



# **The United Republic of Tanzania**

## **Office of the Treasury Registrar**



**Financial Year | Treasury Registrar's**  
**2022/23 | Annual Operations Report**

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## Abbreviations

AfDB	African Development Bank
ARU	Ardhi University
BoDs	Board of Directors
BMS	Board Management System
CAG	Controller and Auditor General
CEO	Chief Executive Officers
CHC	Consolidated Holding Corporations
FARS	Financial Analysis Reporting System
GCF	Government Consolidated Fund
GGM	Geita Gold Mine
GISBIS	Geographical Information System & Business Information System
ICT	Information Communication Technology
IFRS	International Financial Reporting Standards
JNHPP	Julius Nyerere Hydropower Project
JNIA	Julius Nyerere International Airport
M&E	Monitoring and Evaluation
MIS	Minority Interests
MUSE	Mfumo wa Ulipaji Serikalini
NTR	Non-Tax Revenue
OC	Other Charges
OTR	Office of the Treasury Registrar
OTRMIS	Office of the Treasury Registrar Management Information System
PAC	Public Accounts Committee
PE	Personal Emoluments
PIC	Public Investments Committee
PLANREP	Planning & Reporting System
PSCs	Public and Statutory Corporations
PSRC	Parastatal Sector Reform Commission
ROI	Return on Investment
SGR	Standard Gauge Railway
SOEs	State Owned Enterprises
TTMS	Telecommunication Traffic Monitoring System
USD	United States Dollar
WSSP	Water Sector Support Project

## STATEMENT OF THE TREASURY REGISTRAR

On behalf of the Management of the Office of the Treasury Registrar (OTR), I am delighted to present the 5<sup>th</sup> Annual Operations Report of the Office of the Treasury Registrar for the year ended 30<sup>th</sup> June 2023. This is also my first annual report as a Treasury Registrar since I took office in February 2023. So allow me to thank the President of the United Republic of Tanzania, H.E Samia Suluhu Hassan for the appointment and the trust bestowed upon me to lead this prestigious office that is entrusted on behalf of the President to supervise government investments in the Public and Statutory Corporations (PSCs).

This report provides a comprehensive assessment of the operational performance of the entities in which the State owns whole, partial or has interest. These entities include public corporations in which the Government owns 51 percent of or more of the shares and private companies in which the Government owns less than 51 percent shares (minority interest) or has interest. The report also gives an account of monitoring and evaluation status to the privatised entities. Since its inception, the scope of the report has been extended to cover the operational performance, management of the PSCs, challenges, and way forward towards achieving the efficient and effective operational performance of the PSCs.

In line with good governance practices, which ensure transparency and accountability, the report is prepared in order to reveal the performance of the PSCs in connection with the Five-Year Development Plan III (2020/2021-2025/2026). The report is presented in five chapters, of which Chapter One and Chapter Two provide an overview of the OTR and corporate governance respectively. While Chapter Three covers oversight and supervision, Chapter Four covers investment performance, specifically capital investments and non-tax revenue performance. Chapter Five covers challenges and way forward. During the year under review, total Government investment in domestic and foreign investments stood at TZS 75.79 trillion, being a 3.3 percent increase from TZS. 73.36 trillion reported in the Financial Year 2021/2022. This increase, among other factors, was attributed to a rise in capital investment in the PSCs and an increase in the value of the investments due to revaluation and performance of PSCs as well as minority interest companies.



The OTR has witnessed a notable performance for the year ended 30<sup>th</sup> June 2023 wherein it had estimated to collect a total of TZS 931.92 billion from the PSCs and minority interests in the form of dividends, contributions, other remittances, and loan repayments. During the period under review, a total of **TZS 1.008 trillion** was collected which is equivalent to 108 percent of the budget estimate. From the total collections, dividends from corporations and minority interests accounted for 33 percent (TZS 328.75 billion); contribution to the Consolidated Fund was 34 percent (TZS 346.28 billion); other remittances were 28 percent (TZS 287.21); TTMS remittances was 1 percent (TZS 10.11 billion); and loan repayments was 4 percent (TZS 36.04 billion). The remarkable growth in revenues is attributed to major transformation in the public investments; deliberate measures taken to optimize revenue collection and cost reduction; and the increased oversight activities over the public institutions and MIs championed by the 6<sup>th</sup> Phase Government under the able leadership of Her Excellency.

As its primary mandate, the OTR provides oversight and strategic direction to PSCs. This involves detailed analysis of the operation and performance focusing on increasing infrastructure investment, improving operational efficiency, and contributing to competitiveness. The analysis undertaken during the year involved, a review of PSCs' strategic and business plans, shareholders agreements, budget performance, and dividend policies. Further, the OTR was able to review the key performance indicators for PSCs by setting financial targets and other financial criteria to be pursued by PSCs. Other measures taken were the issuance of various operational guidelines to be used to streamline the operations of PSCs.

PSCs play a vital and strategic part to our economy by providing goods and social services to the public. During the period under review, they continued to actively engage and contribute in key sectors of the economy, ranging from banking, energy/power generation, real estate, transport, manufacturing, and telecommunications to aviation. Their performance is well aligned with the Five-Year Development Plan III (2020/2021-2025/2026) which aims at achieving sustainable economic and social development of the country.

PSCs plays a pivotal role in the development of our economy given their diverse nature and widely sectoral distribution by ensuring effective service provision and steady flow of income through payment of contributions, dividends, taxes, and provision of quality

services to the general public. PSCs carry macro-economic and fiscal risks which impact on the fiscal policies, financial stability, and the economic growth of the country. The OTR ensures that the PSCs are properly run and managed for the purpose of achieving better performance, transparency, and accountability in a bid to improve efficiency and competitiveness and to foster and accelerate the micro-economic stability of the country. The OTR shall at all times ensure that Government interests and investments in PSCs and minority interests (MIs) are maintained, and there is continuous robust and effective oversight mechanisms to ensure optimization of government investments in these entities. In so doing, the OTR would be fulfilling the Government objectives towards achieving its National Development Vision 2025.

In ensuring that PSCs perform optimally and accordingly meets government expectation, and in aligning with the 4 R's of the President, the OTR embarked on massive reforms during the period under review, for effective oversight of the supervised entities. The reforms involved both internal and external environment, wherein with the former the OTR undertook a detailed review of its organisation structure which witnessed a launch and operationalization of a new organogram that came into operation in July 2023. As for the latter, the office embarked on change of legal framework in view of enhancing the role of the OTR by establishing a Public Investment Authority, in which the work is on progress.

Throughout the year, and in discharging its mandates the OTR worked hand in hand with several stakeholders to ensure expectation of key stakeholders are well met and are positively contributing to the economic development of our nation. My profound appreciation first goes to the Government of the United Republic of Tanzania, and specifically, Her Excellency, Dr. Samia Suluhu Hassan, the President of the United Republic of Tanzania, for her support and trust in me to lead the office which is mandated to oversee all public investments in the PSCs. Further, I appreciate the steady leadership of Her Excellency which enabled the office to effectively and efficiently discharge its mandate as per Treasury Registrar Act Cap, 370. My special thanks also goes to the Chief Secretary, Ambassador Dr. Moses Kusiluka, Minister for Planning and Investment President's Office Hon. Prof. Kitila Mkumbo (MP), Minister for Finance, Hon. Dr. Mwigulu Lameck Nchemba (MP), Deputy Minister for Finance, Hon. Hamad Hassan Chande (MP), Permanent Secretary Planning and Investment, Dr. Tausi Kida, Permanent Secretary Treasury, Dr. Natu Mwamba for their support and leadership towards the achievement recorded by the Office of the Treasury Registrar during the year under review.

The Parliament, being the overseer of the Government operations through its standing committees, has consistently provided advice which has been instrumental in achieving the outstanding performance that the Treasury Registrar recorded during the period under review. That in mind, I would like to extend my special thanks to the Speaker of the Tanzania National Assembly, Hon. Dr. Tulia Ackson (MP); Deputy Speaker, Hon. Mussa Hassan Zungu, and the Clerk, Ms. Nenelwa J. Mwiambi. I equally express my heartfelt gratitude to the members of the Public Investment Committee (PIC), specifically Chairperson of the Committee, Hon. Deus Sangu (MP), and the vice chairperson, Hon. Augustiono Vuma (MP). On the same note, my profound appreciation goes to the members of the Public Accounts Committee (PAC), and the members of the Budget Committee under the vibrant leadership of Hon. Naghenjwa Kaboyoka (MP) and Hon. Daniel Sillo (MP) respectively. Last but not least, I would like to express my sincere appreciation to the entire staff of the National Assembly of Tanzania who tirelessly served those committees and for their constructive advice.

Finally, I would like to extend my appreciation to the management and the entire staff of the OTR for their hard work and unwavering support; to the development partners; and to the tens of thousands of staff in the PSCs for their continuous support, contributions, and achievements registered over the past year. A lot more needs to be tapped and done to sustainably attain the intended objectives in public investments and I have no doubt that together we will accomplish and exceed the government and public expectation.

With that, I invite you to receive and read the 2022/2023 Office of the Treasury Registrar's Annual Operations Report.



**NEHEMIAH K. MCHECHU**  
**TREASURY REGISTRAR**

# **CHAPTER ONE**

## **AN OVERVIEW OF THE OFFICE OF THE TREASURY REGISTRAR AND GOVERNANCE**

### **1.1 Introduction**

This chapter is organized into nine sections, which presents fundamental information regarding operation of the Office of the Treasury Registrar (OTR) and governance over supervision of PSCs. The sections include establishment, vision and mission, roles and functions, organizational structure, core values, oversight over PSCs, privatized entities, and corporate governance.

### **1.2 Establishment of the OTR**

The Office of the Treasury Registrar was established as a corporation sole under the Treasury Registrar Ordinance, Chapter 418 of 1959 and the Treasury Registrar (Powers and Functions) Act, Cap. 370. The main purpose of establishing the OTR is to hold and oversee all investments and other properties including investments comprised of paid-up capital of public and statutory corporations (PSCs) as well as in private investments where the Government owns shares or interests in trust for the President and for the purposes of the Government of the United Republic of Tanzania.

In 2010, the OTR Act was amended and, among other things, made Office of the Treasury Registrar an autonomous body. In 2014, the OTR assumed all roles and functions of the defunct Consolidated Holding Corporation (CHC), a statutory corporation established by the National Bank of Commerce (Reorganization and Vesting of Assets and Liabilities) Act [Cap. 404 R.E. 2002]. The powers and functions of CHC which were inherited by the OTR in 2014 were a result of changes in laws which were made in 2007 vide National Bank of Commerce (Reorganization and Vesting of Assets and Liabilities) Act No. 26/2007. In principle, the Act No. 26/2007 amended two Acts, which are the National Bank of Commerce (Reorganization and Vesting of Assets and Liabilities) Act [Cap. 404 R.E.2002] and the Public Corporations Act [Cap. 257 R.E. 2002].

The Act No. 26/2007 also dissolved the Presidential Parastatal Sector Reform Commission (PSRC) that had been mandated to undertake privatization and restructuring of public enterprises. The Act also amended Cap. 404 by vesting the residual powers and functions of the defunct PSRC to the CHC. Following this, the OTR became responsible for determining the means by which the restructured specified public corporations are to be diversified; conducting post privatization monitoring and evaluation; administering initial public offering of the Government shares in the stock markets; collecting debts owed to public enterprises arising from sale and purchase agreements; and procuring title deeds in respect of diversified public enterprises.

### 1.3 Mission and Vision

#### Mission

“To ensure effective and sustainable contribution of public and privatized entities to national development by focusing on operational excellence and commercial viability”.

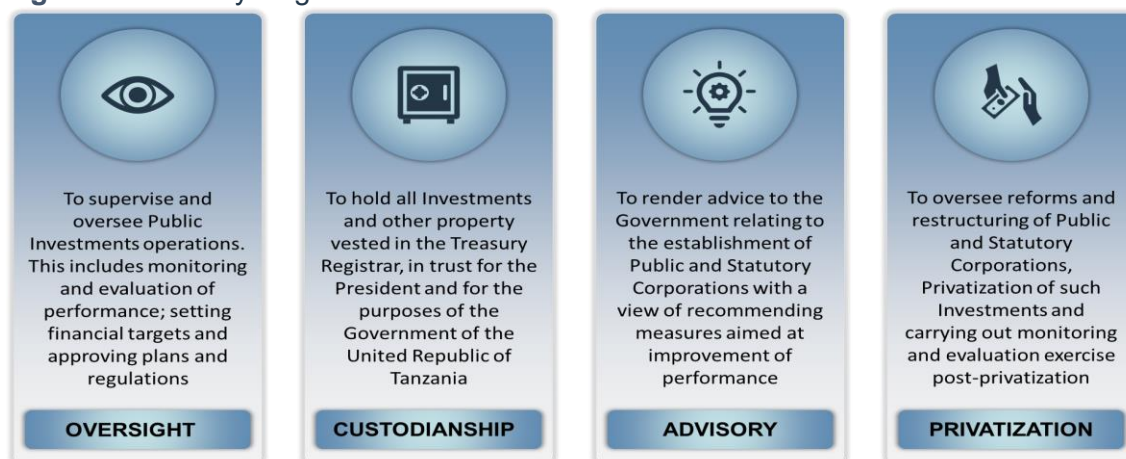
#### Vision

“To be a leading a supervisory body in East Africa in overseeing government investments in public and privatized entities”.

#### Roles

The OTR is entrusted by the Government to undertake oversight, custodianship, advisory, and privatization roles as the figure below shows.

**Figure 1: Treasury Registrar's Roles**



These roles as highlighted above, are stipulated in the Treasury Registrar (Powers and Functions) Act CAP 370 under Section 10 which provides for the functions of the Treasury Registrar in relation to corporations.

## 1.5 Organizational Structure

The Office is implementing a new organization structure that is more focused and which came into operation in July 2023. The previous structure was way too outdated having been used since 2015, wherein significant changes have occurred in the operating environment of the office both internally and externally calling for in-depth review and organisational changes. Generally, such changes include:

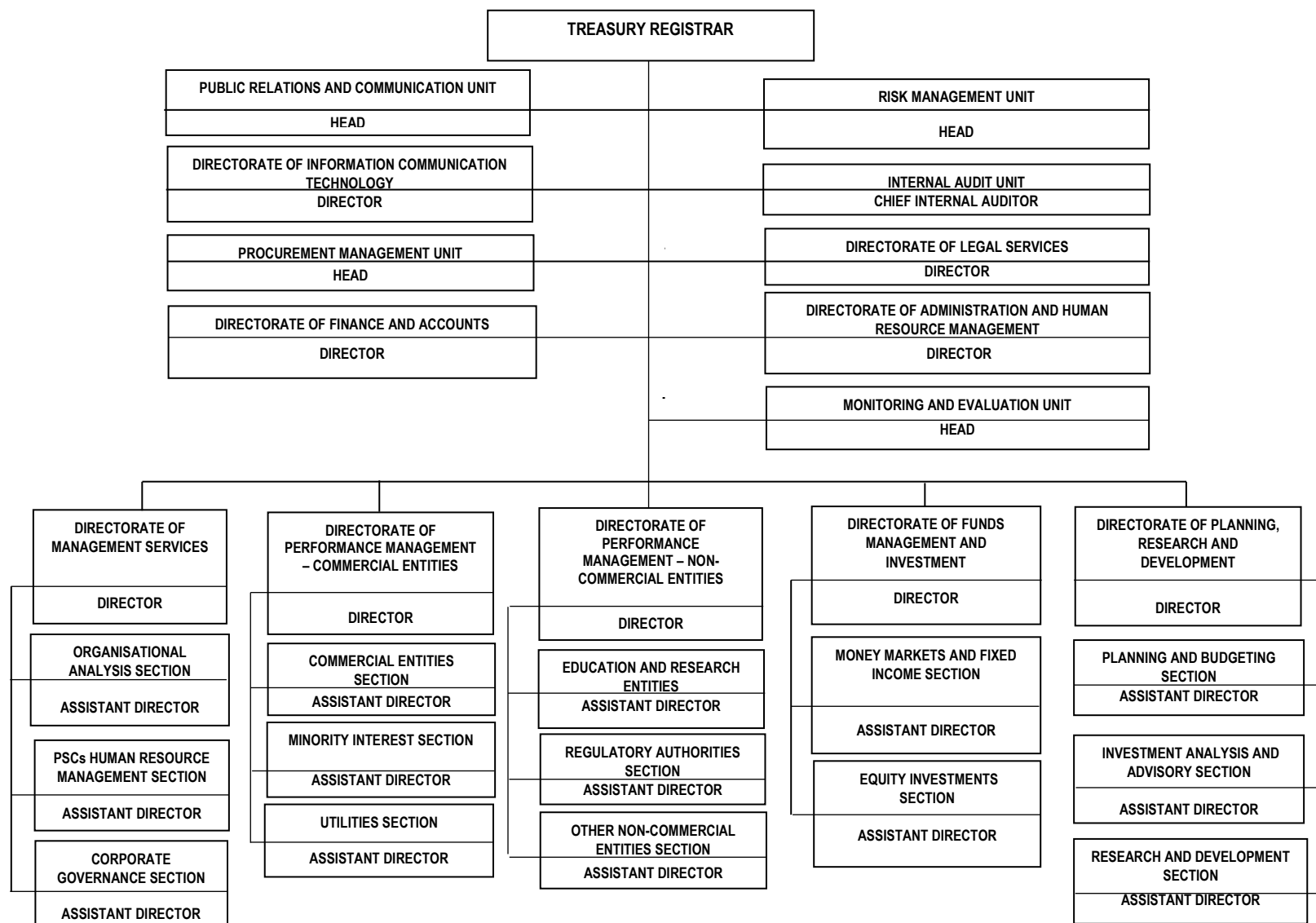
- a) enriching the organisation structure by enhancing some critical functions like ICT and including important functions which were missing. These include research & development, risk management, monitoring and evaluation;
- b) Increased number of PSCs with different needs, rapid technological and economical changes globally and within the country, and growth in the emerging sectors such as mining, oil, and gas;
- c) The need to close performance gaps in PSCs and improve their contribution towards the development of the economy. For instance, currently, PSCs contribute 0.3 per cent and less than 5 per cent to GDP and the total government budget respectively. Undeniably, this contribution is insignificant compared with the investment that has been put into these entities and the government expectation from them; and
- d) The need to establish a public investment fund to readily support and bail out distressed PSCs by injecting funds timely as well as ability of the Government to timely take advantage of new and emerging investment opportunities.

The new approved functions and organization structure of the OTR comprises of nine (9) directorates and five (5) units as follows (**see Chart II**): -

- (i) Directorate of Management Services;
- (ii) Directorate of Performance Management - Commercial Entities;
- (iii) Directorate of Performance Management – Non-Commercial Entities;
- (iv) Directorate of Fund Management and Investment;

- (v) Directorate of Administration and Human Resource Management;
- (vi) Directorate of Planning, Research and Development;
- (vii) Directorate of Finance and Accounts;
- (viii) Directorate of Legal Services;
- (ix) Directorate of Information and Communication Technology;
- (x) Risk Management Unit;
- (xi) Internal Audit Unit;
- (xii) Procurement Management Unit;
- (xiii) Public Relations and Communication Unit; and
- (xiv) Monitoring and Evaluation Unit.

**Figure 2: Treasury Registrar's Organogram**

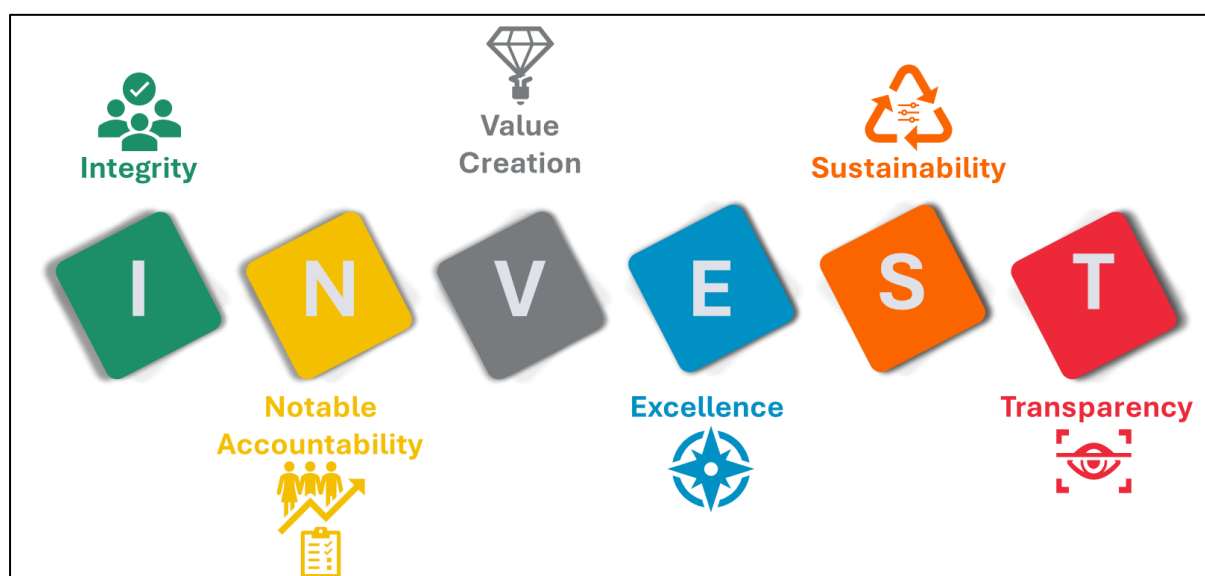




## 1.6 Core Values

In discharging our roles and functions, we do so by upholding values that are core to the existence of the OTR. Our values define who we are, what we stand for, how we behave, and what we aspire to achieve as institution. We continuously strive to improve and be accountable for our actions to ensure we keep evolving and being better at what we do. At the OTR, we uphold integrity, ensure there is notable accountability, work towards value creation by serving our customers with excellence, focus on sustainability of vested investments, and being transparent on what we do. **Figure 3** below illustrates our values.

**Figure 3:** Treasury Registrar's Core Values



## 1.7 Government Investments

The Treasury Registrar's investment portfolio as of 30<sup>th</sup> June 2023 stood at 306 entities, out of which 250 were PSCs and 56 were MIs. Following addition of 2 PSCs, there has been a 2.6% increase in the total portfolio from 298 entities reported in previous year. **Appendix I** provides a detailed list of Government investments and **Figure 4** shows the distribution of Government investments.

## **1.8 Privatized Entities**

Being a key role of the OTR, privatization necessitates post-privatization monitoring and evaluation of entities that were privatized by the Government to ensure there is compliance and adherence to the agreements that were entered into between the Government and investors/purchasers at a particular point in time. As of 30<sup>th</sup> June 2023, there were a total of 341 privatized entities monitored by the Treasury Registrar out of which 159 were factories, 109 were companies, and 73 were farms.

## **1.9 Corporate Governance**

Effective corporate governance entails boards being able to oversee management in achieving long-term value creation; management being able to properly execute strategies and inform the board of their operations; and board through directors being able to inform shareholders regarding their investment.

The Treasury Registrar being vested with the responsibility of overseeing and supervising government investments must ensure there is proper corporate governance in public entities and companies in which the Government has interests. To attain such objective, the OTR has put in place performance contracts and has established a performance evaluation manual to guide assessment of public entities performance. Along with the manual, the OTR carries out several exercises each year to check compliance and address challenges in the operations of public entities. The exercises performed by the OTR include:

- (i) Performance evaluations and management audits;
- (ii) Performance contract implementation evaluations;
- (iii) Review of management working tools;
- (iv) Board of Directors Capacity Building; and
- (v) Boards of Directors Evaluation.

### **1.9.1 Performance Evaluations and Management Audits**

Section 8(1) and (2) of the Treasury Registrar (Powers and Functions) Act mandates the OTR to closely monitor the supervision and control of financial affairs of government vested investments. In doing so, the OTR carries out performance evaluations to assess compliance with laws, regulations, guidelines, procedures, and directives issued by the Government. These evaluations aim to check whether Public Institutions and Government Agencies comply with the Laws, Regulation, Guidelines

and various instructions given by the Government through the Treasury Registrar's Office to bring effectiveness, efficiency and productivity.

During the FY 2022/23, the OTR conducted a performance evaluation of 68 PSCs from a target of 65 PSCs. The performance evaluation for 50 PSCs was based on evaluation of the implementation of Organization Structures while the performance evaluation of 18 PSCs covered issues of Human Resource Management.

The 2022/23 performance evaluation revealed the following:

- (i) approved organization structures in evaluated PSCs were not fully implemented. This deficiency manifested through incomplete staffing of management positions due to either a lack of qualified candidates or protracted appointment processes
- (ii) Some organization structures were found to be inefficient due to rapid changes in the PSCs operating environment;
- (iii) Some PSCs were found to either utilize outdated management working tools or entirely lack essential operational guidelines, hampering their ability to effectively manage affairs and adhere to governance standards.

With such anomalies noted, the OTR recommended the following to the respective PSCs;

- (i) Appointing authorities should take deliberate measures to fill out management positions in organization structures that have gaps;
- (ii) A review of insufficient organization structures should be done immediately in order to deal with existing shortcomings that hinder PSCs' smooth operational functionality and mandate execution;
- (iii) PSCs were directed to ensure the availability and proper implementation of essential management tools, with periodic reviews to ensure relevance and effectiveness.

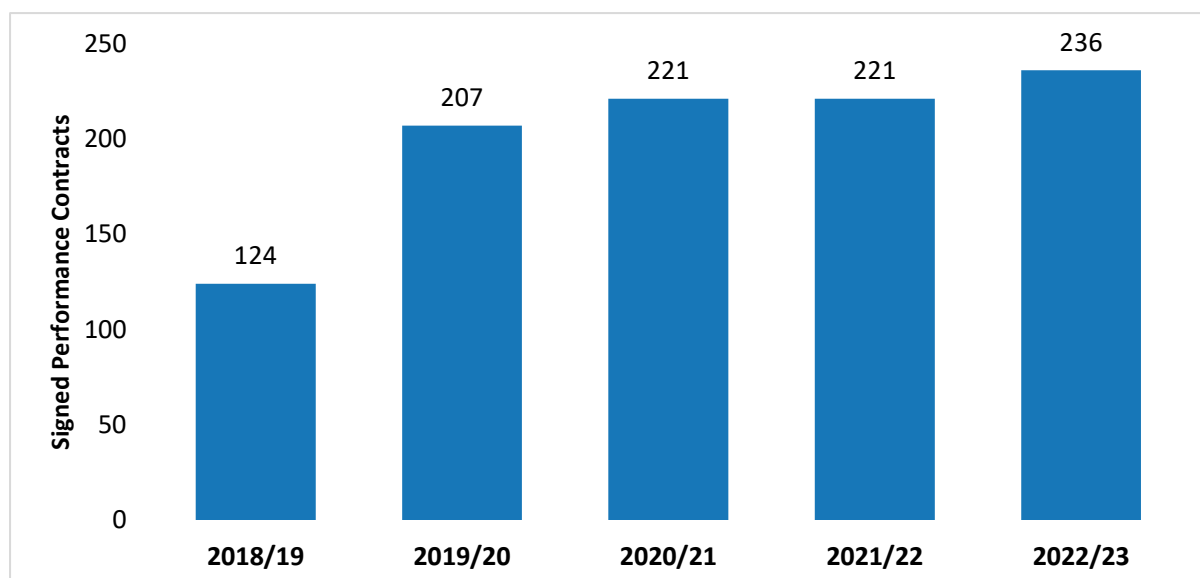
Recognizing the gravity of the identified anomalies and their potential impact on the entities' strategic objectives, the Treasury Registrar communicated the findings to the respective entities. These entities were required to provide explanations for non-compliance and develop comprehensive implementation plans to rectify the identified anomalies. The OTR has been closely monitoring the implementation of these measures to ensure effective resolution of the identified deficiencies.

### 1.9.2 Performance Contracts Evaluation

Section 10(2)(k) of the Treasury Registrar (Powers and Functions) Act requires all public entities enter into performance contracts with the Treasury Registrar once a governing body (ie. board) is in place. The performance contracts provide for targets to be met by a public entity with respect to its core function, good governance and control, customer care, people management, and financial performance.

During the FY 2022/23, the OTR was able to enter performance contracts with 236 out of 248 public entities equivalent to a 95% achievement. Since the introduction of performance contracts in 2014/15, there has been a substantial increase in the number of performance contracts entered and signed. **Figure 6** below shows the 6-year trend of the signed performance contracts.

**Figure 4:** Performance Contracts 6-Year Trend



On the part of contract evaluation, the OTR was able to appraise 221 annual performance contracts for the year 2021/22 and had done in year assessment on a quarterly basis of the signed performance contracts. Evaluation of the financial year 2021/22 annual performance contracts revealed the following:

- (i) Non-comprehension on how performance indicators are to be completed, monitored, evaluated, and reported for;
- (ii) Knowledge gap in aligning applicable performance indicators to institutional operations;
- (iii) Lack of business continuity plans;

- (iv) Absence of risk management frameworks and registers;
- (v) Non-performance of board evaluations, employees, and customers surveys;
- (vi) Delayed implementation of CAG recommendations; and
- (vii) Unsatisfactory working capital management.

Challenges noted pose great fiscal risk to the continuity of these entities and as such the Treasury Registrar directed all identified non-compliant entities to prepare action plans to resolve identified weaknesses. Close supervision is being carried out to ensure challenges are addressed and such entities function well in attainment of their strategic objectives.

### **1.9.3 Review of Management Working Tools**

Effective management working tools are imperative for guiding the internal operations of any entity, ensuring efficiency, compliance, and alignment with organizational goals. The Office of the Treasury Registrar (OTR) plays a vital role in assessing and ensuring the adequacy and utilization of these tools within public entities. During the year under review, the OTR meticulously evaluated various management working tools to verify their presence and ascertain compliance among public entities.

The OTR was able to review the following:

- (i) 17 function and organization structures were reviewed to ensure clarity and effectiveness in delineating roles and responsibilities within entities and to check their alignment with organizational objectives and regulatory requirements;
- (ii) 22 financial regulations were reviewed to assess their robustness in governing financial operations and maintaining fiscal discipline;
- (iii) 22 schemes of service were reviewed to ensure fairness and consistency in the management of human resources within entities;
- (iv) 63 incentive schemes were reviewed to determine their effectiveness in motivating employees and driving performance;
- (v) 32 board charters were reviewed to ensure comprehensive guidance for board governance and decision-making processes is established; and
- (vi) 24 staff regulations were reviewed to ensure that they are focused on maintaining discipline, fairness, and adherence to organizational policies among staff members.

It should be noted that many of these reviews are customer-driven and are tailored to specific requirements and priorities during a particular period. This dynamic approach ensures that the management working tools remain relevant and effective in meeting the changing needs of public entities and their stakeholders. By ensuring the adequacy and compliance of these tools, the OTR contributes to the overall effectiveness and performance of the entities it oversees.

#### **1.9.4 Boards' Capacity Building**

Boards have the vital role of overseeing entities' managements and strategies to achieve long-term value creation. For boards to be effective, directors need to be capable of diligent monitoring of an entities' affairs and as such the Treasury Registrar conducts training<sup>1</sup> to newly appointed board of directors of public entities to equip them with necessary skill sets.

During the year under review, the OTR in collaboration with Uongozi Institute, developed a training program for board members to provide them with knowledge and skills in respect of corporate governance, duties to be executed by board members, and the functions pertinent to the boards. On that note, board members from 38 Public entities in collaboration with UONGOZI Institute. In addition, Board of Directors for 25 PSCs have been trained on Board Evaluation prior to the Boards Performance Evaluation exercise. Board members were inducted and oriented with the Roles of the public entities' Board of Directors and the legal frameworks governing the execution of the entities' functions and board affairs.

#### **1.9.5 Board Performance Evaluation**

Board Evaluations are conducted to assess the performance of Boards of Directors in order to enhance effective governance in PSCs. The objectives of conducting these Board Evaluations are to examine whether Boards provide direction to Management towards the accomplishment of core functions of the Institutions they serve; examine whether Boards provide relevant governance support and advice to Management; and examine whether Boards monitor the Management to ensure smooth operations throughout an Institution.

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<sup>1</sup> Chief Secretary Circular No. 1 of 2021

During the year under review, the OTR developed the “*Guide for Board Evaluation in Public and Statutory Corporations*”. This guideline elaborates on the legal framework for conducting board performance evaluation, the process involved and the tool to be used. The OTR in collaboration with Uongozi Institute (UI) developed the “Guide for Board Evaluation in Public and Statutory Corporations” which also emphasized the need for board performance evaluation as a good corporate governance practice. By the end of the FY 2022/23, OTR had managed to conduct a board performance evaluation to 30 PSCs.

The evaluation of the 30 PSCs boards raised awareness of prevailing governance issues such as:

- (i) Poor attendance records for some PSC board members, which undermines the effectiveness of board deliberations and decision-making processes;
- (ii) Insufficient board fees for PSCs board members, which may impact their motivation and commitment to fulfilling their duties effectively;
- (iii) Inadequate training to Board members during their tenures. There is a recognized deficiency in providing comprehensive training to board members during their tenures, which is essential for equipping them with the necessary skills and knowledge to fulfill their roles effectively; and
- (iv) The need for improving the OTR evaluation tool. The evaluation process itself has identified areas where the assessment tools can be enhanced to provide more meaningful insights into board performance and governance effectiveness.

To address these pressing issues, the Office of the Treasury Registrar (OTR) has taken proactive measures aimed at promoting stronger governance practices and improving board performance. Specifically:

- (i) The OTR has consistently communicated to board members the critical importance of upholding their roles and responsibilities while adhering to robust governance principles. This emphasis on accountability helps reinforce the significance of their contributions to organizational success;
- (ii) The OTR has initiated a comprehensive review of board remuneration and training curricular to ensure that board members are adequately compensated for their time and expertise, and provided with the necessary training to fulfill their duties effectively; and

(iii) In line with ongoing efforts to modernize and improve processes, the OTR has transitioned from traditional paper-based questionnaires to more efficient online survey formats for board evaluations. This shift not only enhances data collection and analysis but also reflects a commitment to embracing technological advancements to streamline operations and enhance effectiveness.

These proactive measures underscore the OTR's dedication to fostering accountability, enhancing board performance, and embracing innovative solutions to address governance challenges. By addressing these issues head-on, the OTR aims to strengthen governance practices within PSCs and ultimately contribute to improved organizational performance and general service delivery.



## **CHAPTER TWO**

### **OVERSIGHT AND SUPERVISION**

#### **2.1 Introduction**

To ensure PSCs perform their functions as required, the Treasury Registrar, being a shareholder for and on behalf of the Government, closely monitors the affairs of the public entities and companies in which the Government has interests so as to ensure effective service provision and maximum returns. The same is applicable to privatized entities, as for them, the sales agreements had provided for performance targets and agreed upon activities to be executed by the purchaser. This chapter presents mechanisms through which the OTR executes the supervision role.

#### **2.2 Supervisory Approaches**

The Treasury Registrar employs various techniques in supervising Government investments and monitoring privatized entities. These include issuance of operational guidelines, budget scrutiny, expenditure tracking, post privatization M&E review, and government assets verification.

##### **2.2.1 Operational Guidelines**

During the year under review, the OTR issued three guidelines to address issues related to the operationalization of the public entities' subsidiaries, project appraisal and loans requisition, and government representative in boards of companies in which the government has interests.

##### **2.2.1.1 Guideline for the Establishment, Operation, and Management of Subsidiaries**

The OTR did an assessment and was able to establish that there were over 50 subsidiary companies established by the public entities. However, it was noted that their performance was mediocre as a result of improper governance, and lack of clear demarcation of separation between the subsidiary and its parent entity. To resolve the weaknesses noted and enhance good governance, the Treasury Registrar issued a guideline for establishment, operation, and management of such companies.

The guideline has been put in place to improve governance of the subsidiary companies as they offer increased efficiency and diversification in providing services to the public.

#### **2.2.1.2 Project Appraisal and Loans Requisition Procedures Manual**

Most public entities are dependent on government subvention to carry out their functions. These entities operate in different sectors of the economy and vary according to the nature of services they provide to the public. A review done established that a good number of parastatals had been successful in managing their operations and as such maximized returns in the course of implementing their functions. The review also noted some commercial public entities which failed to attain their strategic targets because of several factors such as financing and poor public financial management. As a result, such anomalies adversely impacted their performance and operations.

In response, the OTR issued a project appraisal and loans requisition procedure manual which sets out procedures to be followed by the public entities in preparation of the projects and loan application proposals. It also provides guidance to the relevant authorities responsible for the review of project and loan proposals. It is envisaged that the manual will help the public entities prepare bankable project proposals which will in turn enable them access loans from financial institutions by using their balance sheets and cash flows.

#### **2.2.1.3 Guidelines for Government Representatives in the Boards of Minority Companies**

Apart from supervision of the public entities, the Treasury Registrar oversees performance of companies in which the Government has interests, referred herein as minority companies. In the past, only a few minority companies had stable performance whilst others were lagging because of poor monitoring. To address non-performance, the OTR carried out special audits, reviewed governance documents, and appointed integral and skilled members to represent the government in boards of minority companies.

Further, to ensure continued performance and enhanced accountability, the Treasury Registrar issued a guideline for government representatives in boards of minority

companies to address governance and accountability, enhance reporting, and instill commitment.

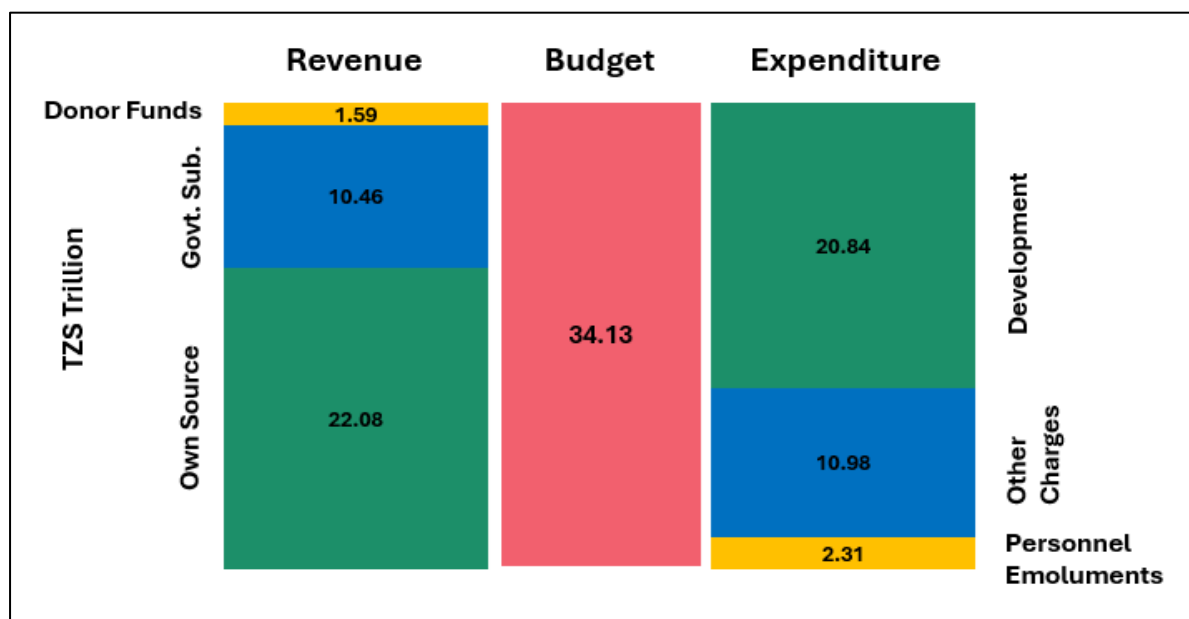
### **2.2.2 Budget Scrutinization**

Budget scrutinization is a continuous assignment which is implemented in each financial year as per section 17(1) of the Budget Act. Similarly, Section 10(2)(c) of the Treasury Registrar, Cap 370 gives the Treasury Registrar mandate to scrutinize budgets of public entities. Public entities budget scrutinization is carried out to ensure that budgets are prepared in accordance with provisions of the Budget Act and plan and budget guidelines issued annually. Scrutiny checks whether revenue sources are fully utilized, there is proper allocation of resources, and controls are in place for proper management of funds.

Budget scrutiny carried out during the year was conducted via the Planning, Budgeting and Reporting System (PLANREP). The 2023/2024 financial year budgets for 236 public entities were scrutinized out of 248 public entities equivalent to a 95% achievement. The remaining 12 public entities' budgets were not scrutinized due to non-submission of their budgets via PLANREP. The reasons for non-submission were differences in reporting period (for banking institutions) and information sensitivity.

From the exercise, the OTR noted that a sum of TZS 34.13 trillion would be collected by the public entities in terms of own source (TZS 22.08 trillion), government subvention (TZS 10.46 trillion), and donor funds (TZS 1.59 trillion). Resources to be mobilized will be utilized in recurrent expenditure (personnel emoluments – TZS 2.31 trillion and other charges – TZS 10.98 trillion) and development expenditure (TZS 20.84 trillion) as **Figure 7** below illustrates.

**Figure 5: PSCs Budget – FY 2023/2024**



Despite the success in ensuring the public entities prepare budgets using PLANREP and scrutiny thereof, the OTR continues to take initiatives to improve functionality of the system. The Treasury Registrar looks forward to:

- i) Conduct capacity building to PSCs' staff to enhance their ability to prepare budgets in accordance with the MTEF;
- ii) Communicate to MoF to insist on early issuance of budget ceiling to enable timely budget preparations and scrutiny;
- iii) Review PSCs strategic plans to ensure that objectives and targets are proper, measurable and have timeframe;
- iv) Improve PLANREP system in order to accommodate new requirements including integration with other financial systems;
- v) Improve PLANREP system in order to enable PSCs use minimal time in planning and budgeting.

### 2.2.3 Expenditure Tracking

Section 10(2)(j) of the Treasury Registrar (Powers and Functions) Act Cap 370, requires the Treasury Registrar to monitor and evaluate performance of the public entities. The expenditure tracking exercise is conducted to ascertain whether there is proper public financial management; projects are implemented accordingly; and there is enhanced performance in the operations of an entity.

On the same note, the exercise enables the Treasury Registrar to advise the Government on the necessary course of action to be taken based on findings from the exercises.

During the period under review, the Office conducted expenditure tracking to 248 PSCs and 40 minority interest companies, and the observations alongside recommendations are as illustrated hereunder:

**Expenditure tracking observations:**

- a) High operational costs: analysis of the financial performance of most of the companies indicated high operational costs (cost to income ratio) which in most cases are beyond the set key performance indicator of 50 percent. This as a result has had huge impact including inability to pay dividends to the shareholders or insufficient dividend payout in relation to investment made;
- b) Poor management / managerial inefficiency: the review identified operational challenges as a result of poor management by some companies including managing partners in some minority interest companies;
- c) Continuous loss-making exuberated by poor strategies, lack of creativity, capital inadequacy, stringent procedures and regulations that do not support competitive business environment for commercial entities and strategic institutions;
- d) Outdated governing instruments, wherein some have clauses which are no longer relevant and detrimental to the operation of respective institutions. These include outdated shareholders agreements, technical management agreements, share sale agreements, country financial agreements etc;
- e) Lack of capital and delays in funds disbursement: delays in funds disbursement have impact in operation of PSCs including failure to execute planned projects, cost and time overruns in some projects and inability to implement activities timely as per plan;
- f) Overdependence on Government subvention; the review indicated that, the dependency ratio on government subvention is not improving and that PSCs are continuously depending on government for both operation costs and personal emolument;

- g) Overlapping roles / functions; the review noted a number of PSCs whose roles are either outdated, duplicated, overtaken by events or no longer in need depending on the current operating environment.

### **Recommendations for improvement / actions taken:**

In addressing the observations pointed above aimed at improving PSCs performance, the office in conjunction with other Government authorities has taken a number of initiatives and some are still in progress.

- a) Offloading government shares / stake in minority interest companies where the Government is no longer drawing any value or the networth is continuously deteriorating. Sales proceeds obtained from the offloading of shares to be invested wisely where the government is drawing more value in terms of dividends, community outreach, critical social services and multiplier effect;
  - b) Ownership / share addition in minority companies which are performing consistently well and where the government can draw more value.
  - c) In depth review of governing instruments including shareholders agreements and technical management agreements by improving the outdated clauses and including those that are appropriate and inline to the economic changes that have happened overtime;
  - d) Inclusive management in managing minority companies by having effective representation of each party in management and board.
  - e) Capital injection to PSCs as the case maybe and encouraging use of alternative sources of financing for projects;
  - f) Operational independence in commercial entities to enable them compete in their respective sectors as well as attract the right resources timely and investment opportunities when they arise;
- Amalgamations and dissolution of entities whose roles are either outdated or duplicated;

## **2.3 Parliamentary Committees Directives**

In the process of overseeing government investments and ensuring accountability of activities executed, the Parliament via its parliamentary committees usually calls upon public and statutory corporations to review their undertakings in various aspects including budgeting, financial management, and investment. In discharging its functions, the OTR works closely with the Public Accounts Committee and the Public

Investment Committee. These committees from time-to-time issue directives that are to be implemented by the OTR and respective public and statutory corporations.

### 2.3.1 The Public Investment Committee (PIC)

The committee is vested with the role of overseeing investments made by the Government in its entities by ensuring that the investments are properly managed and they contribute to the economic growth of the nation. During the period under review, PIC met and visited several public and statutory corporations. **Table 1** below summarizes the implementation of directives issued to the respective PSCs by highlighting the key areas pointed out by the Committee.

**Table 1:** Implementation of the PIC Directives

S/No.	Observation	Directive	Implementation
1.	Insufficient financing of public and statutory corporations	The Government to ensure it provides funding to all public entities that face capital/funding challenges so as they can effectively and efficiently execute their roles and meet primary objectives of their establishment.	<p>The Government, through the Treasury Registrar, has undertaken a review of all the entities under its portfolio in terms of liabilities and funding requirements and it has started implementing measures of enhancing public entities funding and financial health. The office is advocating for usage of alternative financing including from financial institutions as optional avenues for funding.</p> <p>Further to this, as a long-term solution the Office has proposed for a public investment fund through the draft bill of the Public Investment Authority, 2023. The PIF is aimed at enabling the distressed strategic PSCs to access funding timely as well as enabling timely investment opportunities.</p>

S/No.	Observation	Directive	Implementation
2.	Non-compliance with treasury registrar's performance indicators	Public entities to ensure they operate and manage their performance such that they comply with set key performance indicators, and this will improve their performance. Furthermore, government to improve management and board capacities so as they can drive targeted results.	The Government, through the Treasury Registrar, will continue making close supervision ensuring that public entities effectively execute their functions and cooperate accordingly in discharging their core functions in meeting set KPIs.
3.	Low remittances to the consolidated fund	The Government, through the Office of the Treasury Registrar, to ensure it closely monitors and supervises public entities to operate efficiently and contribute to the consolidated fund accordingly.	The Government, through the Treasury Registrar, has continued with periodic reviews and follow-up on public entities to remit their contributions to the consolidated funds. This has been done hand to hand monitoring their performances such that areas that need improvement in service delivery are corrected promptly to ensure sustainability and obtaining positive returns. This involves enhanced expenditure tracking, enhanced budget scrutinization, improved KPIs and quarterly performance reporting.
4.	High operational costs	The Government to ensure that all public entities manage costs incurred by being prudent in financial management.	The Government, through the Office of Treasury Registrar, has through performance contracts ensured that all entities commit to not exceeding a specific threshold in terms of expenditure. This is also emphasized through Section 10A of the Treasury Registrar's (Powers and Functions) Act Cap. 370.  The office is continuously monitoring this through quarterly analysis and annual performance reports.



S/No.	Observation	Directive	Implementation
5.	Weakness in controls set for public entities establishment of subsidiaries	The Government, through the Treasury Registrar, institute proper mechanism for effective oversight of the operationalization of subsidiaries by public entities.	The Government, through the Treasury Registrar, has issued a subsidiary establishment guideline aimed at ensuring that there is no duplication of efforts and fund mismanagement by public entities through subsidiaries that they operate. Furthermore, close monitoring of performance of subsidiaries is being done through quarterly and annual performance reviews.
6.	Stretching and growth of accounts payables in public entities	The Government, through the Treasury Registrar, to liaise with public entities in having workable payment plans of long due payables together with limiting payables increase accordingly.	The Government, through the Treasury Registrar, continued enforcing measures to ensure the public entities pay their liabilities for goods and services rendered. Furthermore, the OTR issued a circular to stress on the same which has been incorporated in the 2023/2024 Plan and Budget Guideline issued by the Ministry of Finance and Planning directed to all the public entities.

### 2.3.2 Public Accounts Committee (PAC)

The committee is vested with a role of ensuring there is prudent financial management of resources allocated and utilized by the Government. It focuses on the following up implementation of the audit recommendations issued by the Controller and Auditor General (CAG). In the period under review, the PAC met and visited several public statutory corporations and issued several directives based on the discussions or deliberations carried out. **Table 2** below provides a summary of implementation of directives issued to the respective PSCs.

**Table 2: Implementation of the PAC Directives**

S/No.	Observation	Directive	Implementation
1.	Discrepancies in the implementation of ICT projects	The Government to ensure that there is ICT policy in place that will guide the execution of ICT projects. Furthermore, public entities ICT systems should be interactable so as to easily unify information access between public entities and other stakeholders.	The Government has already taken initiative in putting in place a national ICT policy aimed at enhancing the execution of ICT projects and services offered. Furthermore, through the Treasury Registrar, public entities have been urged to utilize government ICT systems over off-shelf systems so as to better serve the public at large and limit duplication of systems that are already in existence in other entities.
2.	Discrepancies in contract management and increase in project costs	<p>The Government to ensure comprehensive feasibility studies are undertaken prior start of project execution.</p> <p>The Government to take remedial action on accounting officers and officials on projects with defects and non-prudential financial management</p>	The Government has continued to enforce controls on projects executed by the public entities by ensuring proper comprehensive feasibility studies. Further to that, the Government will ensure that public officers who are found to be in breach of their duties are disciplined in accordance with the governing laws and regulations of the country.

## 2.4 Privatization of Public Entities

This section presents privatization recap, post-privatization monitoring and evaluation reviews, privatization of repossessed privatized entities, management of post-privatization claims, debt collection and realization, and government assets verification.

### **2.4.1 Privatization Recap**

The Government of United of Tanzania started to implement privatisation programme in late 1992 following the amendment of the Public Corporation Act, CAP 257. The main objective of the programme was to improve operation productivity and efficiency by allowing the private sector and the majority of Tanzanians to own, invest and run the parastatals whose performance was poor due to lack of financial capital and technology and poor management. The programme also meant to improve Government's revenue and increase employment in these entities. The key Government objectives and expectations for privatizing loss-making parastatals were to:

- i) Increase productivity and efficiency;
- ii) Increase Government revenue and reduce operational costs;
- iii) Withdraw the Government from doing business and remain with the role of providing services to the community, building infrastructures, ensuring security and peace to his people, and facilitating rule of law and good governance;
- iv) Reduce parastatal's dependence to the Government through new capital injection and subsidies;
- v) Create and improve employment base;
- vi) Boost capital for PEs as well improvement of technology in production and distribution sectors; and
- vii) Facilitate involvement of the private sector in national economic development, specifically to areas where the Government stepped out.

To implement the programme, in 1993 the Government established the Parastatal Sector Reform Commission (PSRC) charged with the responsibility of supporting the Government in reforms and management of loss-making parastatals. Various methods used to privatize entities included:

- i) Assets sales;
- ii) Share sales;
- iii) Joint venture (partnership);
- iv) Leasing;
- v) Management and employee buyout (MEBO); and
- vi) Liquidation

The difference of each method in privatization depended on the performance and status of the parastatal at the time of sale.

In 2008, the Government through Consolidated Holding Corporations (CHC) and later OTR<sup>2</sup>, introduced and administered Monitoring and Evaluation Programme to all privatized entities (PEs) with the view to ensuring that the key objectives of the privatization programme are achieved.

#### 2.4.2 Post-Privatization Monitoring and Evaluation Reviews

During the year under review, OTR conducted post privatization monitoring and evaluation reviews to 116 privatized entities out of which, 72 were factories, 18 were farms, 18 were companies, and 8 were hotels. Through this assignment, it was observed that, out of 116 visited privatized entities, 71 PEs equivalent to 61% were in operation and performing well; 17 PEs equivalent to 15% were under-performing; 17 PEs equals to 15% were not in operation and were closed; 8 PEs equivalent to 7% were repossessed; and 3 PEs equivalent to 2% were operating under lease arrangements.

Generally, majority of the privatized entities monitored have improved their operations and met the privatization objectives. However, it is advised that the Government institutions and agencies that have a direct role in facilitating sufficient investment environment and sectorial business development, should strengthen their involvement and compliance routine to investors facing setbacks. **Table 3** presents summarized outcomes of the 2022/2023 M&E review exercise.

**Table 3: M&E Review Outcomes**

Operational Status	Factories	Farms	Hotels	Companies	Total	Comp. (%)
Performing	36	14	7	14	71	61%
Under-Performing	10	4	1	2	17	15%
Not Operating	16	0	0	1	17	15%
Repossessed	8	0	0	0	8	7%
Leased	2	0	0	1	3	2%
<b>Grand Total</b>	<b>72</b>	<b>18</b>	<b>8</b>	<b>18</b>	<b>116</b>	<b>100%</b>

<sup>2</sup> Residual functions of the Consolidated Holding Corporation were transferred to OTR via GN. 2014

The performed M&E exercise revealed that, most of the PEs that were observed to be under-performing or not operating got into such state due to one or combination of the following reasons:

- (a) Financial and technical inability of some of the investors to develop privatized industries;
- (b) Products competition from similar imported goods which were lower priced when compared to those produced by the privatized industries; and
- (c) High production costs due to high power costs.

### **2.4.3 Privatization of the repossessed privatized entities**

During the year under review, OTR implemented the Government directives of selling 11 factories to the public on competitive transparent basis. As of 30<sup>th</sup> June 2023, the following number of activities toward achieving the directives were conducted:

- (i) Prequalification exercise for 6 repossessed factory assets namely Kilimanjaro Paddy Hauling Company, Polysack Company Ltd, NMC Isaka Rice Mill, NMC Mzizima Maize Mill, Pesticides Manufacturers Limited and NMC Tabora Rice Mill, whereby 15 potential Investors were identified and invited to submit Bid Proposals. Received bids were evaluated and recommendations have been submitted to the Government body responsible for approving disposal of government assets;
- (ii) Negotiations between OTR and previous owners of 4 repossessed factories namely Musoma Textile Mills Ltd, Multipurpose Oil Processing Company Limited, Sikh Saw Mills Ltd and CDA Integrated & Concrete Industries Ltd. The negotiations focused on the Government directives of handing over the assets under new investment terms. Negotiations for Sikh Saw Mills Ltd and CDA Integrated & Concrete Industries Ltd were successful and Handing over Agreements were drafted and submitted to the Attorney General for vetting;
- (iii) Negotiations between OTR and Nyanza Cooperative (1984) Ltd to sell Government shares (33.3%) in Manawa Ginneries Company Limited. The negotiations were successful and OTR provided a letter of offer to initiate the acquisition; and

- (iv) 11 Privatization Technical Team (PTT) meetings and 2 Privatisation Steering Committee meetings have been conducted to deliberate on various matters regarding privatization of the repossessed factories.

The privatization of the 11 factories is set to continue in the financial year 2023/2024

#### **2.4.4 Management of Post-Privatization Claims**

Among the OTR's functions inherited from the defunct CHC is managing claims resulting from the privatization and restructuring of public enterprises and to advise the Government accordingly. These claims include pensions for ex-workers who were not on contributory arrangements and other ex-workers' statutory and non-statutory termination payments, unsecured creditors, and claims resulted from court judgements.

During the 2022/2023 Financial year, the Government through the Office of the Treasury Registrar analyzed and managed to pay TZS 2,790,585.00 court-based claims to 33 claimants from Morogoro Canvas Mills. Furthermore, analysis and verification of National Milling Corporation - Arusha, National Milling Corporation - Kurasini and Fiberboard Africa Limited ex-workers claims has been conducted. The analysis resulted to the Government saving up to 88% of all claims totaling TZS 1,944,052,767.00.

The OTR paid monthly pension to pensioners who worked for ex-East Africa Railways and Harbours Corporation and East Africa Posts and Telecommunications Corporation. As of 30<sup>th</sup> June 2023, a total of TZS 4,112,219,236.24 was paid to 1,748 pensioners through 3-month instalment arrangements.

#### **2.4.5 Debt Collection and Realization**

The Office of Treasury Registrar is charged with among others, the duty to collect Ex NBC and divesture claims inherited from the former Consolidated Holding Corporation as briefly explained below:

##### **(i) Ex-NBC Charged off Debts**

These are debts that involved Debtors/Customers who took loans in form of Term Loan or Overdraft from the former NBC before privatization of the Bank. Most of these

debts were taken from Bank branches in 1970s, 1980s and 1990s and the particular Debtors did not manage to repay their debts as at the date privatizing Ex NBC. These debts were assessed in 1996 and 1997 and classified as Non-Performing Loans and therefore being provided for 100% and eventually charged off from the Balance Sheet into Memorandum record/books which were initially placed under NBC Holding then CHC and now OTR for follow up and recoveries.

**(ii) Debts from Divestiture**

These are debts involving investors who purchased core and non-core assets of Privatized Entities (PEs) including Plants, Properties & Equipment, factories, industries, businesses and landed properties like farms and buildings. The assets that created these debts were sold by the former PSRC on behalf of the Government between 1994 and 2007 and their respective investors did not pay the entire purchase price in fully and as stipulated in the existing Sale of Assets/Shares Agreements, hence remaining with outstanding purchase prices and or plus accrued interest thereto.

**(iii) Rental collection from properties under the Treasury Registrar's custodianship**

In the presence of un-privatized specified public enterprises and recently repossessed factories, OTR has the custodianship role during the period where the Government hasn't provided directives on the use of their properties. The properties include farms, residential houses, commercial houses/flats, warehouses, machinery and plants. To undertake this incidental task, the Office temporarily leases the properties so as to sustain its physical condition, avoid vandalism and eventually collect non-tax revenue through rent payment from lessee.

During the year under review, a total of TZS 2,630,618,904.30 was collected from Ex-NBC debtors, divesture debtors and rental collection which is equivalent to 288.8% of the annual target of TZS 900,000,000.00. Outstanding actual recovery and collection in 2022/2023 was mainly instigated by appropriate repayment arrangement between the OTR and debtors/lessees.

#### **2.4.6 Government Assets Verification**

It should be noted that the Public Corporation Act, CAP 257, among others, entrusts the OTR with the role of creating and maintaining database of assets of parastatals which are owned by the Government.

As of 30<sup>th</sup> June 2023, OTR continued to coordinate the Government effort of following up and verifying usage and ownership of Government properties and assets across the country, hence a total of 1,174 Government assets were found to be illegally owned by individuals and have subsequently returned and ownership therefore transferred back to the Government. Those assets were 629 houses/buildings, 442 plots, 32 farms, 67 warehouses, and 4 companies. During the year under review, OTR prepared a detailed proposal on how to dispose the recovered assets.



## CHAPTER THREE

### INVESTMENT PERFORMANCE

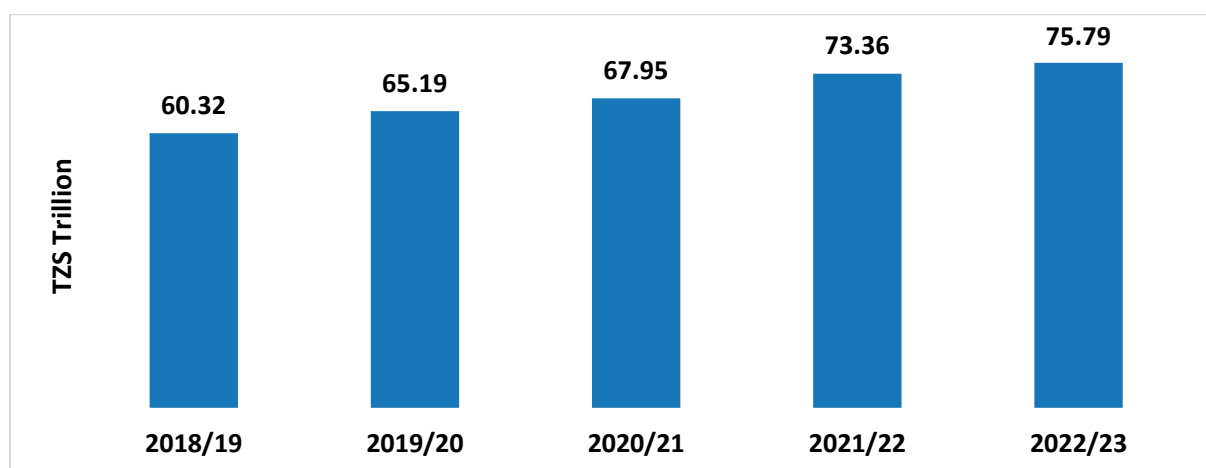
#### 3.1 Introduction

This chapter presents specific issues relating to investments with the government vested interests. Such issues include investment position, investment distribution, returns on government investments, PSCS capitalization, and project financing.

#### 3.2 Government Investment Position

As of 30<sup>th</sup> June 2023, the value of total government investments stood at TZS 75.79 trillion (2021/2022: TZS 73.36 trillion) equivalent to 3% increase from the previous year. **Figure 8** below shows the overall performance of the government investments for a five-year period between 2018/2019 and 2022/2023.

**Figure 6:** Government Investments from 2018/2019 - 2021/2022



#### 3.3 Investment Distribution

Government investments under the Treasury Registrar's supervision can be categorized in terms of percentage of ownership, geographical location, and nature of operation.

##### 3.3.1 Government Investment Ownership

The Government investments by ownership distribution is categorized into public and statutory corporations and minority interests. This distribution compares investment made by the Government in public and statutory corporation where the Government is the majority shareholder and in minority interests where the Government has a

minor shareholding. As of 30<sup>th</sup> June 2023, the Government had invested a total of TZS 72.97 trillion in public and statutory corporations, whereas a sum of TZS 2.82 trillion had been invested in minority interests.

### **3.3.2 Geographical Location**

The Government investments by geographical distribution is categorized into domestic and foreign investments. The geographical distribution provides details of government investment in entities which operate within the country (domestic) and those whose operations are outside the country's borders (foreign). For the year ending 30<sup>th</sup> June 2023, the Government invested a total of TZS 75.02 trillion in entities operating domestically whilst TZS 0.77 trillion was invested in entities operating outside the country.

### **3.3.3 Investment Categorization**

The Government investments by operational nature is categorized into commercial and non-commercial entities. The operational distribution provides a comparison between entities which are commercially oriented in undertaking their operations and those that are service provision oriented (non-commercial). As of 30<sup>th</sup> June 2023, a total of TZS 14.54 trillion had been invested in commercial entities whereas TZS 61.25 trillion had been invested in non-commercial entities.

## **3.4 Returns on Government Investments**

The Treasury Registrar, in overseeing and supervising vested investments, collects non-tax revenues from the investments in the form of contributions, dividends, remittances (TTMS, surpluses and other remittances) and on-lent loans repayments. These non-tax revenues are the returns derived by the Government from its investments. Thus, the performance of the Government investments is measured by the level of returns achieved.

### **3.4.1 Contribution to the consolidated fund**

Service provision-oriented entities that charge fees for their services are required by law to remit 15% of their gross revenues as a contribution to the government consolidated fund. As of 30<sup>th</sup> June 2023, the OTR had collected a total of TZS 346.28 billion (2021/2022: TZS 324.03 billion), this being a 7% rise in contributions remitted.

### **3.4.2 Dividends**

Dividends refer to distributions to shareholders which are collected from entities that operate commercially. During the year, the OTR was able to collect a sum of TZS 328.75 billion (2021/2022: TZS 357.53 billion) equivalent to a 8% decrease in dividend paid out by commercial entities.

### **3.4.3 Remittances**

There are two remittances that the Government receives as part of non tax revenues collected the Office of the Treasury Registrar. These are TTMS remittances and surplus and other remittances.

#### **(a) TTMS remittances**

Telecommunication Transfer Monitoring System (TTMS) remittances emanate from execution of international calls terminated to the country from different countries around the world. For the period ending 30<sup>th</sup> June 2023, the OTR was able to collect a sum of TZS 9.48 billion (2021/2022: TZS 10.11 billion) equivalent to a 7% decline.

#### **(b) Surplus and Other Remittances**

Service provision-oriented entities that generate surpluses from their activities are required to remit 70% of their surpluses to the consolidated fund. Other remittances include voluntary contributions and capital redemption resulting from oversight exercises undertaken by the Treasury Registrar. During the year under review, the OTR collected a sum of TZS 287.21 billion (2021/2022: TZS 105.02 billion) this being a 173% increase from the previous year influenced by a once off transaction from TCRA.

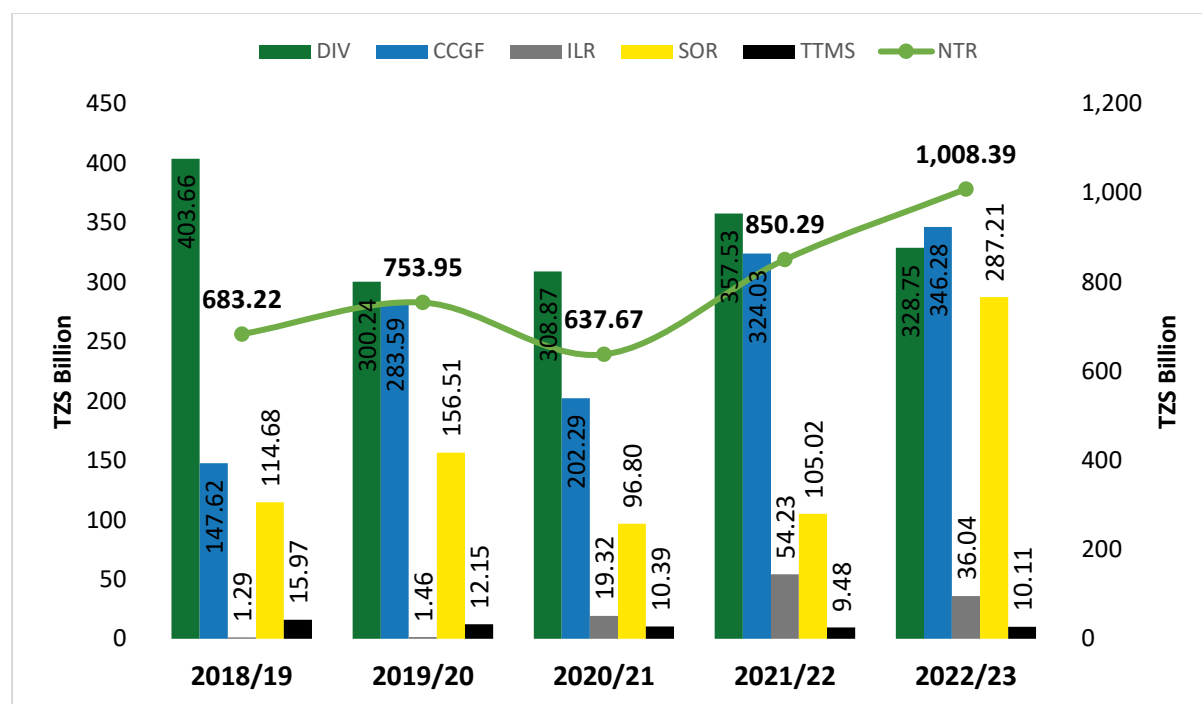
### **3.4.4 On-lent Loans Repayment**

In the execution of various projects, the Government does provide loans to its entities to enable the smooth execution of those projects. The loans provided by the Government are usually sourced by the Government from other sovereign entities and international financial corporations. In 2022/2023 financial year, a total on-lent loans repaid amounted to TZS 36.04 billion (2021/2022: TZS 54.23 billion).

### 3.5 Non-Tax Revenue Performance

Total non-tax revenue collected during the year under review amounted to TZS 1.008 trillion (2021/2022: TZS 850.29 billion) equivalent to a 33% increase from the previous year. **Figure 9** below shows the non-tax revenue collection trend over the five-year period.

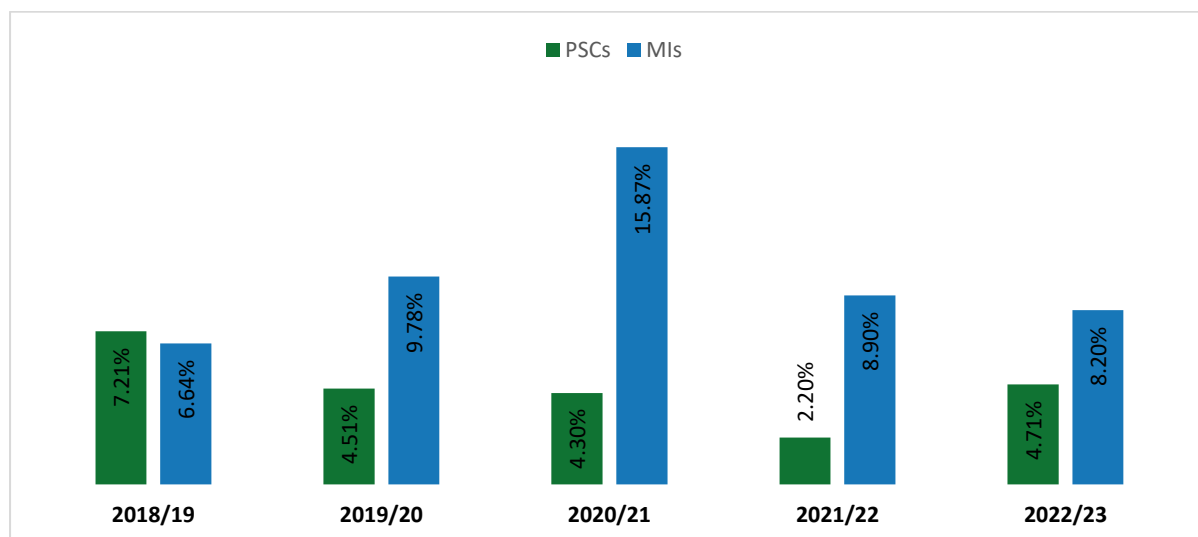
**Figure 7: Non-Tax Revenue Collection Trend**



#### 3.5.1 Return on Investments: SOEs vs MIs

For the period ending 30<sup>th</sup> June 2023, returns generated by the minority interests against investment made were 8.20% (2021/2022: 8.90%) as compared to state owned enterprises which generated 4.71% (2021/2022: 2.20%). In comparison to the previous year, minority interests returns regressed whilst state owned enterprise performance improved. **Figure 10** below shows the trend of returns between the PSCs and the MIs for the five-year period.

**Figure 8: PSCs and MIs Return Trend, 2018/19 – 2022/2023**



### 3.6 PSCs Capitalization

The Government owns several PSCs, which are commercial in nature with a number of agencies and authorities which are more service oriented. In principle, the parastatals have been established as an engine for implementing economic and social development activities in the country. During the period under review, a good number of parastatals successfully managed their operations including successful implementation of their activities. There were however some few commercial entities which did not attain their targets due to various reasons, one of them being financial constraint, which has adversely impacted their performance and hence inability to pay dividends to the consolidated fund. The Government has been taking several initiatives in reviving these types of parastatals as elaborated below.

#### 3.6.1 Loans Requisition Consents

To ensure the entities operate in good business principle, provide good and affordable services to the citizens and still generate profit and surpluses, during the year under review, the Government approved loans, grants and guarantees to fifteen entities as indicated in **Table 5** below.

**Table 4: No Objection Issued in 2022/2023**

S/No.	Entity Name	Category	Purpose	Currency	Amount
1.	NHC	Loan	Constructing new houses at Samia Affordable Housing Scheme Kawe Phase 1 and completion of previous projects at Kawe Plots	TZS	174,000,000,000

S/No.	Entity Name	Category	Purpose	Currency	Amount
2.	TANESCO	Loan	Connection of customers	TZS	313,100,000,000
3.	NHC	Loan	Financing construction activities of projects at Mtumba Government City	TZS	15,000,000,000
4.	IAA	Loan	Finance hostel construction	TZS	8,000,000,000
5.	MTUWASA	Loan	Finance improvement of water supply in Mtwara Municipality	TZS	1,218,000,000
6.	TADB	Grant	Implementation of the youth farm settlement programme in Tanga Region	EUR	101,187
7.	MWAUWASA/ LVBC	Loan	Implementation of the Mwanza sewer connection upgrade project	EUR	5,300,000
8.	TMA	Grant	Procurement and Installation of Automatic Weather Stations under the Weather and Climate Information Services for Africa Programme	GBP	100,000
9.	TFS	Grant	Integrated Landscape Management in the Dry Miombo Woodland of Tanzania	USD	7,360,000
10.	Uongozi Institute	Grant	To Support the Institute of African Leadership for Sustainable Development (UONGOZI INSTITUTE) Phase Four	EUR	4,000,000
11.	NIDA	Loan	To procure smart card and other services from IRIS Corporation Berhad	USD	11,848,851.73
12.	NHC	Loan	For the purpose of bulk purchase of finishing materials for construction of 8 Government Ministry Buildings	TZS	80,327,000,000
13.	NCAA	Loan	To finance the voluntary relocation of residents from Ngorongoro Conservation Area to Msomera Village, Handeni District in Tanga region and other areas	TZS	286,681,137,369
14.	NBS	Grant	for strengthening statistical and data management aspects for 2022 census.	USD	362,019
15.	TMA	Grant	To participate in Finkera Project (Finland, Kenya, Rwanda and Tanzania) Institutional Development Cooperation	EUR	700,000

### 3.7 Direct Funding from the Treasury

The direct funding from Treasury is a primary step, which the Government has been taking to fund its parastatals. It is the strategy through which the Government disburses money directly to the parastatals as capital to finance various projects for economic development of the country.

In 2022/23, a sum of TZS 131,000,000,000 was disbursed to capitalize and accordingly address the liquidity problem of Tanzania Commercial Bank (TCB).

### 3.8 Conversion of Debts to Equity

Conversion of debt into equity is another strategy that the Government has been using to capitalize its parastatals by converting debts owed into equity. This strategy is meant to improve the financial position as well as clearing the respective balance sheets of the parastatals in question. This approach improves the financial soundness of the parastatals and enhance their performance which in turn enables them to discharge its role appropriately including ability to pay dividends. For the financial year 2022/23, the Government converted the debt owed to TANESCO, TPDC and TADB into equity as indicated in Table 6.

Table No. 6 Debt Conversion into Equity

S/No.	Entity Name	Purpose	Currency	Amount
1.	TANESCO	To enhance performance of the company	TZS	2,419,253,931.879
2.	TPDC	To enhance performance of the corporation	USD	1,200,000,000
3.	TADB BANK	To enhance TADB with capital for financing Agricultural Sector	TZS	208,200,000,000
4	TIB DFI	To enhance TIB DFI with capital for financing development activities	TZS	82,000,000,000

### 3.9 Project Financing

Project finance is a method whereby the Government funds strategic projects and then transfers them to parastatals upon completion. In doing so, the Government improves the financial position of the parastatals as it activates their revenue sources and general operations. Through this mode, the Government is implementing the following projects elaborated below.

#### 3.9.1 Julius Nyerere Hydro-power Plant Project (JNHPP)

JNHPP is the project implemented by Tanzania Electric Supply Company (TANESCO) on behalf of the Government of the United Republic of Tanzania. Tanzania Roads Agency (TANROADS) through its subsidiary company Engineering Consultancy Company (TECU) was appointed to manage the project on design and procurement and installation of machinery on behalf of the employer. The project is implemented by a joint venture company namely Arab Contractors and Elsewedy Electric

(Contractor) wherein the contract to this effect was signed on 12<sup>th</sup> December 2018. Cost of Julius Nyerere Hydro-power Plant Project is TZS 6,558,579,983,500.28. The JNHPP is expected to generate 2,115 megawatts, which is equivalent to 6,307 gigawatts a year. The project implementation is divided into 5 main areas which are technical, corporate social responsibility, environment, communication, contract management, and project administration.

The implementation of the technical aspect of the project which includes civil and electromechanical works according to the workplan as of 29<sup>th</sup> February 2024 is as shown in **Table 6** below:

**Table 5:** Project Development Implementation

No.	Job description	Implementation (%)
1.	Final Design	100
2.	Diversion Tunnel and Upstream & Downstream Cofferdam	100
3.	Main Dam	99.40
4.	Stilling Basin	99.7
5.	Power Waterway	99.71
6.	Powerhouse	91
7.	Switchyard	99.93
8.	Saddle Dams	99.80
9.	Employer Operation Village	98.85
10.	Permanent Roads	85.6
11.	Permanent Bridge	97.21
<b>Percentage of completion</b>		<b>96.81</b>

Source: Tanzania Electric Supply Company Limited (TANESCO)

**Figure 11** below shows the continuing JNHPP civil and electromechanical works, which include construction of a main dam, power house and switchyard



**Figure 9:** Construction of Main Dam - Downstream View



Source: Tanzania Electric Supply Company Limited

The total payment of the contractor for the works up to March, 2024 was TZS 5.93 trillion which is equivalent to 90.43 percent of the entire cost of the project. Such funds include the increase in funds due to changes in the exchange rate translation. The contractor's payment as approved by the employer's consultant was TZS 5.93 trillion, equivalent to 90.43 percent of the total cost of the project. Due to the contractor's work plan, until January 2024, the contractor was required to have issued claim documents and paid an amount of TZS 6.558 trillion. This has led to a decrease in payments of TZS 0.628 trillion equals to 9.57 percent compared to TZS 5.93 trillion for which the contractor had issued claim documents and been paid.

On its completion, the project will result in the increase of power generation to the country and thus support the industrialization agenda and economic growth. Further, it will offer more employment, revenue growth and will boost TANESCO's financial books as the assets of the company will be increased.

### 3.9.2 Standard Gauge Railway

Tanzania Railways Cooperation (TRC) continues to implement the construction of standard gauge railway (SGR). The construction of the SGR is being implemented in phases and the cost of the project is USD 10,016,963,144.43 equivalent to TZS 23.3 trillion. Construction of phase one commenced during the financial year 2016/2017 and it runs from Dar es Salaam to Mwanza with a total length of 1,219 kilometers. The implementation of phase one is divided into five lots namely, Dar es Salaam -Morogoro (300km); Morogoro - Makutupora (422km); Makutupora - Tabora (365km); Tabora - Isaka (168km), and Isaka - Mwanza (341km). The construction of phase one is underway and has reached different stages of implementation as shown in **Table 7** below.

**Table 6:** Summary Phase I Implementation Status

Details		Track Length			Station		Marshalling Yard	Progress as of February 2024
LOT I	(DAR ES SALAAM – MOROGORO)	Mainline : 205 km	Sidings: 95 km	Total: 300 km	Total 6;	Dar es Salaam, Pugu, Soga, Ruvu, Ngerengere, Morogoro	Kwala (Coast)	98.90%
LOT II	(MOROGORO – MAKUTUPORA)	Mainline : 336 km	Sidings: 86 km	Total: 422 km	Total 8;	Mkata, Kilosa, Kidete, Gulwe, Igandu, Dodoma, Bahi, Makutupora	Ihumwa (Dodoma)	96.51%
LOT III	(MAKUTUPORA – TABORA)	Mainline : 294 km	Sidings: 74 km	Total: 368 km	Total 7;	Manyoni, Itigi, Tura, Malongwe, Goweke, Igalula na Tabora	-	13.98%
LOT IV	(TABORA – ISAKA)	Mainline : 130 km	Sidings: 35 km	Total: 165 km	Total 3;	Nzubuka, Ipala na Bukene	Tabora	5.44% Preliminary design and mobilization is underway
LOT V	(ISAKA – MWANZA)	Mainline : 249 km	Sidings: 92 km	Total: 341 km	Total 8;	Isaka, Bokene, Shinyanga, Seke, Malampaka, Bukwimba, Mantare, Mwanza Central	Fela (Mwanza)	54.01%

Source: Tanzania Electric Supply Company Limited (TANESCO)

As of March, 2024 the Government had already paid a sum of USD 4,122,726,077.93 equivalent to TZS 10.1 trillion. The amount paid equals to 41.2% of the total cost of the project. The payment implementation of the project from Lot I to Lot V is as indicated in table 8.

Table 8: Payment Implementation of SGR Construction Phase I

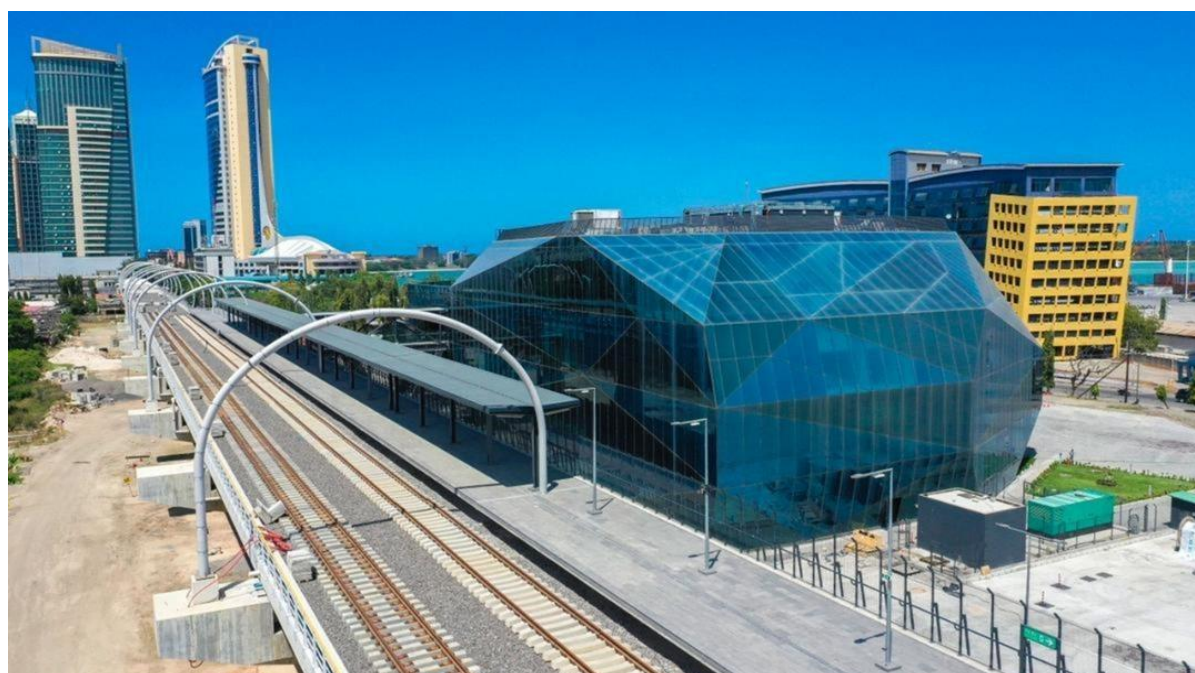
	LOT I	LOT II	LOT III	LOT IV	LOT V
	DAR ES SALAAM - MOROGORO	MOROGORO - MAKUTUPORA	MAKUTUPORA - TABORA	TABORA - ISAKA	ISAKA - MWANZA
TOTAL COST (tax inclusive)	1,215,282,000.00	1,923,695,000.00	1,908,056,027.00	900,104,000.00	1,326,077,288.76
TOTAL COST (Tax exclusive)	1,029,900,000.00	1,630,250,000.00	1,616,996,633.00	762,800,000.00	1,123,794,313.00
Amount paid as at March 2024 (USD)	1,110,006,652.62	1,667,753,342.15	476,726,122.08	153,349,722.89	537,511,387.73
Payment Performance	91.34%	86.70%	24.98%	17.04%	40.53%

The Government through TRC has commenced implementation of Phase II of the SGR which has a total length of 1,685 kilometers in which 1,590 kilometers is mainline and 65 kilometers sidings. The construction of Phase II of SGR includes the following section:

- (i) Tabora - Kigoma (506km);
- (ii) Kaliua – Mpanda - Karema (317km);
- (iii) Uvinza - Musongati - Gitega (282km); and
- (iv) Isaka - Rusumo (371km).

The amount paid for phase II SDR construction is US \$90,818,086.23 (pre payments for phase one 3.31%) and TZS 188,360,800,744.91 (pre-payments for phase two) being portion of the funds from the Government.

**Figure 12:** Dar es Salaam Railway Station





The completion of construction of the SGR is expected to stimulate business activities within the country and the neighboring countries as it will ease passenger and cargo transportation and in turn, lower cost per unit and accordingly improve well-being of the citizens.

### **3.9.3 Marine Vessels Construction**

The Government, through Marine Services Company Limited (MSCL), continued to implement various projects, including those the Government signed contracts on 15<sup>th</sup> June 2021. These projects are as follows:

- (i) The construction of a passenger and cargo ships in Lake Victoria “MV Mwanza Hapa Kazi Tu” is implemented by GAS Entec Company Limited in partnership with Kang Nam Corporation from South Korea and SUMA JKT at the cost of USD 49.32 million. The ship is estimated to carry 1,200 passengers and 400 tons of cargo. The project was about 95% and the expected completion date was 31<sup>st</sup> May 2023. The amount paid as of 30<sup>th</sup> March 2024 was USD 43.70 million. **Figure 12** below shows MV Mwanza under construction.

**Figure 10:** The View of MV Mwanza



- (ii) On 26<sup>th</sup> May 2021, the Government through MSCL, signed one contract for major rehabilitation of MT Sangara (tanker vessel) which is in Lake Tanganyika. The major rehabilitation is implemented by MS KTMI Company Limited from South Korea at the cost of USD 3,606,595. The project was about 93% and is expected to be completed in 2024. The amount paid as of 31<sup>st</sup> March 2024 was USD 1,945,989.56.

The Government is working hard to make sure that the implementation of these mega-projects is completed in time in order to offer quality and affordable services to the people around the region. Further, the projects will stimulate economic activities of the region as well as provision of employment opportunities to the citizens. The projects will also ensure safe, comfortable, and timely transport services within country and the region. In other hand, the projects will be beneficial to the company as it would improve its balance sheet and enhance revenue generation.

### 3.9.4 J.P. Magufuli Bridge

The J.P. Magufuli Bridge also known as Kigongo - Busisi Bridge situated in the Usagara - Geita - Buzirayombo Road (B163) is approximately 34.5km from Mwanza along the Usagara – Geita – Buzirayombo – Kyamayorwa Road. Total project cost amounts to TZS 602.19 billion (VAT exclusive). **Figure 13** shows the progress of construction activities.

**Figure 11:** Construction of Pier Table (Zero Segments)



Source: Tanzania National Roads Agency (TANROADS)

Construction is ongoing at the site, and so far, the contractor has been able to complete 86.96% of the work against the schedule target of 89%. **Table 8** below provides a summary of the works completed by the contractor.

**Table 7: Completed Works – Bridge Construction**

S/No.	Description	Unit	BOQ Qty	Completed	Prop. %
1.	Trestle	m	2,924	2,924	100%
2.	Platform	No.	65	65	100%
3.	Steel Casing	No.	804	804	100%
4.	Pile borehole formed	No.	804	804	100%
5.	Piles Casted	No.	804	804	100%
6.	Pile Cap Casted	No.	65	65	100%
7.	Pier Column Cast (group)	No.	62	62	100%
8.	Pier Shaft	No.	3	3	100%
9.	Pier Cap Casted	No.	62	62	100%
10.	Abutment	No.	2	2	100%
11.	PSC beam casted	No.	806	806	100%
12.	PSC beam installed	No.	806	806	100%
13.	Pylons	No.	3	3	100%
14.	Deck Slab	No.	2.480	1.240	50%
15.	ED Segment	No.	59	27	45%

Source: Tanzania National Roads Agency (TANROADS)

A total of TZS 441.309 billion has been paid to the contractor and TZS 6.260 billion has been paid to the consultant. Furthermore, a total of TZS 3.146 billion has been paid as compensation for the people affected by the implementation of the project. To date, the J.P. Magufuli Bridge project has created a total of 1001 jobs of which 944 equivalent to 94.3% are for Tanzanians. It is expected that the new bridge will accommodate large traffic volume along the route as well as improve the safety of users at this lake crossing point.

### **3.9.5 Tanzania Ports Authority (TPA)**

#### **(i) Development of new Container Terminal (Berths 12 – 15) at Dar es Salaam port**

##### **Project Description**

Containerized traffic at Dar es Salaam port is projected to grow up to approximately 2.5 million TEUs by 2028. The forecasts support significant potential growth in container traffic, and certainly identify the need for expanded port infrastructure to support this growth. Within this context, TPA intends to construct four new berths (Berths 12 – 15) on a green-field site owned by the Authority on the southern shore of Dares-Salaam harbour, south of the port. This will allow linkage to the Mandela Road and the existing TRC and TAZARA railways networks.

The new terminal will need to be able to cater for a bigger vessel expected to be calling to the port after completion of the on-going programme of modernization and expansion of Dar es Salaam port – Dar es salaam Maritime Gateway Project – DMGP. The planned development is partly meant to comply with the International Ship and Port Facility Security Code (ISPS Code) for implementing a comprehensive set of measures to enhance the security of ships and port facilities making the port more competitive.

- Infrastructure investments namely dredging, reclamation, quay walls and rail head
- Superstructure investments including pavement, buildings, gates, utilities, IT & automation
- Movable assets in the form of operation equipment investments

Project cost estimates: USD 512 million

Project Status: Feasibility study and Preliminary Engineering Design has reached the draft final report.

## **(ii) Development of a Single Receiving Terminal (SRT) at DSM Port**

### **Project Description**

The Dar es Salaam port has two liquid cargo handling berths, a multi-product Single Point Mooring (SPM) CALM buoy, and lighter quays, and handles a vast array of cargo. However, these developments remain insufficient to adequately support the economic transformation and industrialization of the country. In order to rectify the challenging areas that constrain the competitiveness of Tanzania's port relative to ports in neighbouring countries, the following efforts are being implemented; deployment of new operational equipment and improvement infrastructures. The required improvements led to the decision to upgrade the current offshore facility and the construction of a New Onshore Tank Farm storage facility.

The project will comprise of the following components:

- New Onshore Tank Farm and related facilities.
- Superstructure investments including pavement, gates, utilities, IT & automation
- Unloading Platform;
- Subsea Pipelines;

Project Cost Estimate: USD 266 Million

Project Status: Procurement of the contractor

### **3.9.6 Water Projects**

The Government, in its objective of providing quality and affordable services to its citizens, has continued to strengthen the water sector through provision of funding to implement various water projects in the country. The accomplishment of these projects will enable the Government to offer improved and sustainable quality, quantity, and accessible water supply and sanitation services for rural and urban population. During the year under review, the Government through water and sanitation authorities continued to implement several projects as described here under

#### **3.9.6.1 Arusha Sustainable Urban Water and Sanitation Delivery Project**

##### **The Project Summary**

The objective of the Project is to provide safe, reliable and sustainable water and sanitation services in Arusha city, Tanzania and thereby contribute to improvement in health, social well-being and living standards of the beneficiaries.

The Project intended to improve existing infrastructure and enhance the operational, commercial and service delivery efficiency of the Arusha Urban Water Supply and Sewerage Authority (AUWSA). The total cost of the Project is USD 237,430,765.30 and the implementation period was from 2016 to 2023.

The Project is technically feasible, environmentally sustainable and economically and socially viable and justifiable. The Project has eleven packages namely; -

- Package 01 - Drilling of 11 boreholes at Magereza - Seed Farm well field,
- Package 02 - Construction of Waste Stabilization Ponds (WSP) at Themu Holding Grounds,
- Package 03 - Rehabilitation of Water and Sewer Network in the Central Business District (CBD)
- Package 04 - Drilling of 30 boreholes at Majimoto and Valeska-Mbuguni well field (18 Majimoto- 12 Valeska - Mbuguni),
- Package 05 - Construction of AUWSA Main Office,
- Package 06 - Construction of New Expansion of Sewer Network,



- Package 07 - Improvement of Water Treatment plants and rehabilitation of Sekei Central Station,
- Package 08 - Construction of On-Site Sanitation Infrastructure,
- Package 09 - Construction of AUWSA Zonal Offices,
- Package 10 - Construction of New Water System,
- Package 11 - Drilling, Testing, Evaluation and Completion of 15 Deep Wells at the Usa River – Makumira - Tengeru Well Field,

### Contract Summary

S/N	CONTRACT NAME	CONTRACT AMOUNT	CONTRACTOR	COMMENCEMENT DATE	COMPLETION DATE	STATUS
1.	Drilling, Testing, Evaluation and Completion of 11 Deep Wells at Magereza-Seed Farm Well Field Located Between Magereza-Ngaramtoni-Lekasayo – Contract No. AUWSA/AfDB/W/001/2017 (Lot 1 & 2)	USD. 2,173,303.00	Joint Venture between Shanxi Construction Engineering Corporation and Mineral Company and Jiangxi Geo-engineering (Group) Corporation	09 <sup>th</sup> November 2017	13 <sup>th</sup> August 2019	COMPLETED
2.	Construction of Waste Stabilisation Ponds – Contract No. AUWSA/AfDB/W/002/2017	TZS 12,064,502,212.85 USD 12,553,067.6	China Civil Engineering Construction Corporation	23 <sup>rd</sup> January 2018	27 <sup>th</sup> March 2020	COMPLETED
3.	Rehabilitation of Water & Sewer Network In Central Business District (CBD) – Contract No. AUWSA/AfDB/W/003/2017	USD 12,104,256.21	Sinohydro Co., Ltd	08 <sup>th</sup> November 2017	05 <sup>th</sup> March 2020	COMPLETED
4.	Drilling, Testing, Evaluation and Completion Of 30 Deep Wells at The Mbuguni-Valesca Well Field And Maji Moto Well Field – Contract No. AUWSA/AfDB/W/004/2017	LOT 1,2 AND 5 – USD 4,195,928	Shanxi Geological Engineering Exploration Institute	23 <sup>rd</sup> April 2018	30 <sup>th</sup> November 2020	COMPLETED
		LOT 3 – 1,385,373	Jiangxi Geo-Engineering (Group) Corporation	23 <sup>rd</sup> April 2018	30 <sup>th</sup> August 2020	
		LOT 4 – 1,383,074	Shanxi Construction Engineering Corporation and Mineral Company in JV with Shanxi Dikuang Overseas Engineering	23 <sup>rd</sup> April 2018	30 <sup>th</sup> September 2020	
5.	Construction of AUWSA Main Office– Contract No. AUWSA/AfDB/W/005/2017	TZS 7,376,338,585.00 (new cost TZS 6,573,125,292.61)	China Jiangxi International Economic and Technical Cooperation Co., Ltd (CJIC)	19 <sup>th</sup> October 2020)	24 <sup>th</sup> August 2022	COMPLETED
6.	Construction of New Expansion of Sewer Network– Contract No. AUWSA/AfDB/W/006/2017	USD 34,006,787.27	Beijing Construction Engineering Group Co., Ltd.	14 <sup>th</sup> August 2018	25 <sup>th</sup> December 2021	COMPLETED

S/N	CONTRACT NAME	CONTRACT AMOUNT	CONTRACTOR	COMME NCEME NT DATE	COMPLETION DATE	STATUS
7.	Improvement of WTPs (Midawe & Olgilai) – Contract No. AUWSA/AfDB/W/007/2017	USD 3,073,250.04	Sinohydro Co., Ltd	09 <sup>th</sup> October 2018	07 <sup>th</sup> December 2020	COMPLETED
8.	Construction of On-Site Sanitation– Contract No. AUWSA/AfDB/W/008/2017	TZS 1,538,425,902	BQ Contractors Ltd in JV with Caberisa Company Ltd and, Shreeji Construction Company Ltd	04 <sup>th</sup> November 2019	31 <sup>st</sup> May 2021	COMPLETED
9.	Construction of Arusha Zonal Offices– Contract No. AUWSA/AfDB/W/009/2017	TZS 5,310,823,213	KIURE Engineering Limited	15 <sup>th</sup> October 2018	13 <sup>th</sup> June 2021	COMPLETED
10	Construction of New Water System–Contract No. AUWSA/AfDB/W/010/2017	TZS 85,316,590,572.34 USD 88,335,361.96	Sinohydro Co., Ltd	08 <sup>th</sup> December 2018	27 <sup>th</sup> June 2023	COMPLETED in DLP
11.	Drilling, Testing, Evaluation and Completion of 15 Deep Wells in Three Lots at the USA River - Makumira – Tengeru Well Field, Contract No: AUWSA/AfDB/W/001/2019	LOT 1 – TZS 3,146,062,005.64	Shanxi Construction Engineering Corporation and Mineral Company	19 <sup>th</sup> May 2021	30 <sup>th</sup> August 2022	COMPLETED
		LOT 2 – TZS 3,013,930,577.63		19 <sup>th</sup> May 2021	15 <sup>th</sup> January 2023	COMPLETED
		LOT 3 – 2,999,955,138.13		19 <sup>th</sup> May 2021	15 <sup>th</sup> May 2023	COMPLETED in DLP

### Status of Implementation

Based on the weekly progress reports being prepared by the Contractors and as reviewed, evaluated and verified by the Consultants in a monthly basis, the total work accomplishment of the Contractors as of 31<sup>st</sup> March, 2024 stands at 100% vis-à-vis the target accomplishment for the same period of 100%.

Component of Packages	% Weight to Total	Accomplishments as of 31 <sup>st</sup> March, 2024				
		Previous	Target	Actual	Slippage	Remarks
Package 1 – (11 Deep Wells)	1.02%	100%	100%	100.00%	-	Completed
Package 2-WSP	8.45%	100%	100%	100.00%	-	Completed
Package 3-CBD	5.70%	100%	100%	100.00%	-	Completed
Package 4 – (30 Deep Wells)						
LOT 1, 2 & 5	1.98%	100.00%	100.00%	100.00%	-	Completed
LOT 3	0.65%	100.00%	100.00%	100.00%	-	Completed
LOT 5	0.65%	100.00%	100.00%	100.00%	-	Completed
Package 5-Main Office	1.54%	100.00%	100.00%	100.00%	-	Completed
Package 6-ENSN	16.02%	100.00%	100.00%	100.00%	-	Completed
Package 7-WTPs	1.4%	100.00%	100.00%	100.00%	-	Completed
Package 8-On-Site Sanitation	0.32%	100.00%	100.00%	100.00%	-	Completed
Package 9-Zonal Office	1.09%	100.00%	100.00%	100.00%	-	Completed
Package 10-New Water SS	59.26%	100.00%	100.00%	100.00%	-	DLP

Component of Packages	% Weight to Total	Accomplishments as of 31 <sup>st</sup> March, 2024				
		Previous	Target	Actual	Slippage	Remarks
Package 11 – (15 Deep Wells)						
LOT 1	0.64%	100.00%	100.00%	100.00%	-	Completed
LOT 2	0.61%	100.00%	100.00%	100.00%	-	Completed
LOT 3	0.61%	100.00%	100.00%	100.00%	-	DLP
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>-</b>	

As per the Bank's (AfDB) guidelines and the conditions of the loan agreement, the project was closed on 30 December 2023. The grace period for finalizing payments is up to 30<sup>th</sup> April 2024.

The contractor for package 10 (Construction of New Water System) is now working on the defects within the DLP which expected to end on 30<sup>th</sup> June 2024.

### **3.9.6.2 The East Africa Crude Oil Pipeline Project (EACOP) Brief of the Project**

EACOP Company in collaboration with the Shareholders including the Government of the Republic of Tanzania through TPDC is implementing the East African Crude Oil Pipeline (EACOP) project. The implementation of the project as of 31<sup>st</sup> March, 2024 reached 27.1% involving various activities from Kabaale – Hoima, Uganda to Chongoleani – Tanga, Tanzania. In this joint venture project, the Republic Government of Tanzania through TPDC owns 15% of the shares.

#### **Project Financing**

Construction costs of the project are estimated to be USD 5.088 billion. The amount is expected to be obtained from project shareholders who will contribute 40 percent (approximately US\$ 2.035 billion) as Equity and 60 percent of the cost (approximately US\$ 3.053 billion) will be obtained from the International Capital Market as a Debt.

As of 31<sup>st</sup> March 2024, EACOP company shareholders had contributed a total of USD 1.791 billion equal to 94 percent. Out of such amount, the Government of Tanzania through the Ministry of Finance has contributed a total of USD 289.78 million equal to 94 percent of the USD 308 million of the amount expected to be contributed by the Government in that project.

The project has continued its efforts to obtain loan funds approximated to USD 3.053 billion from International Capital Market. The shareholders in collaboration with the management of EACOP have started negotiation with the interested banks which are ready to provide loans. The negotiation will involve preparation of various agreements which will be signed between the EACOP project company and Bankers, agreements between Bankers and EACOP Shareholders and agreements between EACOP and Shareholders. In addition, the Government has formed special team for negotiation in which the members are from the Ministry of Finance, Ministry of Energy, Attorney General's Office, and TPDC.

### **Benefits of the Project**

- (i) On the Tanzania side, the project has created an employment opportunity for 4,968 Tanzanians who various construction sites;
- (ii) The usage of local companies in the construction of the project. Until the end of December, 2023, more than 100 Companies and 146 Tanzanian Service Providers (Local Companies) participated in the Project and were paid a total sum of USD 171.71 million (approximated to TZS 446.45 billion);
- (iii) Exposure to the Tanzanian companies to participate in huge projects. Special training was conducted for 170 Tanzanians who will build Oil Storage Infrastructure at Chongoleani in Tanga. The training is provided to enable the companies meet international standards in implementing the Oil Projects. In addition, the Project has continued with the interviews for Tanzanians with the aim of obtaining 130 operatorships for the project after the completion of the Construction;
- (iv) Contribution of tax benefits and various charges to the country. The existence of the Project enables the Government to obtain a total income of more than 30.46 billion shillings. Such income to the Government includes withholding tax, custom and processing fee, payment of land cave for camp sites, advance payment to enable land acquisition (land premium). Once the project is completed, it is estimated that the Government will get a direct income worth TZS 2.3 trillion which is a collection for 25 years.

- (v) The Government of the United Republic of Tanzania through TPDC will continue to cooperate with other shareholders such as Total Energies Company from France, CNOOC from China and UNOC from the Republic of Uganda to ensure that the project is completed on time and meet the intended goals as planned.

## **CHAPTER FOUR**

### **WAY FORWARD**

#### **4.1 Introduction**

To invest, one must bank on the promising future a particular investment holds. However, to continue with a particular investment, an investor must be assured that the future will continue to be promising. The Treasury Registrar, as an investor (holder of the Government investments for and on behalf of the President) seeks to ensure that Government investments perform their functions accordingly. In doing so, the OTR addresses existing challenges, manage current and potential risks, and in turn, enhances performance of supervised entities. From the achievements attained in 2022/2023 financial year, the following areas require improvement for investments to prosper.

#### **4.2 Public Entities Financing**

Financially distressed entities cannot access financing as a result of poor balance sheets and the OTR not having funds to readily support the financial requirements of such entities prolong their difficulties. As pointed out in the previous year, OTR's lack of dedicated investment fund limits its ability to assist its struggling entities. This makes it difficult for entities to source alternative financing from financial institutions.

#### **4.3 Review of Treasury Registrar's Act**

There is a need to ensure the recommendations put forth in enhancing public investment by establishing Public Investment Authority are finalized to enable the Office of the Treasury Registrar undertake its supervisory, custodial and advisory roles over PSCs effectively.

## APPENDICES

### Appendix 1: List of Government Investments

No.	Entity Name	Entity Acronym	Govt. Stake	Operations Base	Operational Nature
Part A: Public and Statutory Corporations (PSCs)					
I: State-owned Enterprises (SOEs) - 36 Entities					
1	Air Tanzania Company Limited	ATCL	100%	Domestic	Commercial
2	Arusha International Conference Centre	AICC	100%	Domestic	Commercial
3	Cereals and Other Produce Board	CPB	100%	Domestic	Commercial
4	Cooperative Audit and Supervision Corporation	COASCO	100%	Domestic	Commercial
5	Kilimanjaro Airports Development Company	KADCO	100%	Domestic	Commercial
6	Marine Services Company Limited	MSCL	100%	Domestic	Commercial
7	Medical Stores Department	MSD	100%	Domestic	Commercial
8	Mzinga Corporation	MZINGA	100%	Domestic	Commercial
9	National Development Corporation	NDC	100%	Domestic	Commercial
10	National Housing Corporation	NHC	100%	Domestic	Commercial
11	National Insurance Corporation	NIC	100%	Domestic	Commercial
12	National Ranching Company	NARCO	100%	Domestic	Commercial
13	National Service Corporation Sole	SUMA JKT	100%	Domestic	Commercial
14	Ngorongoro Conservation Area Authority	NCAA	100%	Domestic	Commercial
15	Prisons Corporation Sole	SHIMA	100%	Domestic	Commercial
16	Self Microfinance Fund	SELF MF	100%	Domestic	Commercial
17	State Mining Corporation	STAMICO	100%	Domestic	Commercial
18	Tanzania Agricultural Development Bank Ltd	TADB	100%	Domestic	Commercial
19	Tanzania Automotive Technology Centre	TATC NYUMBU	100%	Domestic	Commercial
20	Tanzania Broadcasting Corporation	TBC	100%	Domestic	Commercial
21	Tanzania Commercial Bank	TCB BANK	83%	Domestic	Commercial
22	Tanzania Electric Supply Company Limited	TANESCO	100%	Domestic	Commercial
23	Tanzania Fertilizer Company	TFC	100%	Domestic	Commercial
24	Tanzania Mercantile Exchange Plc	TMX	67%	Domestic	Commercial
25	Tanzania National Parks	TANAPA	100%	Domestic	Commercial
26	Tanzania Petroleum Development Corporation	TPDC	100%	Domestic	Commercial
27	Tanzania Police Force Corporation Sole	TPFCS	100%	Domestic	Commercial
28	Tanzania Ports Authority	TPA	100%	Domestic	Commercial
29	Tanzania Posts Corporation	TPC	100%	Domestic	Commercial
30	Tanzania Railways Corporation	TRC	100%	Domestic	Commercial
31	Tanzania Standard Newspapers Limited	TSN	100%	Domestic	Commercial
32	Tanzania Telecommunications Corporation	TTCL	100%	Domestic	Commercial
33	TIB Development Bank	TIB DFI	100%	Domestic	Commercial
34	Keko Pharmaceuticals (1997) Limited	KPIL	70%	Domestic	Commercial
35	UDA Limited	UDA	85%	Domestic	Commercial
36	UTT Asset Management and Investor Services	UTT AMIS	100%	Domestic	Commercial

No.	Entity Name	Entity Acronym	Govt. Stake	Operations Base	Operational Nature
II: Education, Research and Training Institutions - 74 Entities					
37	Agency for the Development of Educational Management	ADEM	100%	Domestic	Service-Oriented
38	Ardhi Institute Morogoro	ARIMO	100%	Domestic	Service-Oriented
39	Ardhi University	ARU	100%	Domestic	Service-Oriented
40	Arusha Technical College	ATC	100%	Domestic	Service-Oriented
41	Mozambique -Tanzania Centre for Foreign Relations	CFR	100%	Domestic	Service-Oriented
42	College of African Wildlife Management	CAWM	100%	Domestic	Service-Oriented
43	College of Business Education	CBE	100%	Domestic	Service-Oriented
44	Dar es Salaam Institute of Technology	DIT	100%	Domestic	Service-Oriented
45	Dar es Salaam Maritime Institute	DMI	100%	Domestic	Service-Oriented
46	Dar es Salaam University College of Education	DUCE	100%	Domestic	Service-Oriented
47	East African Statistical Training Centre	EASTC	100%	Domestic	Service-Oriented
48	Fisheries Education and Training Agency	FETA	100%	Domestic	Service-Oriented
49	Institute of Accountancy Arusha	IAA	100%	Domestic	Service-Oriented
50	Institute of Adult Education	IAE	100%	Domestic	Service-Oriented
51	Institute of Finance Management	IFM	100%	Domestic	Service-Oriented
52	Institute of Judicial Administration Lushoto	IJA	100%	Domestic	Service-Oriented
53	Institute of Rural Development Planning	IRDP	100%	Domestic	Service-Oriented
54	Institute of Social Works	ISW	100%	Domestic	Service-Oriented
55	Kibaha Education Centre	KEC	100%	Domestic	Service-Oriented
56	Livestock Training Agency	LITA	100%	Domestic	Service-Oriented
57	Local Government Training Institute	LGTI	100%	Domestic	Service-Oriented
58	Mbeya University Of Science And Technology	MUST	100%	Domestic	Service-Oriented
59	Mkwawa University College of Education	MUCE	100%	Domestic	Service-Oriented
60	Moshi Co-operative University	MOCU	100%	Domestic	Service-Oriented



No.	Entity Name	Entity Acronym	Govt. Stake	Operations Base	Operational Nature
61	Muhimbili University of Health and Allied Sciences	MUHAS	100%	Domestic	Service-Oriented
62	Mwalimu Julius K. Nyerere University of Agriculture and Technology	MJNUAT	100%	Domestic	Service-Oriented
63	Mwalimu Nyerere Memorial Academy	MNMA	100%	Domestic	Service-Oriented
64	Mzumbe University	MU	100%	Domestic	Service-Oriented
65	National College of Tourism	NCT	100%	Domestic	Service-Oriented
66	National Institute of Transport	NIT	100%	Domestic	Service-Oriented
67	National Sugar Institute	NSI	100%	Domestic	Service-Oriented
68	Nelson Mandela African Institute of Science and Technology	NM-AIST	100%	Domestic	Service-Oriented
69	Open University of Tanzania	OUT	100%	Domestic	Service-Oriented
70	Sokoine University of Agriculture	SUA	100%	Domestic	Service-Oriented
71	Taasisi ya Sanaa na Utamaduni Bagamoyo	TASUBA	100%	Domestic	Service-Oriented
72	Tanzania Institute of Accountancy	TIA	100%	Domestic	Service-Oriented
73	Tanzania Public Service College	TPSC	100%	Domestic	Service-Oriented
74	Tengeru Institute of Community Development	TICD	100%	Domestic	Service-Oriented
75	University of Dar es Salaam	UDSM	100%	Domestic	Service-Oriented
76	University of Dodoma	UDOM	100%	Domestic	Service-Oriented
77	Uongozi Institute	UONGOZI	100%	Domestic	Service-Oriented
78	Vocational Education and Training Authority	VETA	100%	Domestic	Service-Oriented
79	Water Institute	WI	100%	Domestic	Service-Oriented
80	Architects and Quantity Surveyors Registration Board	AQRB	100%	Domestic	Service-Oriented
81	Contractors Registration Board	CRB	100%	Domestic	Service-Oriented
82	Engineers Registration Board	ERB	100%	Domestic	Service-Oriented
83	Law School of Tanzania	LST	100%	Domestic	Service-Oriented
84	Medical Council of Tanganyika	MCT	100%	Domestic	Service-Oriented
85	National Board of Accountants and Auditors	NBAA	100%	Domestic	Service-Oriented

No.	Entity Name	Entity Acronym	Govt. Stake	Operations Base	Operational Nature
86	Pharmacy Council of Tanzania (Pct)	PCT	100%	Domestic	Service-Oriented
87	Procurement and Supplies Professionals and Technicians Board	PSPTB	100%	Domestic	Service-Oriented
88	Tanzania Nursing and Midwifery Council	TNMC	100%	Domestic	Service-Oriented
89	Town Planners Registration Board	TPRB	100%	Domestic	Service-Oriented
90	Valuers Registration Board	VRB	100%	Domestic	Service-Oriented
91	National Council for Technical and Vocational Education Training	NACTVET	100%	Domestic	Service-Oriented
92	National Examinations Council of Tanzania	NECTA	100%	Domestic	Service-Oriented
93	Tanzania Commission for Universities	TCU	100%	Domestic	Service-Oriented
94	Tanzania Institute of Education	TIE	100%	Domestic	Service-Oriented
95	Tanzania Library Service Board	TLSB	100%	Domestic	Service-Oriented
96	Unesco National Commission	UNESCO NATCOM	100%	Domestic	Service-Oriented
97	Centre for Agricultural Mechanization and Rural Technology	CAMARTEC	100%	Domestic	Service-Oriented
98	National Bureau of Statistics	NBS	100%	Domestic	Service-Oriented
99	National Institute for Medical Research	NIMR	100%	Domestic	Service-Oriented
100	Tanzania Agricultural Research Institute	TARI	100%	Domestic	Service-Oriented
101	Tanzania Atomic Energy Commission	TAEC	100%	Domestic	Service-Oriented
102	Tanzania Commission for Science and Technology	COSTECH	100%	Domestic	Service-Oriented
103	Tanzania Engineering Manufacturing and Design Organization	TEMDO	100%	Domestic	Service-Oriented
104	Tanzania Fisheries Research Institute	TAFIRI	100%	Domestic	Service-Oriented
105	Tanzania Forest Research Institute	TAFORI	100%	Domestic	Service-Oriented
106	Tanzania Industrial Research and Development Organization	TIRDO	100%	Domestic	Service-Oriented
107	Tanzania Livestock Research Institute	TALIRI	100%	Domestic	Service-Oriented
108	Tanzania Wildlife Research Institute	TAWIRI	100%	Domestic	Service-Oriented
109	Tea Research Institute of Tanzania	TRIT	100%	Domestic	Service-Oriented
110	Tobacco Research Institute of Tanzania	TORITA	100%	Domestic	Service-Oriented

No.	Entity Name	Entity Acronym	Govt. Stake	Operations Base	Operational Nature
III: Water Utilities - 43 Entities					
111	Arusha Urban Water Supply and Sanitation Authority	AUWSA	100%	Domestic	Service-Oriented
112	Babati Urban Water Supply and Sanitation Authority	BAWASA	100%	Domestic	Service-Oriented
113	Bariadi Urban Water Supply and Sanitation Authority	BARUWASA	100%	Domestic	Service-Oriented
114	Bukoba Urban Water Supply and Sanitation Authority	BUWASA	100%	Domestic	Service-Oriented
115	Dar Es Salaam Water Supply and Sanitation Authority	DAWASA	100%	Domestic	Service-Oriented
116	Dodoma Urban Water Supply and Sanitation Authority	DUWASA	100%	Domestic	Service-Oriented
117	Geita Urban Water Supply and Sanitation Authority	GEUWASA	100%	Domestic	Service-Oriented
118	Handeni Trunk Main Water Supply and Sanitation Authority	HTM WSSA	100%	Domestic	Service-Oriented
119	Iringa Urban Water Supply and Sanitation Authority	IRUWASA	100%	Domestic	Service-Oriented
120	Kahama Shinyanga Water Supply and Sanitation Authority	KASHWASA	100%	Domestic	Service-Oriented
121	Kahama Urban Water Supply and Sanitation Authority	KUWASA	100%	Domestic	Service-Oriented
122	Kigoma Urban Water Supply and Sanitation Authority	KUWASSA	100%	Domestic	Service-Oriented
123	Lindi Urban Water Supply and Sanitation Authority	LUWASA	100%	Domestic	Service-Oriented
124	Makonde Plateau Water Supply and Sanitation Authority	MAKONDE WSSA	100%	Domestic	Service-Oriented
125	Masasi-Nachingwea Water Supply and Sanitation Authority	MANAWASA	100%	Domestic	Service-Oriented
126	Maswa Water Supply and Sanitation Authority	MAUWASA	100%	Domestic	Service-Oriented
127	Mbeya Urban Water Supply and Sanitation Authority	MBEYA UWSA	100%	Domestic	Service-Oriented
128	Morogoro Water Supply and Sanitation Authority	MORUWASA	100%	Domestic	Service-Oriented
129	Moshi Urban Water Supply and Sanitation Authority	MUWSA	100%	Domestic	Service-Oriented
130	Mpanda Urban Water Supply and Sanitation Authority	MPUWASA	100%	Domestic	Service-Oriented
131	Mtwara Urban Water Supply and Sanitation Authority	MTUWASA	100%	Domestic	Service-Oriented
132	Mugango-Kyabakari Water Supply and Sanitation Authority	MUGANGO WSSA	100%	Domestic	Service-Oriented
133	Musoma Urban Water Supply and Sanitation Authority	MUWASA	100%	Domestic	Service-Oriented
134	Mwanza Urban Water Supply and Sanitation Authority	MWAUWASA	100%	Domestic	Service-Oriented
135	Njombe Urban Water Supply and Sanitation Authority	NJUWASA	100%	Domestic	Service-Oriented

No.	Entity Name	Entity Acronym	Govt. Stake	Operations Base	Operational Nature
136	Shinyanga Water Supply and Sanitation Authority	SHUWASA	100%	Domestic	Service-Oriented
137	Singida Urban Water Supply and Sanitation Authority	SUWASA	100%	Domestic	Service-Oriented
138	Songea Urban Water Supply and Sanitation Authority	SOUWASA	100%	Domestic	Service-Oriented
139	Sumbawanga Urban Water Supply and Sanitation Authority	SUWASA RUKWA	100%	Domestic	Service-Oriented
140	Tabora Urban Water Supply and Sanitation Authority	TUWASA	100%	Domestic	Service-Oriented
141	Tanga Water and Sanitation Authority	TANGA UWASA	100%	Domestic	Service-Oriented
142	Vwawa Mlowo Water Supply and Sanitation Authority	VWAWA WSSA	100%	Domestic	Service-Oriented
143	Wanging'ombe Water Supply and Sanitation Authority	WANGIWASA	100%	Domestic	Service-Oriented
144	Rural Water Supply and Sanitation Agency	RUWASA	100%	Domestic	Service-Oriented
145	Internal Drainage Basin Water Board	IDBWB	100%	Domestic	Service-Oriented
146	Lake Nyasa Basin Water Board	LNBWB	100%	Domestic	Service-Oriented
147	Lake Rukwa Basin Water Board	LRBWB	100%	Domestic	Service-Oriented
148	Lake Tanganyika Basin Water Board	LTBWB	100%	Domestic	Service-Oriented
149	Lake Victoria Basin Water Board	LVBWB	100%	Domestic	Service-Oriented
150	Pangani Basin Water Board	PBWB	100%	Domestic	Service-Oriented
151	Rufiji Basin Water Board	RBWB	100%	Domestic	Service-Oriented
152	Ruvuma and Southern Coast Basin Water Board	RSCBWB	100%	Domestic	Service-Oriented
153	Wami-Ruvu Basin Water Board	WRBWB	100%	Domestic	Service-Oriented
<b>IV: Industry and Sectorial Regulators - 22 Entities</b>					
154	Bank of Tanzania	BOT	100%	Domestic	Service-Oriented
155	Business Registration and Licensing Agency	BRELA	100%	Domestic	Service-Oriented
156	Capital Markets and Securities Authority	CMSA	100%	Domestic	Service-Oriented
157	Energy and Water Utilities Regulatory Authority	EWURA	100%	Domestic	Service-Oriented
158	Fair Competition Commission	FCC	100%	Domestic	Service-Oriented
159	Gaming Board of Tanzania	GBT	100%	Domestic	Service-Oriented
160	Land Transport Regulatory Authority	LATRA	100%	Domestic	Service-Oriented

No.	Entity Name	Entity Acronym	Govt. Stake	Operations Base	Operational Nature
161	Mining Commission	MC	100%	Domestic	Service-Oriented
162	National Environment Management Council	NEMC	100%	Domestic	Service-Oriented
163	Petroleum Upstream Regulatory Authority	PURA	100%	Domestic	Service-Oriented
164	Public Procurement Regulatory Authority	PPRA	100%	Domestic	Service-Oriented
165	Tanzania Airports Authority	TAA	100%	Domestic	Service-Oriented
166	Tanzania Atomic Energy Commission	TAEC	100%	Domestic	Service-Oriented
167	Tanzania Bureau of Standards	TBS	100%	Domestic	Service-Oriented
168	Tanzania Civil Aviation Authority	TCAA	100%	Domestic	Service-Oriented
169	Tanzania Communication Regulatory Authority	TCRA	100%	Domestic	Service-Oriented
170	Tanzania Fertilizer Regulatory Authority	TFRA	100%	Domestic	Service-Oriented
171	Tanzania Insurance Regulatory Authority	TIRA	100%	Domestic	Service-Oriented
172	Tanzania Medicine and Medical Devices Authority	TMDA	100%	Domestic	Service-Oriented
173	Tanzania Plant Health and Pesticides Authority	TPHPA	100%	Domestic	Service-Oriented
174	Tanzania Shipping Agencies Corporation	TASAC	100%	Domestic	Service-Oriented
175	Tanzania Trade Development Authority	TANTRADE	100%	Domestic	Service-Oriented
<b>V: Agricultural Institutions - 13 Entities</b>					
176	Agricultural Seed Agency	ASA	100%	Domestic	Service-Oriented
177	Tanzania Official Seed Certification Institute	TOSCI	100%	Domestic	Service-Oriented
178	Tanzania Smallholders Tea Development Agency	TSHTDA	100%	Domestic	Service-Oriented
179	National Food Reserve Agency	NFRA	100%	Domestic	Service-Oriented
180	Cashewnut Board of Tanzania	CBT	100%	Domestic	Service-Oriented
181	Sugar Board of Tanzania (SBT)	SBT	100%	Domestic	Service-Oriented
182	Tanzania Coffee Board	TCB COFFEE	100%	Domestic	Service-Oriented
183	Tanzania Cotton Board	TCB COTTON	100%	Domestic	Service-Oriented
184	Tanzania Fertilizer Regulatory Authority	TFRA	100%	Domestic	Service-Oriented
185	Tanzania Pyrethrum Board	TPB	100%	Domestic	Service-Oriented

No.	Entity Name	Entity Acronym	Govt. Stake	Operations Base	Operational Nature
186	Tanzania Sisal Board	TSB	100%	Domestic	Service-Oriented
187	Tanzania Tobacco Board	TTB TOBACCO	100%	Domestic	Service-Oriented
188	Tea Board of Tanzania	TBT	100%	Domestic	Service-Oriented
<b>VI: Health Institutions - 6 Entities</b>					
189	Benjamin Mkapa Hospital	BMH	100%	Domestic	Service-Oriented
190	Jakaya Kikwete Cardiac Institute	JKCI	100%	Domestic	Service-Oriented
191	Muhimbili National Hospital	MNH	100%	Domestic	Service-Oriented
192	Muhimbili Orthopaedic Institute	MOI	100%	Domestic	Service-Oriented
193	Ocean Road Cancer Institute	ORCI	100%	Domestic	Service-Oriented
194	Tanzania Food and Nutrition Centre	TFNC	100%	Domestic	Service-Oriented
<b>VII: Social Security Funds - 4 Entities</b>					
195	National Health Insurance Fund	NHIF	100%	Domestic	Service-Oriented
196	National Social Security Fund	NSSF	100%	Domestic	Service-Oriented
197	Public Service Social Security Fund	PSSSF	100%	Domestic	Service-Oriented
198	Workers Compensation Fund	WCF	100%	Domestic	Service-Oriented
<b>VIII: Sectorial Funds - 7 Entities</b>					
199	Agricultural Inputs Trust Fund	AGITF	100%	Domestic	Service-Oriented
200	Higher Education Students' Loans Board	HESLB	100%	Domestic	Service-Oriented
201	National Water Fund	NWF	100%	Domestic	Service-Oriented
202	Roads Fund Board	RFB	100%	Domestic	Service-Oriented
203	Tanzania Education Authority	TEA	100%	Domestic	Service-Oriented
204	Tanzania Forest Fund	TAFF	100%	Domestic	Service-Oriented
205	Universal Communications Service Access Fund	UCSAF	100%	Domestic	Service-Oriented
<b>IX: Quasi Judicial Institutions - 4 Entities</b>					
206	Fair Competition Tribunal	FCT	100%	Domestic	Service-Oriented
207	Public Procurement Appeals Authority	PPAA	100%	Domestic	Service-Oriented
208	Tax Revenue Appeals Board	TRAB	100%	Domestic	Service-Oriented

No.	Entity Name	Entity Acronym	Govt. Stake	Operations Base	Operational Nature
209	Tax Revenue Appeals Tribunal	TRAT	100%	Domestic	Service-Oriented
X: Other Institutions - 41 Entities					
210	Copyright Society of Tanzania	COSOTA	100%	Domestic	Service-Oriented
211	Dar es Salaam Rapid Transport Agency (Dart)	DART	100%	Domestic	Service-Oriented
212	Deposit Insurance Board	DIB	100%	Domestic	Service-Oriented
213	E-Government Authority	eGA	100%	Domestic	Service-Oriented
214	Export Processing Zones Authority	EPZA	100%	Domestic	Service-Oriented
215	Geological Survey Of Tanzania	GST	100%	Domestic	Service-Oriented
216	Government Chemist Laboratory Authority	GCLA	100%	Domestic	Service-Oriented
217	Government Procurement Services Agency	GPSA	100%	Domestic	Service-Oriented
218	Marine Parks And Reserves Unit	MPRU	100%	Domestic	Service-Oriented
219	National Arts Council	BASATA	100%	Domestic	Service-Oriented
220	National Construction Council	NCC	100%	Domestic	Service-Oriented
221	National Economic Empowerment Council	NEEC	100%	Domestic	Service-Oriented
222	National Identification Authority	NIDA	100%	Domestic	Service-Oriented
223	National Kiswahili Council	BAKITA	100%	Domestic	Service-Oriented
224	National Land Use Planning Commission	NLUPC	100%	Domestic	Service-Oriented
225	National Museum of Tanzania	NMT	100%	Domestic	Service-Oriented
226	National Sports Council of Tanzania	NSCT	100%	Domestic	Service-Oriented
227	Occupational Safety and Health Authority	OSHA	100%	Domestic	Service-Oriented
228	Petroleum Bulk Procurement Agency	PBPA	100%	Domestic	Service-Oriented
229	Registration Insolvency and Trusteeship Agency	RITA	100%	Domestic	Service-Oriented
230	Rural Energy Agency	REA	100%	Domestic	Service-Oriented
231	Small Industries Development Organization	SIDO	100%	Domestic	Service-Oriented
232	Tanzania Buildings Agency	TBA	100%	Domestic	Service-Oriented
233	Tanzania Electrical, Mechanical and Electronics Services Agency	TEMESA	100%	Domestic	Service-Oriented



No.	Entity Name	Entity Acronym	Govt. Stake	Operations Base	Operational Nature
234	Tanzania Extractive Industries Transparency Initiative	TEITI	100%	Domestic	Service-Oriented
235	Tanzania Film Board	TFB	100%	Domestic	Service-Oriented
236	Tanzania Fisheries Corporation	TAFICO	100%	Domestic	Service-Oriented
237	Tanzania Forest Service Agency	TFS	100%	Domestic	Service-Oriented
238	Tanzania Government Flights Agency	TGFA	100%	Domestic	Service-Oriented
239	Tanzania Investment Centre	TIC	100%	Domestic	Service-Oriented
240	Tanzania Meteorological Authority	TMA	100%	Domestic	Service-Oriented
241	Tanzania National Business Council	TNBC	100%	Domestic	Service-Oriented
242	Tanzania National Roads Agency	TANROADS	100%	Domestic	Service-Oriented
243	Tanzania Revenue Authority	TRA	100%	Domestic	Service-Oriented
244	Tanzania Rural and Urban Road Agency	TARURA	100%	Domestic	Service-Oriented
245	Tanzania Tourist Board	TTB TOURIST	100%	Domestic	Service-Oriented
246	Tanzania Veterinary Laboratory Agency	TVLA	100%	Domestic	Service-Oriented
247	Tanzania Wildlife Management Authority	TAWA	100%	Domestic	Service-Oriented
248	Warehouse Receipts Regulatory Board	WRRB	100%	Domestic	Service-Oriented
249	Weights and Measures Agency	WMA	100%	Domestic	Service-Oriented
250	National ICT Commission	ICTC	100%	Domestic	Non-Commercial
Part B: Minority Interests (MIs)					
I: Telecommunication Companies - 2 Entities					
251	Airtel Tanzania Plc.	AIRTEL	49%	Domestic	Commercial
252	DATEL Tanzania Limited (A-Link Telecom Tanzania Limited)	DATEL	35%	Domestic	Commercial
II: Construction Companies - 1 Entity					
253	Mwananchi Engineering and Construction Company Limited	MECCO	25%	Domestic	Commercial
III: Energy Companies - 3 Entities					
254	PUMA Energy Tanzania Limited	PUMA	50%	Domestic	Commercial
255	Tanzania Zambia Mafuta Pipeline Limited	TAZAMA	50%	Domestic	Commercial
256	Tanzania International Petroleum Reserves Limited	TIPER	50%	Domestic	Commercial
IV: Extractive Companies - 13 Entities					
257	Bulyanhulu Gold Mine Limited	BGML	16%	Domestic	Commercial



No.	Entity Name	Entity Acronym	Govt. Stake	Operations Base	Operational Nature
258	Mbeya Cement Company Limited	MCCL	25%	Domestic	Commercial
259	North Mara Gold Mine Limited	NMGML	16%	Domestic	Commercial
260	TEMBO Nickel	TEMBO	16%	Domestic	Commercial
261	TWIGA Minerals Company Limited	TWIGA	16%	Domestic	Commercial
262	Williamson Diamond Limited	WDL	37%	Domestic	Commercial
263	Sotta / Nyanzaga Mining Coproration	Sotta	16%	Domestic	Commercial
264	Faru Graphite	Faru	16%	Domestic	Commercial
265	Nyati Minerals	Nyati	16%	Domestic	Commercial
266	Mamba Corporation	Mamba	16%	Domestic	Commercial
267	Kudu Minerals	Kudu	16%	Domestic	Commercial
268	Pangea Minerals				
269	Duma Graphite	Duma	16%	Domestic	Commercial
<b>V: Financial Services Companies - 16 Entities</b>					
270	Dar es Salaam Stock Exchange	DSE	15%	Domestic	Commercial
271	Industrial Promotion Services (T) Limited	IPS	18.20%	Domestic	Commercial
272	NBC Limited	NBC	30%	Domestic	Commercial
273	NMB Bank Plc.	NMB	31.80%	Domestic	Commercial
274	Tanzania Re-Insurance Company Limited	TAN RE	Golden Share	Domestic	Commercial
275	Tanzania Development Finance Limited	TDFL	32%	Domestic	Commercial
276	African Development Bank	AfDB	0.76%	Foreign	Commercial
277	African Re-Insurance Corporation	AFRICA RE	0.80%	Foreign	Commercial
278	African Trade and Investment Development Insurance	ATIDI	8.37%	Foreign	Commercial
279	East Africa Development Bank	EADB	26.32%	Foreign	Commercial
280	East and Southern Africa Trade and Development Bank	TDB	8.33%	Foreign	Commercial
281	International Development Association	IDA	0.24%	Foreign	Commercial
282	International Finance Corporation	IFC	0.07%	Foreign	Commercial
283	Multilateral Investment Guarantee Agency	MIGA	0.22%	Foreign	Commercial
284	Shelter Afrique	S. AFRIQUE	0.70%	Foreign	Commercial
285	World Bank (International Bank for Reconstruction Development)	IBRD	0.06%	Foreign	Commercial
<b>VI: Manufacturing Companies - 16 Entities</b>					
286	ALAF Limited	ALAF	24%	Domestic	Commercial
287	Abood Seed Oil Limited	ASOIL	20%	Domestic	Commercial
288	East African Cables (T) Limited	EA CABLES	29%	Domestic	Commercial
289	Friendship Textile Company Limited	FTC (URAFIKI)	50%	Domestic	Commercial
290	Kilombero Sugar Company Limited	KSCL	25%	Domestic	Commercial
291	Mbinga Coffee Curing Company Limited	MBINGA CCC	43%	Domestic	Commercial
292	Mbozi Coffee Curing Company Limited	MBOZI CCC	32%	Domestic	Commercial
293	Moshi Leather Industries	MLI	25%	Domestic	Commercial
294	TANELEC Limited	TANELEC	30%	Domestic	Commercial

No.	Entity Name	Entity Acronym	Govt. Stake	Operations Base	Operational Nature
295	Tanganyika Instant Coffee	TANICA	7.70%	Domestic	Commercial
296	Tanzania Cigarette Company Limited	TCC	2.20%	Domestic	Commercial
297	TLL Printing and Packaging Limited	TLLPPL	9%	Domestic	Commercial
298	TOL Gases Limited	TOL	6.20%	Domestic	Commercial
299	TPC Limited	TPC	25%	Domestic	Commercial
300	Tanzania Pharmaceuticals Industries	TPI	40%	Domestic	Commercial
VII: Processing Companies - 1 Entity					
301	TANSCAN Timber Limited	TANSCAN	49%	Domestic	Commercial
VIII: Transportation Companies - 2 Entities					
302	Chinese Tanzania Joint Shipping Company Limited	SINOTASHIP	50%	Domestic	Commercial
303	Tanzania Zambia Railways Authority	TAZARA	50%	Domestic	Commercial
IX: Other Companies - 3 Entities					
304	Inflight Catering Services Limited	ICSL	29%	Domestic	Commercial
305	New Africa Hotel	NAH	23%	Domestic	Commercial
306	Kariakoo Market Corporation	KMC	0.49	Domestic	Commercial

