,478,237	4,539,406,830,000

**THE UNITED REPUBLIC OF TANZANIA
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FINANCIAL STATEMENT FOR THE YEAR ENDED 30 JUNE 2025

Appendix 10: Age Analysis of Outstanding External Tzs In'000' - Public Debt as at 30th June 2025

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	50,675,167,312	38,002,317	196,632,868	837,340,015	3,572,671,281	4,802,547,125	41,227,973,706
Bilateral PC	2,733,112,895	0	19,594,698	76,784,768	284,013,355	290,801,373	2,061,918,701
Bilateral NPC	1,323,948,374	0	0	85,259,934	177,643,682	52,807,593	1,008,237,165
Commercial Credits	19,816,382,675	254,984,036	116,181,597	2,577,246,993	6,179,203,544	5,122,628,935	5,566,137,570
External Debt Stock	74,548,611,256	292,986,353	332,409,163	3,576,631,710	10,213,531,862	10,268,785,026	49,864,267,142

**THE UNITED REPUBLIC OF TANZANIA
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FINANCIAL STATEMENT FOR THE YEAR ENDED 30 JUNE 2025

Appendix 11: Age Analysis of Outstanding Domestic TZS In '000'- Public Debt As At 30th June 2024

Instrument Name	Debt Stock	up to 1 month	>1 - 3 months	>3 - <=12 months	> 3 months	> 1 Year		> 3 Year		> 5 Year
						1 - 3 months	> 3 months	<= 5	> 5	
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	-	-			
GRAND TOTAL	31,951,562,569	361,251,350	720,843,200	7,923,294,340	3,160,832,501	1,708,468,970	18,076,872,207			

**THE UNITED REPUBLIC OF TANZANIA
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FINANCIAL STATEMENT FOR THE YEAR ENDED 30 JUNE 2025

Appendix 12: Age Analysis of Outstanding External TZS in '000' - Public Debt as at 30th 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
External Debt Stock	65,406,279,325	225,545,689	224,561,232	3,067,012,714	8,492,049,774	10,275,722,323	43,121,387,590

**THE UNITED REPUBLIC OF TANZANIA
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FINANCIAL STATEMENT FOR THE YEAR ENDED 30 JUNE 2025

Appendix 13: External Debt Stock by Currency June, 2025

CURRENCY	EQUIVALENT AMOUNT IN TZS -2025	EQUIVALENT AMOUNT IN TZS -2024
SDR	34,637,635,005,443	30,221,016,720,218.70
USD	30,493,625,164,506	27,445,791,585,951.90
EUR	5,053,267,412,324	4,009,314,472,423.42
JPY	1,362,108,639,649	986,587,435,862.70
CNY	1,317,237,289,410	1,170,561,249,847.34
GBP	274,901,201,248	256,561,094,096.68
KWD	228,895,792,151	237,896,952,440.69
SAR	86,657,122,004	81,580,407,799.18
AED	23,381,681,805	29,769,780,106.83
IQD	4,849,726	4,865,668.50
KRW	1,070,897,097,738	967,194,760,891.86
TOTAL	74,548,611,256,004	65,406,279,325,307.90

External debt portfolio was translated from different foreign currencies using closing selling exchange rates as at 30th June 2025 and domestic debt instruments are reported at face value.

THE UNITED REPUBLIC OF TANZANIA
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FINANCIAL STATEMENT FOR THE YEAR ENDED 30 JUNE 2025

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	3,517,119,635,000	3,241,568,076,656	3,197,972,782,288	3,197,972,782,288	98.66
Domestic Principal	4,022,372,990,000	4,587,193,257,758	4,587,193,257,758	4,587,193,257,758	100
External Interest	2,435,305,216,000	1,939,355,365,057	1,933,683,088,281	1,933,683,088,281	99.71
Domestic Interest	3,146,667,964,000	3,243,016,897,200	3,106,621,393,848	3,106,621,393,848	95.79
OC	10,372,200,000	18,643,780,633	18,546,343,632	18,546,343,632	99.48
TOTAL OC	13,131,838,005,000	13,029,777,377,304	12,844,016,865,807	12,844,016,865,807	98.57

Source: IFMIS as of 30th June 2025

**THE UNITED REPUBLIC OF TANZANIA
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DEBT MANAGEMENT DIVISION PUBLIC DEBT (VOTE 001)**

FINANCIAL STATEMENT FOR THE YEAR ENDED 30 JUNE 2025

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**

Target Code	CODES AND ANNUAL PHYSICAL TARGET			CUMULATIVE STATUS ON MEETING THE PHYSICAL TARGET				EXPENDITURE STATUS					
	M	P	R	Actual Progress	Estimated % Completed	On track	At risk	Unknown	Annual Budget	Cumulative Expenditure	Actual	% Spent	REMARKS ON IMPLEMENTATION
1	2	3	4	5	6	7	8	9	10	11	12	13	14
Objective D: Financial Management and Accountability Improved													
D015	Government debt falling due paid 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 1,933 billion; (ii) Domestic debt interest has been paid to the tune of TZS 3,106 billion;	100%	V				13,029,777,377,304	12,844,016,865,807	98.57	on track

**THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF FINANCE
DEBT MANAGEMENT DIVISION PUBLIC DEBT (VOTE 001)**

FINANCIAL STATEMENT FOR THE YEAR ENDED 30 JUNE 2025

Appendix 16: Disclosure of intragovernmental transactions

THE UNITED REPUBLIC OF TANZANIA			
DISCLOSURE INTRAGOVERNMENT TRANSACTIONS - REVENUE & EXPENSES ENTITY NAME: PUBLIC DEBT			
FINANCIAL YEAR: 2025			
TRANSACTIONS		WITH OTHER GOVERNMENT ENTITIES FOR THE YEAR ENDED 30 JUNE 2025	
SNO.	Goods/Services received (Expenses)	Counterpart Entity	Amount
1	Advertising and publication	Tanzania Standard Newspapers (TSN)	50,506,950.00
2	Deposit General	Capital Markets and Securities Authority (CMSA)	232,479,866.67
3	Loan management and servicing fee	Capital Markets and Securities Authority (CMSA)	3,699,867,779.48
4	Overdrafts	Bank of Tanzania	5,604,710,722.60
	Total		9,587,565,318.75