

TANZANIA CIVIL AVIATION AUTHORITY

Annual Report for the Year
Ended 30th June, 2020



THE DRONE CODE

STAY

- COMPLIANT
- SAFE
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- Remember to fly below 400ft (120m) Above Ground Level
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TANZANIA CIVIL AVIATION AUTHORITY

**ANNUAL REPORT FOR THE YEAR ENDED
30TH JUNE, 2020**




TCAA

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LIST OF ABBREVIATIONS

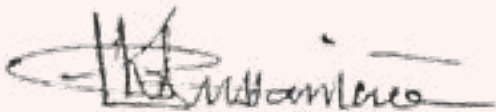
AAKIA	Abeid Amani Karume International Airport
ACC	Area Control Centre
ACT	The Civil Aviation Act, Cap 80 (R.E.2020)
AFI	Africa-Indian Ocean Region
ANS	Air Navigation Services
AIP	Aeronautical Information Publication
AIM	Aeronautical Information Management
AIS	Aeronautical Information System
AOC	Air Operators Certificate
AGA	Aerodrome Ground Aid
ATM	Air Traffic Management
AVSEC	Aviation Security
BASA	Bilateral Air Services Agreement
CATC	Civil Aviation Training Centre
CANSO	Civil Air Navigation Services Organization
CASSOA	Civil Aviation Safety and Security Oversight Agency
CNS	Communication, Navigation and Surveillance
FIR	Flight Information Region
ICAO	International Civil Aviation Organisation
ISO	International Standard Organisation
JNIA	Julius Nyerere International Airport
KIA	Kilimanjaro International Airport
NACTE	National Council for Technical Education
NCASP	National Civil Aviation Security Programme
NCASTP	National Civil Aviation Security Training Programme
NCASQCP	National Civil Aviation Security Quality Control Programme
NOF	International NOTAM Office
NOTAM	Notification to Airman
PPRA	Public Procurement Regulatory Authority
PIB	Pre-Information's Bulletins
QMS	Quality Management System
RSC	Rescue Sub-Coordination Centre
RVSM	Reduced Vertical Separation Minimum
SAR	Search and Rescue
SARPs	Standard and Recommended Practices
SMS	Safety Management System
SSP	State Safety Programme
TAA	Tanzania Airports Authority
TCARs	Tanzania Civil Aviation Regulations
TCAA	Tanzania Civil Aviation Authority
TMA	Tanzania Meteorological Agency
USAP	Universal Security Audit Programme
USOAP	Universal Safety Oversight Audit Programme
VHF	Very High Frequency
VCCS	Voice Communication Control Switch
YD	Yamoussoukro Decision

CHAIRMAN'S STATEMENT

It is my pleasure once again to present the Authority's Annual Report and the Audited Financial Statements for the year ended 30 June, 2020. This gives me another opportunity to highlight to our stakeholders the steady progress made by the Authority during the year under review and how the Authority has discharged its functions and responsibilities in accordance with its mandate, focusing on the Government objective of taking Tanzania to the status of a middle-income, semi-industrialised nation by 2025.

Modern terminal buildings with efficient facilities and services, fully operational air navigation services equipment and aerodrome and ground aids are all of paramount importance in enhancing the development of the aviation sector. One of the major challenges facing the Authority is financial self-sufficiency, which is critical for the ability of the Authority to fund its expending mandate including, among other undertakings, acquisition of modern navigational aids, maintenance of already ageing air navigation infrastructure as well as attracting and retaining highly specialised manpower.

On behalf of the Board of Directors, I would like to record my appreciation of the steady support that the Authority has continued to receive from the Government of the United Republic of Tanzania and the Revolutionary Government of Zanzibar and from our esteemed stakeholders in the aviation sector. Further, the Board dearly acknowledges the technical assistance which the Development Partners and ICAO have been extending to the Authority through their support to the EAC Regional Safety Agency, CASSOA. All the support has enabled the Authority to fulfil its mandate effectively.



Prof. Longinus K. Rutasitara
CHAIRMAN OF THE BOARD OF DIRECTORS

DIRECTOR GENERAL'S STATEMENT

I have the pleasure once again to report that the year ended 30th June 2020 was good for Tanzania Civil Aviation Authority and the aviation industry in general despite the setbacks posed by the COVID-19 pandemic. We made some progress in many aspects of our business. Over this period, the Authority took measures in response to and lessons from the incidence of the world-scale pandemic on the industry. This annual report gives you an opportunity to get an insight into the specific activities undertaken by the Authority in pursuit of its objectives in collaboration with our aviation industry stakeholders over the period.

In the year ended June 2020, TCAA continued to work towards the Authority's strategic direction, which aimed at achieving four set objectives: (i) Safe and Secured Aviation System; (ii) Orderly Development of Air Transport Industry; (iii) Safe, Orderly and Expeditious Flow of Air Transport and (iv) Organization Excellency. These four objectives were the cornerstone of our activities during the year and we remained focused towards their implementation.

This Annual Report, which includes the Audited Financial Statements, summarizes the Authority's activities during the year under review. It shows the achievements made and challenges faced as the Authority strived to keep orienting its undertakings towards a growing, well-managed and safe air-transport. During the year ended we have managed to complete our surveillance Radar project and Instrument Landing System in Zanzibar and therefore significant improvements in our air navigation service provision capacity.

During the year under review, overall traffic performance recorded a decrease in aircraft movements, from 233,308 in 2018/19 to 189,183 movements in 2019/20. This was largely due to the COVID-19 pandemic. For largely the same reason, overall passenger traffic decreased from 2,441,250 passengers in 2018/19 to 2,090,806 passengers in 2019/20, while overall cargo recorded a decrease from 24,172.2 tons in 2019/20 to 24,389.6 tons in 2018/19. International airlines decreased their frequencies and some stopped their operations due to the outbreak of COVID-19 which led to closure of airspace by some countries. Tanzania closed its airspace for a period of one month and seven days. As a result, the number of tourists declined along with the drop in air traffic.

The report demonstrates that TCAA has managed to discharge well both its oversight functions and provision of air navigation services during the period. Surveillance capacity has been enhanced and efficiency in the provision of air navigation services and security improved. We are determined to ensure that these functions, which are of unique significance to our industry, are strengthened even further.

Finally, I would like to thank the TCAA Board of Directors, Management and Staff for their undivided commitment, dedication and hard work during the year under review. Their contribution towards the development of the TCAA is highly appreciated and will continue to be valued in the foreseeable future. Step by step together we shall realize our vision.



Hamza S. Johari
DIRECTOR GENERAL

1.0 INTRODUCTION

Tanzania Civil Aviation Authority presents the Annual Report that highlights its performance for the year ended 30th June, 2020. The report summarizes the executed activities, challenges encountered and achievements attained during the period under review.

The was established on 01 November, 2003 as a corporate body, pursuant to the Civil Aviation Act, Cap. 80 (R.E. 2020). The Act mandates the Authority to provide safety, security and economic oversight of the civil aviation industry in Tanzania. The regulated services fall in three categories: air transport services, aeronautical airport services (airside airport operations, ground handling, in-flight catering and aviation fuelling) and air navigation services.

The functions of the Authority as spelt out under section 31 of the Act are:

- a. to perform the following;
 - i. to issue, renew, vary and cancel air service licences;
 - ii. to establish standards for regulated goods and regulated services;
 - iii. to establish standards for the terms and conditions of supply of the regulated goods and services;
 - iv. to regulate rates and charges;
 - v. to make rules for carrying out the purposes and provisions of this Act;
- b. to monitor the performance of the regulated suppliers including in relation to –
 - i. levels of investment;
 - ii. availability, quality and standards of services;
 - iii. the cost of services;
 - iv. the efficiency of production and distribution of services, and
 - v. other matters relevant to the Authority;
- c. to facilitate the resolution of complaints and disputes;
- d. to take over and continue carrying out the functions formerly of the former Authority;
- e. to disseminate information about matters relevant to the functions of the Authority;
- f. to consult with other regulatory authorities or bodies or institutions discharging functions similar
- g. to those of the Authority in the united Republic and elsewhere;
- h. plan, develop, regulate and promote operations of a safe, secure and efficient civil aviation system;
- i. conduct safety, security and economic oversight of the aviation industry;
- j. establish and implement the state safety programme;
- k. establish an acceptable level of safety;
- l. advice the Government on matters concerning civil aviation;
- m. coordinate search and rescue operations of aircraft;
- n. deal with acts of unlawful interference;
- o. establish, manage and operate training institutions for the industry;
- p. plan, develop and formulate the safe, secure and efficient management of Tanzanian airspace; and
- q. perform such other functions as may be conferred on the Authority by this Act or any other law.

1.1 OBJECTIVES OF THE REPORT

This Annual Report for 2019/20 fulfils the following objectives:

- a. to comply to the requirements of Section 49 of Act;
- b. to inform stakeholders and the general public on the Authority's performance in regulation of air transport services, aeronautical airport services (airside airport operations, ground handling, in-flight catering and aviation fuelling) and air navigation services sectors;
- c. to educate stakeholders of regulated sectors and the general public on regulatory matters; and
- d. to provide a source of reliable information on the regulated sectors.

1.2 BOARD AND MANAGEMENT STRUCTURE

1.2.1 Board of Directors

The Board of Directors governs the Authority and is the highest decision-making organ established under section 32 of the Act. The Board consists of the non-executive Chairman and Vice Chairman appointed by the President of the United Republic of Tanzania on the basis of the principle that where the Chairman hails from a part of the Union, then the Vice Chairman shall be a person who hails from the other part of the Union; four (4) non-executive members and the Director General, are appointed by the Minister responsible for Civil Aviation matters.

To fulfil its oversight responsibilities effectively, the Board meets at least four times in a year and has established three Committees to discharge its functions.

1.2.2 Management

The Director General is the Chief Executive Officer of the Organization in charge of day-to-day management issues. He is assisted by divisional directors and heads of units reporting to the Director General. The Director General is appointed under section 39 of the Act. The Director General oversees four (4) directorates namely: Safety Regulation, Economic Regulation, Air Navigation Services and Corporate Services. Other Units under the Director General are Legal Services, Planning, Monitoring and Evaluation Unit, Procurement Management unit, Information and Technology unit, Quality Assurance Management unit, Public Information unit, Internal Audit unit and international affairs unit all headed by Managers except Legal Affairs Unit which is headed by Director. Moreover, the Authority manages the Civil Aviation Training Centre headed by a principal who also reports to the Director General.

1.3 VISION, MISSION AND CORE VALUES

1.3.1 Vision

The civil aviation system in Tanzania to be amongst the safest, most orderly and sustainable in the world.

1.3.2 Mission

To ensure safety, security and regularity of civil aviation in Tanzania by providing effective oversight and efficient air navigation services while maintaining quality, protecting the environment and safeguarding the interest of consumers and the public

Motto

Aviation Safety and Efficiency. Our Commitment. In partnership

1.3.3 Values

- Teamwork
- Accountability and Efficiency
- Customer focused
- Transparency
- Integrity and Professionalism
- Commitment

2.0 OPERATIONAL PERFORMANCE

During the Financial Year 2019/20 the overall performance of the Authority was satisfactory in the sense that most of the service delivery targets were achieved. The Authority continued to ensure that the safety, security and the regularity of air transport services within and from the United Republic of Tanzania are in compliance with the international requirements.

The performance of the Authority are measured against the set objectives and targets which are embodied in both the Strategic Plan and the Risk Register.

- i. Safe and Secure Aviation System Enhanced.
- ii. Air Transport Industry orderly developed.
- iii. Safe, Orderly and Expeditious Flow of Air Traffic Enhanced
- iv. Organizational Excellency Improved.

2.1 SAFETY AND SECURITY REGULATION

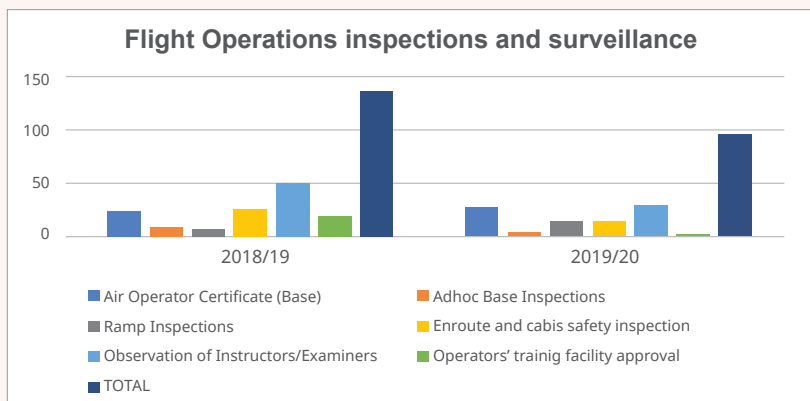
Various activities planned during the period aiming at implementation and enforcement of the Tanzania Civil Aviation Regulations (TCARs) 2006 to ensure a compliant industry were carried out. The following sections indicate performance in various specific areas:

2.1.1 Flight Operations Inspections and Surveillance

During the year the following flight operations and surveillance were conducted as per planned targets:-

Table 1: Flight Operations Inspections and Surveillance

S/N	Description	2018/19	2019/20
1	Air Operator Certificate (Base)	24	28
2	Ad hoc Base Inspections	9	5
3	Ramp Inspections	7	15
4	Enroute and cabin safety inspection	26	15
5	Observation of Instructors/Examiners	50	30
6	Operators' training facility approval	20	3
TOTAL		136	96



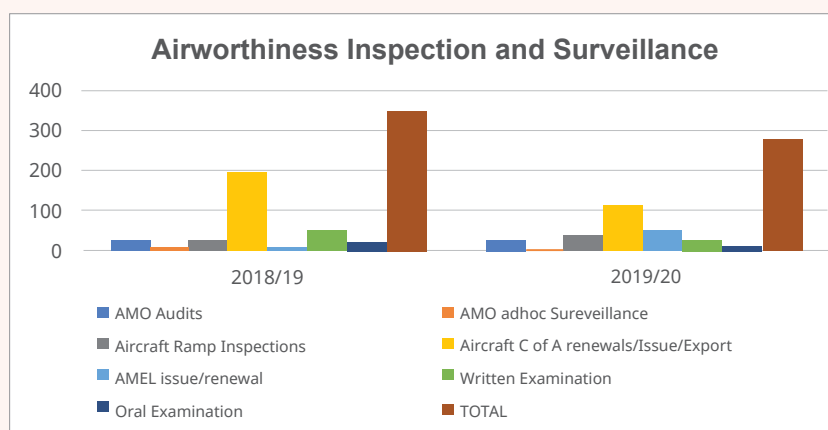
2.1.2 Airworthiness Inspection and Surveillance

During the year ended June 2020, 11 aircraft were registered and awarded Certificates of Airworthiness: Embraer 120 (2), Cessna 208 (4) and Ultra magic Balloons (5).

The following inspections were conducted as per the planned targets:-

Table 2: Airworthiness Inspection and Surveillance

S/N	Type	2018/19	2019/20
1	AMO Audits	29	26
2	AMO ad hoc Surveillance	8	5
3	Aircraft Ramp Inspections	26	39
4	Aircraft C of A renewals/Issue/Export	194	115
5	AMEL issue/renewal	10	49
6	Written Examination	53	27
7	Oral Examination	25	14
TOTAL		345	275



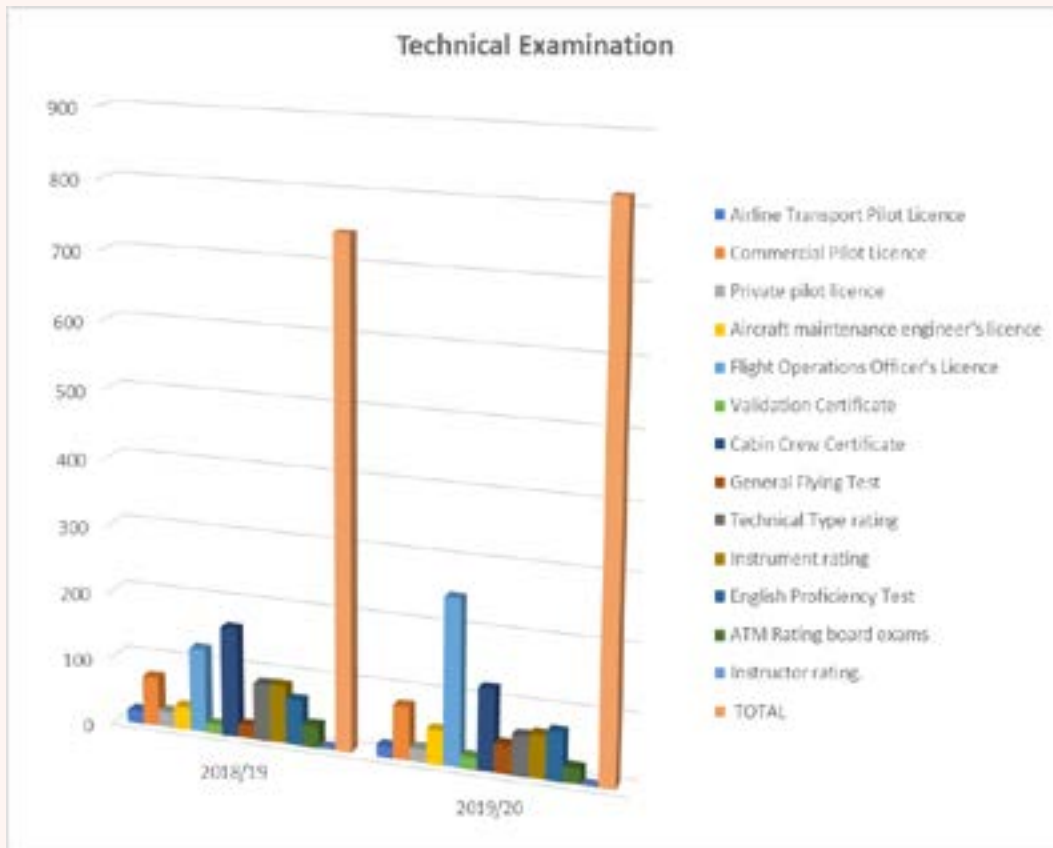
2.2 PERSONNEL LICENSING SECTION

2.2.1 Technical Examination

A total of 819 examinations were booked during the period of July, 2019 to June, 2020 compared to 745 examinations booked in the year ended June, 2019. These included written examinations together with various flying tests for granting, renewal, conversion, extension of licences and certificates.

Table 3: Technical Examination

S/N	TECHNICAL EXAMINATIONS	2018/19	2019/20
1	Airline Transport Pilot Licence	19	17
2	Commercial Pilot Licence	73	80
3	Private pilot licence	24	20
4	Aircraft maintenance engineer's licence	34	51
5	Flight Operations Officer's Licence	125	248
6	Validation Certificate	14	18
7	Cabin Crew Certificate	163	122
8	General Flying Test	19	43
9	Technical Type rating	85	60
10	Instrument rating	86	65
11	English Proficiency Test	68	72
12	ATM Rating board exams	33	23
13	Instructor rating.	2	0
TOTAL		745	819



2.2.2 Licences and Certificates Issued

A total of 626 licences including certificates were issued during the period July 2019 to June 2020.

Table 4: Licences and Certificates issued

S/N	LICENCES AND CERTIFICATE ISSUED	2018/19	2019/20
1	Airline Transport Pilot Licence	21	4
2	Commercial Pilot Licence	62	28
3	Private pilot licence	19	11
4	Student pilot licence	22	36
5	Aircraft maintenance engineer's licence	5	12
6	Flight Operations Officer's Licence	109	27
7	Validation Certificate	14	18
8	Cabin crew certificate	128	109
9	ATC Licence	0	23
10	Instructor rating	2	0
11	Avsec Screener Certificate	29	358
TOTAL		411	626

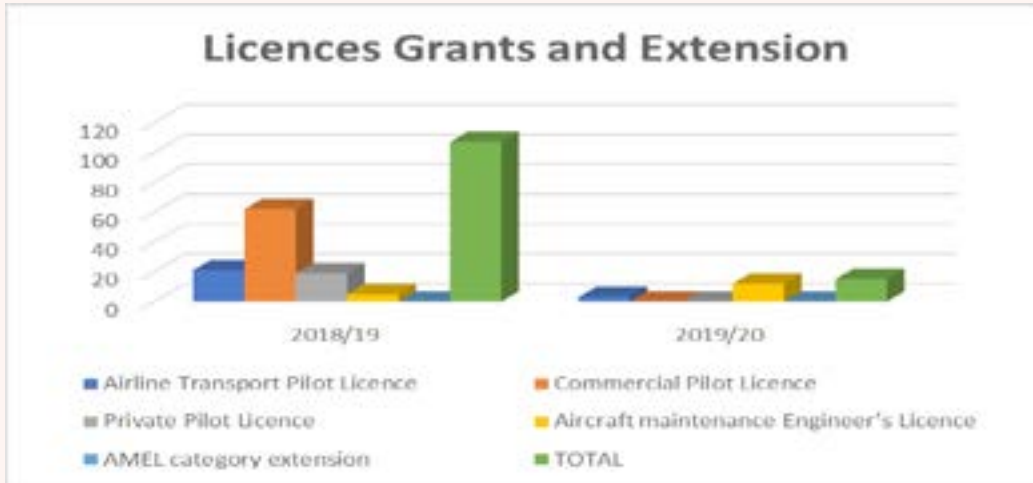


2.2.3 Licences and Extension

A total of 15 licences were issued and renewed during the period July 2019 to June 2020.

Table 5: Licence granted/renewed during 2019/20

S/N	Description	2018/19	2019/20
1	Airline Transport Pilot Licence	21	3
2	Commercial Pilot Licence	62	0
3	Private Pilot Licence	19	0
4	Aircraft maintenance Engineer's Licence	5	12
5	AMEL category extension	0	0
TOTAL		107	15



2.2.4 Renewals

A total of 1299 licences including certificates and ratings were renewed during the period of July 2019 to June 2020.

Table 6: Licences /Certificates /Ratings

S/N	Description	2018/19	2019/20
1	Airlines Transport Pilot Licence	300	190
2	Commercial Pilot Licence	425	315
3	Private Pilot Licence	4	20
4	Aircraft maintenance engineer's licence	10	40
5	Flight operations officer's licence	24	80
6	Cabin Crew Certificates	51	192
7	Flight Instructor Licence	2	5
8	Validation certificate	2	4
9	Avsec screener certificate	186	358
10	Air Traffic Control Licence	11	83
11	Student Traffic Control Licence	22	12
TOTAL		1037	1299



2.2.5 Endorsements

A total of 323 endorsements were made on various licences and certificates during the period of July 2019 to June 2020 compared to a total of 262 endorsements in 2018/19.

Table 7: Endorsement

S/N	Description	2018/19	2019/20
1	Instrument Rating	70	150
2	Technical Type Rating	85	95
3	Instructor Rating	39	6
4	ELP	68	72
TOTAL		262	323



2.2.6 Accidents and Incidents

During the year ended 30 June, 2020 the Authority continued to ensure that the industry remains comparatively safe all the time. At the end of the year there were 3 accidents and 8 incidents compared to 8 incidents and 2 accidents that occurred in 2018/19.

Table 9: Accidents and Incidents

S/N	Type	2018/19	2019/20
1	Accidents	2	3
2	Incidents	8	8
TOTAL		10	11



3.0 AVIATION SECURITY SECTION

The AVSEC Unit continued with its core functions to ensure safe and secure aviation systems in the United Republic of Tanzania and beyond. This was achieved by establishing, implementing and ensuring effectiveness of base line security measures intended to mitigate and prevent acts of unlawful interference with civil aviation. As a result, in the year 2019/2020 there were no acts of unlawful interference recorded.

3.1 REVIEW OF AVSEC NATIONAL DOCUMENTS (TGMs)

The review of Aviation Security documents was made with a view incorporating amendments 16 and 17 of the ICAO Annex 17 and amendment 26 of Annex 9 into the Security Regulation. Moreover this was to respond to the requirement of regulation 9(4) of the Civil Aviation (Security) Regulation, 2018 which requires annual amendments to all AVSEC national documents.

Apart from Civil Aviation Security Regulations 2018, all TGMs have been approved and distributed to relevant operators for their implementation. These include:

- a. National Civil Aviation Security Programme (NCASP),
- b. National Civil Aviation Security Quality Control Programme (NCASQCP),
- c. National Civil Aviation Security Training Programme (NCSTP),
- d. National Civil Aviation Security Inspectors Manual (ASIM)

The ASIM is guidance to Inspectors and is not shared to Operators.

3.2 ICAO USAP CMA AUDIT PROGRESS:

The current compliance status to USAP CMA Audit findings indicates 80% has been achieved. The draft Corrective Action Plan (CAPs) has been shared to ICAO Regional Office in Nairobi for review. The CAPs have been submitted to ICAO Headquarters for arrangement of ICAO Validation Mission (ICVM) to Tanzania.

3.2.1 Review and approval of operator's documents

The following operator security programmes were reviewed and approved in the year 2019/2020; Table 10 indicates data for 2018/19 for comparison.:

Table 10: Review and approval of operator's documents

S/N	OPERATOR	2018/19	2019/20
1	Airport Security Programmes	10	05
2	Airline Security programme	10	08
3	Regulated agent/ground handling Security Programme	08	07
4	Catering Security Programme	02	01
TOTAL		30	21



Stakeholders have been required to comply with the Regulation and the National Civil Aviation Security Programme by making sure they bring their security programme for review as required. A total of 48 security programmes were submitted but only 21 met minimum requirements and were approved. However, 27 were returned to the respective operators for improvement.

3.2.2 Aviation Security Oversight Activities

These are functions which ensure the effective implementation of security-related SARPs and associated procedures contained in the Annexes to the Chicago Convention (primarily Annex 17, including the security-related provisions of Annex 9) and related ICAO documents. It also ensures the national aviation industry provides security levels equal to, or better than those defined by the SARPs.

These oversights involve the audits, follow up, inspections and tests of aviation security measures of airports, aircrafts, catering, handling agents and regulated agent's security operations.

Table 11. AVSEC Oversight Activities

S/N	Oversight Activities	2018/19	2019/2020
1	Audits	19	09
2	Inspections	15	34
3	Tests	2	08
4	Follow up	10	05
TOTAL		46	56

The number of oversights vary each year due to a combination of factors: these include the risk assessment conducted, compliance history of the operators and staff level of Aviation Security Staff. Oversight helps operators to identify security deficiencies. In carrying out oversight, challenges arise due to, for instance, late submission of corrective action plan (CAPs) by operators or submissions made on time but are not properly implemented.

Three (3) National Civil Aviation Security Committee Meetings (NCASC) were conducted and they were conducted as follows; 40th NCASC in Mwanza, 41st in Iringa and 42nd in Mpanda.

3.2.3 Certification/Recertification of AVSEC Screeners:

The Aviation Security Unit certified/recertified a total of 358 AVSEC screeners in 2019/20 compared to 226 AVSEC screeners in 2018/19 . The certified/recertified screeners records is as follows:

Table 12: Certification/Recertification of AVSEC Screeners

S/N		2018/19	2019/20
1	Tanzania Airports Authority -Regional Airports	62	60
2	Julius Nyerere International Airport	42	197
3	Zanzibar Airport Authority	48	10
4	Pemba Airport	0	12
5	Kilimanjaro Airports Development Company	44	17
6	Air Tanzania Company Limited	0	17
7	Fastjet	1	00
8	Precision Air	8	02
9	NAS Dar Airco	0	05
10	Swissport	1	00
11	G4S Security Solution	0	00
12	KK Security Company	0	00
13	United Aviation Services	1	04
14	Tanzania National Parks	0	10
15	Everret	4	00
16	Geita Gold Mining	6	00
17	Zanzibar Aviation Services and Travel Trade	9	00
18	VIKOSI Zanzibar Airport Authority	0	24
Total		226	358

3.3 AERODROMES INSPECTORATE

The Aerodromes inspectorate continued to conduct its traditional safety oversight activities including, development of Aerodrome Standards and Technical Guidance documents, Certification, Licensing and Registration Approval of aerodromes, continuous surveillance of aerodromes, evaluation of obstacles, evaluation of aerodrome designs, conducting sensitization workshops and seminars and resolution of safety issues. In addition, the AGA section reviewed the findings and recommendations from the USOAP CMA CSA Audit which was conducted by ICAO in April 2017.

Preparation, implementation and review of corrective action plans (CAPs) were initiated during the FY 2017/2018 and continued in the FY 2018/2019. The Aerodrome section is implementing a project to update the aerodrome inventory and re-categorize some aerodromes to include aerodromes in Category E. The project goal is to achieve 100% compliance to aerodrome Certification, Licensing and Registration Approval requirements by the end of FY 2020/2021.

In addition, the Aerodromes Section continued with implementation of the State Safety Programme (SSP) by reconstituting the team, development of the new set of SMS regulations to incorporate Amendment 2 to the Annex 19 SARPs, and review of the gap analysis and implementation plan. In summary, the activities that were conducted are as tabulated below:

Table 13: Aerodrome Certification

S/N	Aerodrome ID	Description
1	Julius Nyerere International Airport	Certified until February, 2021
2	Aman Abeid Karume International Airport	Certified until September, 2020
3	Kilimanjaro International Airport	Certified until June 2021

Table 14: Aerodrome Licensing

S/N	Aerodrome Group/Activity	Description
1	Licensing of TAA aerodromes	20 aerodromes
2	Licensing of Private aerodromes	40 aerodromes
3	Approval to construct new aerodromes/helipads	3 aerodromes (Msalato, Kigunda & Geita)
4	Licensing of TANAPA aerodromes	40 aerodromes
5	Approval of projects on existing aerodromes	Iringa, Kigoma, Arusha, Mtwara, Songea, JNIA TB3, Dodoma, Pemba, AAKIA, Seronera, Mwanza, Saadani,

Table 15: Continuous Surveillance of Aerodromes

S/N	Aerodrome Group/Activity	Description
1	Private aerodromes	3 aerodromes (Matipwili, Ras Kutani and Tango One helipad)
2	TAA, ZAA, KADCO and TANAPA aerodromes	Aerodromes including JNIA, KIA, AAKIA, Pemba, Mwanza, Dodoma, Tanga, Arusha, Moshi, Lake Manyara, Tabora, Kigoma, Songwe, Bukoba, Seronera, Shinyanga, Musoma, Sumbawanga, Iringa, Njombe, Mtwara and Songea
3	Review of Operators' Aerodrome Manuals (Aerodrome Manual, SMS Manual and Aerodrome Emergency Planning Manual)	18 Manuals for AAKIA, JNIA, KIA, Nachingwea, Lindi, Kilwa-Masoko, Mpanda, Lake Manyara, Kigoma, Tabora, Mtwara, Shinyanga, Musoma, Bukoba, Mwanza, Mafia, Iringa, Kahama, Songwe, Sumbawanga and Dodoma were reviewed.

Table 16: Evaluation of Obstacles

S/N	Mobile Operator	Description
1	HELIOS/TIGO	78 masts evaluated
2	AIRTEL	05 masts evaluated
3	WIND FARMS	03 Wind farms evaluated
4	TANESCO	Four power transmission projects evaluated
5	OTHERS	04 Masts evaluated

Table 17: Development and Review of Regulations and Technical Guidance Material

S/N	Document action	Status of Review or development
1	Inclusion of amendment 13 and 14 of the ICAO Annex 14 SARPS in the Civil Aviation (Aerodromes) Regulations 2017	Reviewed draft is ready
2	Review of Advisory Circulars	100% Reviewed
3	Review of Orders	100% Reviewed
4	Review of Industry guideline manuals	100% Reviewed
5	Issuance of AIC on Helicopter Operations over Congested Areas and Off Airport	100% done
6	Customization of CASSOA Technical Guidance Materials	100% done

Table 18: Conduct of Industry Sensitization Seminar

S/N	Theme of Seminar	Location	Type of Stakeholders
1	Workshop on Aerodrome Certification, Licensing and Registration approval.	Dar es Salaam	Aerodrome operators, Licensed Air Operators and other stakeholders.
2	Workshop on New Global Reporting Format (GRF) for Runway Surface Condition.	Dar es Salaam and Zanzibar	Aerodrome operators, Licensed Air Operators and other stakeholders.
3	Safety Management System	JNIA	JNIA Compliance team.
4	Aerodrome Planning, Operations and Maintenance Workshop.	Arusha	TANAPA
5	Global Aviation Safety Plan (GASP)	Dar es Salaam	Aerodrome operators, Licensed Air Operators and other stakeholders.
6	COVID-19	Dar es Salaam	Aerodrome operators, Licensed Air Operators and other stakeholders.

3.4 AIR NAVIGATION SERVICES INSPECTORATE

The section is responsible for the preparation of specific operating regulations and technical standards, development of the safety oversight mechanism, determination of requirements for technical personnel qualification and training, provision of technical guidance and safety critical information to service providers, conduct surveillance of air navigation service providers and resolution of safety concerns in the ANS domain.

The role of the section is three-fold:

1. Development and maintenance of regulations and associated technical standards and supporting documentation relating to Air Navigation Services;
2. Managing the regulatory approval process for Air Navigation Service providers, and maintenance of re-approval/re-certification processes; and
3. Continuous surveillance of the Air Navigation Service providers to ensure compliance with safety regulations and standards.

In summary, the activities that have been conducted are as tabulated below:

Table 20: Type of Inspections and Surveillances

S/N	Type of Inspections and Surveillances	Years			
		2018/19		2019/20	
		Planned	Actual	Planned	Actual
1	Routine Audits for				
2	-AIM and Charts	16	15	15	15
3	-ATM	16	15	15	15
4	-CNS	16	15	15	15
5	-SAR	14	12	14	14
6	-MET	16	14	16	16
7	-PANS-OPS	2	2	2	1
8	-SMS	4	0	14	12
9	Ad-hoc audits	40	40	40	28

A. Safety Audit of CNS Facilities

S/N	Activity	Stations	Number
1	Routine audits	JNIA, Abeid Aman Karume International Airport (AAKIA), KIA, Arusha, Pemba, Tanga, Mtwara, Songwe, Iringa, Mwanza, Songea, Dodoma, Kigoma, Tabora and Bukoba.	15
2	Ad hoc audits	JNIA, KIA, Arusha, Mwanza, AAKIA, Dodoma and Songwe.	7
4	Safety assessment	JNIA, Abeid Aman Karume International Airport (AAKIA), KIA, Arusha, Mtwara, Songwe, Iringa, Mwanza, Songea, Dodoma, Mafia and Shinyanga.	12

B. Safety oversight of ATM

S/N	Activity	Stations	Number
1	Routine audits	JNIA, AAKIA, KIA, Arusha, Pemba, Tanga, Mtwara, Songwe, Dodoma, Mwanza, Songea, Iringa and Tabora Kigoma.	14
2	Ad hoc audits	JNIA, KIA, Arusha, Mwanza, Dodoma, Arusha, Songwe and Mtwara	8
3	Safety assessment	JNIA, Abeid Aman Karume International Airport (AAKIA), KIA, Arusha, Mtwara, Songwe, Iringa, Mwanza, Songea, Dodoma, Mafia and Shinyanga.	12

C. Safety oversight of AIM

S/N	Activity	Stations	Number
1	Routine audits	JNIA, AAKIA, KIA, Arusha, Pemba, Tanga, Mtwara, Songwe, Dodoma, Mwanza, Songea, Iringa, Tabora, Kigoma, Aeronautical Charts	16
2	Ad hoc audits	JNIA, KIA, Arusha, Mwanza, Dodoma, Arusha, Songwe and Mtwara	8
3	Safety assessment	JNIA, Abeid Aman Karume International Airport (AAKIA), KIA, Arusha, Mtwara, Songwe, Iringa, Mwanza, Songea, Dodoma, Mafia, and Shinyanga	12
4	Instrument Procedure designers audits	ANS - HQ	1

D. Safety Oversight of MET

S/N	Activity	Stations	Number
1	Routine audits	JNIA, AAKIA KIA, Arusha, Pemba, Tanga, Mtwara, Songwe, Dodoma, Mwanza, Songea, Iringa, Tabora, Kigoma, Musoma and Bukoba	15
2	Ad hoc audits	JNIA, KIA, Mwanza, Dodoma, Arusha and Songwe.	5

E. Safety Oversight of SAR

S/N	Activity	Stations	Number
1	Routine audits	JNIA, AAKIA, Pemba, KIA Arusha, Tanga, Mtwara, Songwe, Dodoma, Mwanza, Songea, Iringa, Kigoma and Tabora.	14

F. SMS Audits

S/N	Activity	Stations	Number
1	Routine	AAKIA, KIA, Arusha, Mwanza and Songwe.	5

G. Certification of Air Navigation Facilities Certificates Issued

S/N	Planned	Actual	Stations
1	15 Air Navigation Facilities	0	NIL

H. Approval of Procedures and Facilities

S/N	Activities	Planned	Actual
1	Radar Systems	4	3
2	Aeronautical Charts	10	0
3	ILS	1	0
4	Instrument Flight procedures	16	1
5	Manual of Operations	5	0

I. Environmental Impact Assessment for ANS Projects

S/N	Planned	Actual	Stations
1	KIA- Radar Songwe - Radar	2	KIA & Songwe

Development and Amendment of Regulations

Sensitization for New regulations emanating from Annexes 2, 3, 4, 5, 10,11, 12, 15,16 were conducted and awaiting promulgation.

4.0 DIRECTORATE OF ECONOMIC REGULATION

4.1 AIR TRANSPORT REGULATION

The Civil Aviation (Ground Handling Services) Regulations, 2012 is still under review. The review process including the Stakeholders Meeting is expected to be completed during the FY 2020/21. The draft Civil Aviation (Facilitation) Regulations has been submitted to the Ministry for further processes.

4.2 LICENSING OF AIR AND GROUND HANDLING SERVICES

During the year the Board held two (2) Licensing Board Meeting (in 2019/20) and considered a total of 24 and 15 applications for air and ground handling services respectively, as detailed in the tables 21 and 22 below: Status of licensing of air services operators in 2018/19 vs 2019/20.

Table 21: Status of Licensing of Air Services Operators in 2018/20 Vs 2019/20

S/N		2018/19		2019/20	
		Approved	Disapproved	Approved	Disapproved
1	New Applications	5	1	4	1
2	Applications for renewal/variations	14	0	19	0
Total		19	1	23	1

Table 22: Status of Licensing of Ground Handling Services Operators in 2018/20 Vs 2019/20

S/N		2018/19		2019/20	
		Approved	Disapproved	Approved	Disapproved
1	New Applications	2	1	6	1
2	Applications for renewal/variations	19	2	8	0
	TOTAL	21	3	14	1

Table 23: Bilateral Air Services Agreements (BASAs) for 2018/19 and 2019/20

S/No.		Year	Country	Date
1	New BASAs negotiated		Mauritius, Rwanda Spain	December 2019 December 2019 December 2019
2	BASA reviewed		Zambia Turkey Oman Sri-Lanka United Kingdom Zimbabwe Ethiopia South Africa Jordan.	December 2019 December 2019 December 2019 December 2019 December 2019 December 2019 December 2019 December 2019 December 2019

4.3 COORDINATION OF FACILITATION OF AIR TRANSPORT

During the period under review, two National Air Transport Facilitation (National FAL) Committee meetings and two East African consultations (East African FAL) meetings on air transport were held.

The 44th and 45th National FAL meetings were held in Kilimanjaro and Bukoba respectively. Similarly, the 44th East African FAL meeting was held in Bujumbura, Burundi.

4.4 STATISTICAL REPORTS

The four (4) quarterly statistics reports were issued in August, 2019; November, 2019; February, 2020 and May, 2020 respectively.

4.5 TRAFFIC PERFORMANCE

During the year international aircraft movements decreased by 19.57% from 45,470 in 2018/19 to 36,569 in 2019/20. International passengers decreased to 2,090,806 from 2,441,250 passengers recorded in the previous year, which is a 14.35% decrease. During the year some international airlines decreased their frequencies and some stopped their operations due to the outbreak of COVID-19 which led to closure of airspace by some countries. Tanzania closed its airspace for a period of one month and seven days. As a result, the number of tourists declined along with the drop in air traffic.

International cargo handled had a slight decline of 2.4% - from 21,581.81 tons in 2018/19 to 21,063.7 tons in 2019/20. The decrease in exportation of perishable products to international markets as well as the outbreak of COVID 19 contributed to this decline.

Domestic aircraft movements dropped by 18.75%, from 187,838 movements in 2018/19 to 152,614 movements in 2019/20. Moreover, the corresponding domestic passengers recorded a 10.25% decrease from 2,862,420 passengers in 2018/19 to 2,568,971 passengers in 2019/20.

Domestic cargo increased from 2,807.87 tons in 2018/19 to 3,108.4 tons in 2019/20, equivalent to a 10.7% increase. Overall traffic performance of the industry recorded a decrease of 18.9% in aircraft movements, from 233,308 in 2018/19 to 189,183 movements in 2019/20. Overall passenger traffic decreased from 5,303,670 passengers in 2018/19 to 4,659,777 passengers in 2019/20, equivalent to 12.14% decrease. Overall cargo recorded a 0.89% decrease, from 24,389.68 tons in 2018/19 to 24,172.2 tons in 2019/20.

Table 24: Traffic performance (FY2018/19 – FY2019/20)

S/N	Indicator	Category	2018/19	2019/20
1	Aircraft Movement	Domestic	187,838	152,614
		International	45,470	36,569
		TOTAL	233,308	189,183
2	Passenger Traffic	Domestic	2,862,420	2,568,971
		International	2,441,250	2,090,806
		TOTAL	5,303,670	4,659,777
3	Cargo (Tons)	Domestic	2,807.87	3,108.4
		International	21,581.81	21,063.7
		TOTAL	24,389.68	24,172.2

5.0 DIRECTORATE OF AIR NAVIGATION SERVICES

During this period, the performance of the Department, measured against set targets was satisfactory. Specifically, the following were the performance levels in the various objectives and targets: -

5.1 AIR NAVIGATION SERVICES

The Authority continued to provide air navigation services in Tanzania, including air traffic services at the airspace above 24,500 feet over the territories of Burundi and Rwanda, satisfactorily. Operation and maintenance of communication, navigation and surveillance facilities in the Tanzania were carried out satisfactorily and in accordance with the Africa-Indian Ocean (AFI) Air Navigational Plan and ICAO SARPS. The service targets levels reached by the Department in the specific areas are as per the following:

5.2 AIR TRAFFIC INCIDENTS

During the financial year 2019/20, a total of four (4) air traffic incidents were reported out of 100817 movements provided with air traffic services by the Area Control Centre (ACC), giving a rate of 0.59 incidents per 10,000 aircraft movements. The rate achieved is below the planned reduction to 0.61 for the period

5.3 AIR TRAFFIC SERVICES

Air Traffic services continued to be provided at fourteen (14) TCAA manned stations and at Area Control Centre (ACC). ACC, Julius Nyerere International Airport, Kilimanjaro International Airport, AAKIA and Mwanza airport provided the services on 24-hour basis. The remaining 10 airports provided the services during daytime. Within Dar es Salaam Terminal Control Area (TMA) the Authority provided Approach Radar control services on 24-hour basis. With effect from 19 October 2019 provision of Approach Radar control services commenced within Kilimanjaro TMA on 24-hour basis. In addition, Area Radar service for enroute air traffic within the Eastern sector continued to be provided on 24hours basis.

5.4 AVAILABILITY OF NEW CNS FACILITIES

Calibration and flight check for NAVAIDS and PAPI was conducted. The following installations were carried out as follows: Instrument Landing System (ILS) at AAKIA (Zanzibar), installation of Radar equipment and Top Sky-ATM system at JNIA and KIA and installation of CNS facilities at new Mwanza control tower.

5.5 OPERATION OF FACILITIES AT OPTIMUM LEVEL

All the facilities were maintained on a regular basis as scheduled. The availability of spare parts improved and average equipment serviceability of 97% was attained. The detailed serviceability of different facilities was as follows:

- Navigation Aids operated with serviceability level of 94%;
- Surveillance equipment operated at serviceability level of 99%;
- Serviceability of the VHF Area Cover averaged at 98% during the year;
- Serviceability of the VHF station radios was 98%;
- Serviceability of the ATS DS link was 97%; and
- With regard to the Aeronautical Fixed Telecommunication Network, serviceability of the equipment for the year was 98% for the international circuits and 97% for the domestic circuits.

5.6 AERONAUTICAL INFORMATION MANAGEMENT

The responsibility of the Aeronautical Information Management (AIM) is to ensure that aeronautical data and aeronautical information necessary for the safety, regularity and efficiency of air navigation are made available in a form suitable for the operational requirements of the air traffic management (ATM) community.

Currently, Tanzania is undergoing transformation from AIS to AIM by implementing ICAO transition road map from AIS to AIM which has three (3) phases and twenty (21) one steps/activities. To implement the transition from AIS to AIM and ICAO ASBU Block 0 and 1, TCAA is procuring a new AIM System with main functional components being AIXM 5.X database, e-Charts, eAIP, e-TOD, Aerodrome Mapping Database, Digital NOTAM, Flight Planning Management, AIM Web Portal for provision of online services and a tool for submission of raw data from data originators and integration with Instrument Flight Procedures Design system.

After implementation of the above system, AIM Tanzania is expected to provide quality assured digital aeronautical data necessary for Area Navigation (RNAV), Performance Based Navigation (PBN), Computer-based system, Performance Based Communication (PCB), Performance Based Surveillance (PBS), data link systems and Satellites Voice Communication Systems (SATVOICE).

The Aeronautical Information Management (AIM) section provides services at 14 domestic airports which are connected to Global networks with Aeronautical Fixed Telecommunication Network/Air Traffic Services Message Handling Systems (AFTN/AMHS) to ensure provision of Notice to Air Men (NOTAM), Flight Plan Management, Pre-Flight Information Bulletin/Daily NOTAM Summary at Julius Nyerere International Airport (JNIA), Abeid Amani Karume International Airport (AAKIA), Kilimanjaro International Airport (KIA), Mwanza, Arusha, Dodoma, Kigoma, Pemba, Tabora, Tanga, Songwe, Iringa, Songea and Mtwara. The AIM section also provides Aeronautical Information Publications (AIP), AIP Supplements, Aeronautical Charts, Aeronautical Information Circulars (AIC) and Aerodrome Flight Information Services (AFIS) at Songea airport.

The international NOTAM Office handled 80,649 foreign NOTAM compared to 208,114 foreign NOTAM in the previous year (2018/19) which was a decrease of 61.25%. In addition to the above, 6,243 Aeronautical Pre-flight Bulletins (PIBs) were processed for Airlines and Privates Operators form JNIA, AAKIA and KIA compared to 7,735 issued in the year 2018/19.

Handling of the Flight Plans significantly decreased to 114,686 in the period of 2019/2020 country wide compared to 130,675 in the year 2018/19. Number of statistics significantly decreased due to the outbreak of COVID – 19 which led to suspension of aircraft operations to and from the United Republic of Tanzania Airspace.

5.7 AERONAUTICAL INFORMATION PUBLICATIONS

Issuing of amendment services to Aeronautical Information Publication (AIP) continued with adherence to Aeronautical Information and Regulation and Control (AIRAC) system resulting issuing of 3 amendments including AIP supplements.

Other targets achieved with regard to AIM section are as follows:

1. Preparation and production of aerodrome layout chart of Julius Nyerere International, Mpanda, and Moshi airports.
2. Preparation and production of Ground Movement and Parking & Docking Charts of Julius Nyerere International Airport terminal two and three
3. Review of En-routes charts within the Dar es Salaam Flight information Region done to reflect new changes of the ICAO -Five Letter Name Code (5LNC) designation
4. Preparation of Mwanza Terminal Control Area (TMA) Chart
5. Visual Approach Charts for Songwe and Mpanda
6. Preparation of Technical Specification of New AIM System
7. Update and Audit of stations technical documents at Mtwara, Songwe, Iringa, Kilimanjaro, Arusha, Zanzibar, Tanga and Mwanza.

8. Review of Tanzania Aeronautical Information Publication (AIP) with regard to amendment of Tanzania Civil Aviation Regulations (TCARs).
9. Conducted proficiency checks at Tanga, Kilimanjaro, Iringa and Songwe.
10. Conducted WGS – 84 Survey at Kahama, Shinyanga and Mwanza.
11. Data verification at Tanga and Dodoma Airports
12. Acquisition of new location indicators for Mchauru (HTRU) and North Mara (HTNM) Airports.
13. Preparation of National Transition from AIS to AIM Road Map.
14. Review of MANSOPS Part III to comply with Tanzania Civil Aviation Regulations (TCARs).

5.8 AERONAUTICAL FIXED SERVICES

The domestic AFS messages handled were 7,657,981 in 2019/20 compared to 7,149,477 messages handled in the previous year 2018/19.

AIM staff trained in various professional courses as follows: –

Table 25 AIM staff trained in various professional courses

NR	COURSE TITLE	2018/19	2019/20
1	On Job Training – Instructor	6	2
2	AICM/AIXM 5.1- Advanced	0	0
3	e-AIP	0	2
4	Quality Control	1	0
5	Aeronautical Data Quality	2	1
6	Management of Aviation Quality and Service	0	0
7	Pre-Basic PANS OPS	6	0
8	AMHS Operations	3	3
9	NOTAM Management	6	4
10	AIM Automation system	9	9
11	Advanced Digital Cartography	0	3
12	PANS OPS Instrument Procedure design	0	0
13	Human Factor in Aviation	0	0
14	Advanced Aeronautical Communication Operations	0	0
15	AIS Supervisory Management	0	0
TOTAL		33	24

In the Financial Year 2019/20, 24 AIM staff trained in various technical disciplines related to AIM as shown in the table above; a decrease of 27.27%. The decrease was due to the outbreak of COVID - 19.

5.9 PROFICIENCY AND ADEQUACY OF STAFF

During the financial year 2019/20 ANS members of staff were trained in various professional courses as per approved training programme.

In the ATM section, eight (8) ATMOs were trained on Approach Control procedural, five (5) ATMOs on Basic Safety Management System and three (3) ATMOs were trained as On Job Training Instructor. Thirty-five (35) ATMOs attended on job training at different stations followed by Rating Board examinations. In

addition, seventy-eight (78) ATMOs at JNIA, KIA, AAKIA and Arusha airport were trained on operations of ATM automation system (Topsky).

In CNS section 5 newly recruited staff were trained on initial competency base training, 21 on radar equipment, 8 on VHF main, 10 on Topsky, six (6) on DVOR maintenance, seven (7) staff attended Thales ILS Factory training, 8 on Integrated safety management system and 8 in operational professional courses. Proficiency checks were conducted to 2 maintenance engineers on installation operations and record keeping.

5.10 SEARCH AND RESCUE

Every State recognizes the great importance of saving lives and the need to be directly involved in rendering aeronautical and maritime search and rescue (SAR) services to persons in distress.

Search and Rescue function (Unit) continued to perform its task of ensuring that the above responsibility is accomplished. Apart from routine activities the function (Unit) accomplished the task of making National Search and Rescue (SAR) plan which is harmonised with other East African States.

Regulation 19 of the Civil Aviation (Aeronautical Search and Rescue), 2017 Regulations directs that in order to achieve and maintain maximum efficiency in search and rescue, the designated search and rescue agency shall provide for regular training of its search and rescue personnel and arrange appropriate search and rescue exercises.

Due to that the Authority intends to conduct SAREX in order to evaluate performance and preparedness of all stakeholders involved in the SAR operations. Preliminary preparations for full Search and Rescue Exercise (SAREX) have been completed.

5.11 THE CIVIL AVIATION TRAINING CENTRE

In 2019/20 financial year, Civil Aviation Training Centre (CATC) continued offering aviation related training courses. The overall function of CATC is to offer aviation training to produce qualified aviation professionals to meet the current and future demand of aviation industry in Tanzania and elsewhere as per ICAO standards. A total of 53 different courses were conducted at the CATC premises and in outstations (Kilimanjaro, Mwanza and Zanzibar). The total numbers of students were 908 whereby 9 were international male students and 899 were local students (641 Male and 258 Female).

Table 26 shows the total number of students trained since 2016/2017 to 2019/20.

S/N	Financial year	Total students	Male	Female	International students	Local students	Total courses offered
1	2015/16	940	715	225	109	831	49
2	2016/17	466	310	156	20	446	37
3	2017/18	800	560	240	94	706	54
4	2018/19	1395	968	427	55	1340	80
5	2019/20	908	650	258	9	899	53

New courses developed.

A total of 9 new courses were developed, namely, Aviation laws, Search and Rescue, Safety Management System (SMS) Refresher, Crew Resource Management (CRM) Refresher, Dangerous Goods Regulations (DGR) Category six (CAT6), Approach Control Surveillance refresher and Performance-Based Navigation (PBN).

Review of Training Materials

A total of 10 courses were reviewed to incorporate new emerging technologies and recommendations from national and international regulatory bodies (ICAO, ISO9001:2015, CAAs and NACTE). The training materials reviewed were Principles of Flight and Aircraft Recognition (POF & A/C REC), Aviation Meteorology (AV. MET), Air Traffic Management - Aerodrome, Air Traffic Management-Approach, Air Traffic Management -Area, Aeronautical Information Management (AIM), Aerodrome and Ground Aids (AGA), Aeronautical Information Services Digital Cartography (AIS DIG. CART), Dangerous Good Regulations Category 8,9 & 10, and Flight Operations/Flight Dispatcher (FOO/FD).

Certification and Accreditation

Nationally the Centre has consistently been an Approved Training Organization by TCAA and is fully accredited by National Accreditation Council for Technical Education (NACTE).

Internationally, the Centre is an ICAO TRAINAIR PLUS Full member, ISO 9001-2015 certified, Council member of Association of African Aviation Training Organization (AATO) and member of Chartered Institute of Logistic and Transport, London.

6.0 DIRECTORATE OF CORPORATE SERVICES

The Authority continued to recruit new employees to fill vacant positions which arose due to resignation and retirement. During the period under review, a total of 63 new staff were recruited. As of 30 June, 2020, the Authority had a total number of 466 employees out of whom 320 were males and 146 were females.

During this period, the Authority continued to implement its training programme, where a total number of 88 individual staff trained in different short courses in and outside the country. The Authority also trained 84 staff in corporate courses in Culture change, Managerial skills, Ethics course, supervisory course, Life after retirement course and Induction course to newly recruited staff.

Best Presented Financial Statements Award

Tanzania Civil Aviation Authority (TCAA) has been named the 1st winner of the best presented financial statement for the year 2019/2020 in the government agencies category (user of IPSAS). The award was presented to TCAA at the award gala by the National Board of Accountants and Auditors Tanzania (NBAA) in Dar es Salaam.

LEGAL UNIT

During the period under review, the Unit continued with provision of legal advice to the Authority as well as vetting of draft procurement contracts.

6.1 PUBLIC INFORMATION

During the year, the Authority conducted a total of 15 press conferences held at TCAA offices for the purpose of communicating to the public on issues related to, regulated activities and air navigation services and issued a total six (6) Press Releases. TCAA also run actively social media on Facebook, Instagram, Twitter and YouTube whereby the contents are updated on weekly basis.

During the year, the Authority published 35 batches of various advertisements on Public Notices, Job Vacancies Adverts, Pre inspection monitoring and licensing notices and Tenders. The Authority also participated in two (2) exhibitions, where the Authority conducted public awareness, information and education activities where various publications such as brochures and Newsletter were distributed to the public, the Authority served more than 680 registered visitors at TCAA booth.

During the year under review, the Authority facilitated the distribution of TCAA's education and information materials to the Government and the general public through various events such as exhibitions, public inquiry meetings and in stakeholders' meetings. During the year, the Authority published various reports, namely, TCAA brochures and TCAA Newsletters.



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



**REPORT OF THE CONTROLLER AND AUDITOR GENERAL ON
THE FINANCIAL STATEMENTS OF TANZANIA CIVIL AVIATION
AUTHORITY FOR THE YEAR ENDED 30TH JUNE, 2020**

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March, 2021

AR/PA/ TCAA /2019/20

Mandate

The statutory mandate and responsibilities of the Controller and Auditor General are provided for under Article 143 of the Constitution of the URT of 1977 (as amended from time to time) and in Section 10 (1) of the Public Audit Act, 2008.

Vision

To be a highly regarded Institution that excels in Public Sector Auditing.

Mission

To provide high quality audit services that improves public sector performance, accountability and transparency in the management of public resources.

Core values

In providing quality services NAO is guided by the following Core Values:

Objectivity	We are an impartial organization, offering services to our clients in an objectives and unbiased manner.
Excellence	We are professionals providing high quality audit services based on standards and best practices.
Integrity	We observe and maintain high standards of ethical behaviour, rule of law and strong sense of purpose.
People focus	We value, respect and recognize interest of our stakeholders.
Innovation	We are a learning and creative public institution that promotes value added ideas within and outside the institution.
Results Oriented	We are an organization that focuses on achievement based on performance targets.
Team work spirit	We work together as a team, interact professionally, and share knowledge, ideas and experiences.

We do this by:

- ✓ Contributing to better stewardship of public funds by ensuring that our clients are accountable for the resources entrusted to them;
- ✓ Helping to improve the quality of public services by supporting innovation on the use of public resources;
- ✓ Providing technical advice to our clients on operational gaps in their operating systems;
- ✓ Systematically involve our clients in the audit process and audit cycles; and
- ✓ Providing audit staff with adequate working tools and facilities that promote independence.

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LIST OF ABBREVIATIONS

AAKIA	Abeid Aman Karume International Airport
AATO	Africa Aviation Training Organization
AC	Audit Committee
ADS-B	Automatic Dependent Surveillance Broadcast
Adv.	Advanced
ADM	Administrations
AFCAC	African Civil Aviation Commission
AGA	Aerodromes & Ground Aids
AIDS	Acquired Immune Deficiency Syndrome
AME	Aircraft Maintenance Engineer
AMEL	Aircraft Maintenance Engineer License
AMO	Approved Maintenance Organization
ANS	Air Navigation Services
AOC	Air Operator Certificates
ASBU	Aviation System Block Upgrades methodology
ATM	Air Traffic Management
ATO	Approved Training Organization
ATS DS	Air Traffic Services Direct Speech
AVSEC	Aviation Security
BA	Bachelor of Art
BASA	Bilateral Aviation Safety Agreement
BBA	Bachelor of Business Administration
BSC	Bachelor of Science
BOD	Board of Directors
BOT	Bank of Tanzania
BOQ	Bill of Quantities
CAG	Controller and Auditor General
CAM	Civil Aviation Manager
CANSO	Civil Air Navigation Service Organization
CATC	Civil Aviation Training Center
CASSOA	Civil Aviation Safety and Security Oversight Agency
CAP	Corrective Action Plan
CCC	Consumer Consultative Council
CCU	Consumer Complaint Unit
CGF	Consolidated Government Fund
CNS	Communications, Navigation and Surveillance
COVID-19	Corona Virus Disease 2019
CPA	Certified Public Accountant
CSP	Certified Supplies Officer
DANS	Director of Air Navigation Services
DCB	Dar es Salaam Community Bank
DCS	Directorate of Corporate Services

Dev.	Development
DER	Director of Economic Regulation
DG	Director General
DGM	Dangerous Goods Material
DIP	Diploma
DRC	Democratic Republic of Congo
DSR	Director of Safety Regulations
EAC	East African Community
EAC UFIR	Upper Flight Information System
ELP	English Language Proficiency
FAC	Finance and Administration Committee
FAL	Air Transport Facilitation meetings
FIR	Flight Information Region (FIR)
FYSP	Five Years Strategic Plan
GANP	Global Air Navigation Satellite System
GASR	Global Aviation Safety Roadmap
GePG	Government e-Payment Gateway
GPSA	Government Procurement Services Agency
HRM	Human Resources Manager
HIV	Human Immunodeficiency Virus
ICAO	International Civil Aviation Organization
ICAN	ICAO Air Services Negotiation
ICT	Information Communication Technology
ICVM	ICAO Compliance Validation Mission
ILS	Instrument Landing System
IPSAS	International Public Sector Accounting Standards
ISSAI	International Standard of Supreme Audit Institutions
ISO 9001	International Standard Organization
IT	Information Technology
ITP	ICAO Training Package
JNIA	Julius Nyerere International Airport
KADCO	Kilimanjaro Airports Development Company
KIA	Kilimanjaro International Airport
LLB	Bachelor of Law
LLM	Master's Degree of Law
MA	Master of Arts
MBA	Masters of Business Administration
MBA-IB	Masters of Business Administration in International Business
MET	Aeronautical Meteorological
MPA	Master of Public Administrations
Msc	Masters of Science
MTEF	Medium Term Expenditure Framework
NACTE	National Council of Technical Education
NAO	National Audit Office

NAVAIDS	Navigational Aids
NBAA	National Board of Accountants and Auditors
NBC	National Bank of Commerce
NCASC	National Civil Aviation Security Committee Meetings
NCASP	National Civil Aviation Security Programme
NCASQCP	National Civil Aviation Security Quality Control Programme
NCASTP	National Civil Aviation Security Training Programme
NEMC	National Environment Management Council
NDB	Non-Directional Beacons
NMB	National Microfinance Bank
SARPS	Standard and Recommended Practices
SMS	Safety Management System
SSP	State Safety Program
PAA	Public Audit Act
PAP	Precision Approach Procedures
PHD	Doctor of Philosophy
PGD	Postgraduate
Prof.	Professor
PMU	Procurement Management Unit
PSAT	Provision Site Acceptance Test
PSPTB	Procurement & Supplies Professionals and Technicians Board
QMS	Quality Management System
RTCE	Regional Training Centre of Excellence
STP	Standardized Training Packages
TAA	Tanzania Airport Authority
TANAPA	Tanzania National Parks
TCAA	Tanzania Civil Aviation Authority
TCARs	Temporary Computer Access and Retrieval System
TFDA	Tanzania Food and Drugs Authority
TGMs	Technical Guidance Materials
TIB	Tanzania Investment Bank
TUGHE	Tanzania Union of Government and Health Employees
TFTU	Tanzania Federation of Trade Unions
TMA	Tanzania Meteorological Agency
TRA	Tanzania Revenue Authority
TZS	Tanzanian Shillings
UNDP	United Nations Development Programme
USAP	Universal Security Audit Programme
USOAP	Universal Safety Oversight Audit Programme
VCT	Voluntary Counseling and Testing
VHF	Very High Frequencies
ZAA	Zanzibar Airport Authority

DIRECTORS' REPORT FOR THE YEAR ENDED 30TH JUNE, 2020

1.1 INTRODUCTION

The Directors are pleased to submit this report together with the audited financial statements for the year ended 30th June, 2020, which disclose the state of affairs of the Tanzania Civil Aviation Authority (TCAA).

1.2 ESTABLISHMENT

The Tanzania Civil Aviation Authority also referred to as "TCAA" or "the Authority" was established on 1 November 2003 as a corporate body, pursuant to the Tanzania Civil Aviation Authority Act 2003 (Act No. 10 of 2003) which has been consolidated with the Civil Aviation Act No. 13 of 1977 and now titled as the Civil Aviation Act (CAP 80) of 2006.

This Act mandates the Authority to regulate the activities of persons and institutions carrying out air services, aeronautical airport services and air navigation services as well as continue with the provision of navigation services.

1.3 DUTIES OF TCAA

The duties of the Authority according to Section 25 of the Act includes:

- a. Promoting effective competition and economic efficiency;
- b. Protecting the interest of consumers;
- c. Protecting the financial viability of efficient suppliers;
- d. Promoting the availability of regulated services to all consumers including low income, rural and disadvantaged consumers;
- e. Enhancing public knowledge, awareness and understanding of the regulated sectors including:-
 - i. The rights and obligations of consumers and related suppliers;
 - ii. The ways in which complaints and disputes may be instituted and resolved;
 - iii. The duties, functions and activities of the Authority;
- f. Taking into account the need to protect and preserve the environment.

1.4 PRINCIPAL FUNCTIONS OF THE AUTHORITY

The Principal function of the Authority as stipulated in the enabling legislation is to regulate Civil Aviation Industry and provide Air Navigation Services, specifically:

- a. To perform the following: -
 - i. To issue, renew, vary and cancel air service licences;
 - ii. To establish standards for regulated goods and regulated services;

- iii. To establish standards for the terms and conditions of supply of the regulated goods and services;
 - iv. To regulate rates and charges;
 - v. To make rules for carrying out the purposes and provisions of the TCAA Act;
- b. To monitor the performance of the regulated suppliers including in relation to:
- i. Levels of investment;
 - ii. Availability, quality and standards of services;
 - iii. The cost of services;
 - iv. The efficiency of production and distribution of services, and
 - v. Other matters relevant to the Authority;
- c. To facilitate the resolution of complaints and disputes;
- d. To take over and continue carrying out the functions of the former Authority;
- e. To disseminate information about matters relevant to the functions of the Authority;
- f. To consult with other regulatory authorities or bodies or institutions discharging functions similar to those of the Authority in the united Republic and elsewhere;
- g. To administer the TCAA Act;
- h. To perform such other functions as may be conferred on the Authority by the Act or any other law.

1.5 OBJECTIVES OF THE REPORT

This Annual Report for 2019/20 fulfils the following objectives:

- a. To comply to the requirements of Section 44 (1) of Civil Aviation Act 2003;
- b. To inform stakeholders and the general public on the Authority's performance in regulation of energy and water sectors;
- c. To educate stakeholders of regulated sectors and the general public on regulatory matters; and
- d. To provide a source of reliable information on the regulated sectors.

1.6 BOARD MEMBERS

The Board of Directors of TCAA as the highest decision-making organ of the Authority is established under Section 27 of the Civil Aviation Act, Cap. 80. The Board consists of three (3) non-executive members including the Chairman and one executive member who is also the Director General. The Chairman of the Board and the Director General are appointed by the President of the United Republic of Tanzania while other Board members are appointed by the Minister responsible for Civil Aviation Matters.

During the year under review a total of ten (10) Board meetings were conducted whereby seven (7) were Extra Ordinary and three (3) was Ordinary Board Meetings.

The agendas discussed include:

- a. Review and adoption of internal audit report for the period ending September 2018;
- b. Board audit committee charter;
- c. Matters arising from division of air navigation; and
- d. Review of performance (physical and financial target) reports from up to m March 2019.

Table 1: Members of the Board who served the Authority during the year and up to the date of this report:

SN	Name	Position	Qualification	Nationality	Date of Appointment	End of Tenure	Age
1	Prof. Longinus Rutasitara	Chairman	PhD in Economics	Tanzanian	26-Sep-19	25-Sep-2022	62
2	Dr. Eng. Malima M. Bundara	Member	PhD Engineering	Tanzanian	02-Feb-18	01-Feb-2022	69
3	Dr. Siasa I. Mzenzi	Member	PhD Finance	Tanzanian	02-Feb-18	01-Feb-2022	41
4	Mr. Hamza Saidi Johari	Member	LLB, LLM	Tanzanian	17-Mar-16	16-Mar-2021	49
5	Mr.Vallery L. Chamulungu	Secretary	LLB, MBA	Tanzanian	03-Jan-11	02-Jan-2021	59

1.7 BOARD COMMITTEES

The committees of the Board of Directors are established in accordance with the Board's requirements to fulfill its oversight responsibilities. The Board has 4 Committees based on sectoral and cross-cutting issues. These are Audit, Finance & Administration, Regulatory and Risk & IT Committees. No meeting was conducted because of lack of members as the numbers of Board members are inadequate.

Table 2: Board Committees

S/N	Board Committee	Number of Meetings
1	Audit Committee	-
2	Finance and Administration Committee	-
3	Risk & IT Committee	-
4	Regulatory Committee	-

1.8 MEETINGS OF THE BOARD OF DIRECTORS AND ITS COMMITTEES

Table 3: Meetings of the Board of Directors and its Committees

Details	Number of meetings required annually	Number of meetings held	Ordinary	Extraordinary
Board of Directors (BOD)	4	10	3	7
Audit Committee (AC)	4	-	-	-
Finance and Administration Committee (FAC)	4	-	-	-
Risk & IT Committee	4	-	-	-
Regulatory Committee	4	-	-	-

1.9 INTERNAL MONITORING SYSTEM

The Authority has established an Internal Monitoring System in line with relevant public-sector legislation, regulations, rules and procedures. The internal administrative monitoring system is achieved through, among other things, financial controls, Code of Conduct and Internal Audit functions.

1.10 FINANCE AND BUDGET ADMINISTRATION

The financial matters of the Authority are governed by the Public Finance Act, 2002 and international financial best practices. The Authority's Annual Plan and Budget are prepared in accordance with the Five Years Strategic Plan (FYSP) of 2016/17 – 2020/21 of the Authority and is based on Medium Term Expenditure Framework (MTEF).

1.11 PROCUREMENT MANAGEMENT

The Authority has a Tender Board and a Procurement Management Unit (PMU) established in accordance with the Public Procurement Act Cap 410. In order to comply with the requirements of the Public Procurement Act 2011 (as amended in 2016) and its Regulations, members of the Tender Board, Staff of PMU and some Staff from user departments attended various training courses being conducted by the Public Procurement Regulatory Authority (PPRA).

During the year under review, the Authority planned to implement 85 tenders out of which 74 resulted into contracts. Some tenders could not reach contract stage due to various reasons including budget constraints and requirements adjustments.

1.12 CODE OF CONDUCT

The Authority's Code of Conduct binds both Members of the Board of Directors and Staff. The Code of Conduct explicitly underlines that the Authority has zero tolerance to fraud and corruption. In order to observe the code of conduct, the Authority has the Disciplinary Management Committee whose functions are to deal with matters related to corruption and conduct within the Authority.

1.13 INTERNAL AUDIT

The Internal Audit functions that entail giving assurance on risk management, control processes and governance processes, were carried out in accordance with the Internal Audit Charter, Annual Audit Plan and International Standards for Professional Practices of Internal Auditing. During the period under review, the Authority witnessed a smooth running of various processes under the guidance of the oversight bodies which include the Board of Directors and its committees.

The Internal Audit activity continued to assist the Board and Management in ensuring that there is improvement in the effectiveness of risk management, control and governance processes. During the period the Unit accomplished its mandate through undertaking 50 engagements both assurance and consulting activities. The quarterly reports for assurance activities were tabled to Management, Audit Committee and Board for discussion, recommendation and finally directives.

Further the Unit continues to evaluate the effectiveness and contribute to the improvement of risk Management processes. The evaluation is based on risk exposure relating to the organization Governance, operations and information system.

1.14 MANAGEMENT COMMITTEES

Table 4: Ethic Committee

SN	Name	Position	Qualification
1	Mr. Vallery Chamulungu	Chairperson	LLB, MBA
2	Mr. Burhan Majaliwa	Member	PGD Scientific Computing & Advanced Diploma in Public Administration
3	Ms. Mwanajumaa Kombo	Member	PGD in Transport
4	Mr. Elineema Philemon	Secretariat	MBA-IB, BBA

The committee deals with staff ethic issues in the Authority.

Table 5: Quality Committee

SN	Name	Position	Qualification
1	Magesa Sarota	Chairperson	MBA (Marketing)
2	Tumaini Mgaya	Member	MSC in Air transport)
3	Viola Masako	Member	MPA (HRM)
4	Burhan Majaliwa	Member	PGD Scientific Computing & Advanced Diploma in Public Administration
5	Thamarath Abeid	Member	BSC(Ed)
6	Euphrasia Bille	Member	BSC (Business Adm)

The committee deals with Quality Management System issues as per certification systems with accordance with ISO Standards

Table 6: Workers Council

SN	Name	Position
1	Hamza S. Johari	Chairperson
2	Stephen Mhando	Secretary
3	Massa Kitakwa	Deputy Secretary
4	5 Directors	Members
5	21 Chief and Managers (Head of Sections)	Members
6	14 Civil Aviation Managers	Member
7	17 TUGHE Representatives	Member
8	11 Workers Representatives	Member
9	1 Guest from TFTU	Member
10	1 Guest from Government Workers Council	Member

The workers council advise and recommend to the Board of Directors on all matters on staff and Management issues which need workers participation as per agreed regulations and procedures.

Table 7: Tender Board

SN	Name	Position	Qualification
1	Mr. Redemptus Bugomola	Chairperson	MSc in Air Transport Management
2	Mr. Yoswam Nyongera	Secretary	MBA - Procurement & Logistics Management, CSP (T) PSPTB

3	Ms. Flora Alphonse Mwanshinga	Member	Msc. Engineering
4	Mr. John Chambo	Member	Adv. Diploma in Education
5	Mr. Jamal Athuman	Member	MBA – Finance & CPA (T)
6	Mrs. Viola Masako	Member	MPA (Human Resource Management)
7	Mrs. Patricia Chenga	Member	Masters of International Air and Space Law
8	Mr. Arstid Kanje	Member	MBA Corporate Management & BSc. With Education

The tender board’s role is to advise the Director General on all matters relating to procurement matters.

Table 8: Gender Desk

SN	Name	Position	Qualification
1	Mellania Kasese	Coordinator	MSC (Dev. Policy)
2	Wilfred Mwaituka	Member	Form VI
3	Zawadi Maalim	Member	BSc. Engineering

The objective of the committee is to ensure all gender related issues are addressed in accordance with the Authority’s procedures.

Table 9: HIV/AIDS Committee

SN	Name	Position	Qualification
1	Viola Masako	Focal Person	MPA (HRM)
2	Valerie Chilipweli	Member	MBA(HRM)
3	Euphrasia Bille	Member	BSC (Business Adm)
4	Mwanajumaa Kombo	Member	PGD in Transport

The committee’s role is advising on all matters relating to HIV/AIDS as per National HIV/AIDS policy.

1.15 INDEPENDENCE

All the Non-executive Directors are considered by the Board to be independent both in character, judgment and free of relationships or circumstances, which could affect their judgment.

1.16 MANAGEMENT OF THE AUTHORITY

The Authority is governed by the Board of Directors and the day to day management is entrusted to the Director General. As the Board does not involve itself in a day to day activities, the MTEF was developed, based the strategic plan to guide the management on its day to day activities. The strategic plan provides the following key performance indicators which are used by the Board to measure performance of the Authority during a particular period, these indicators are as follows: -

a. Safe and Secure Civil Aviation System Enhanced

This will be achieved through enhance safety, protect environment and reduce incidents and accidents. The target is;

- i. To reduce accident and incident rates by 3% annually from 0.88 accidents and 8.98 incidents per 100,000 departures in 2015/2016 by June, 2021;
- ii. To reduce acts of unlawful interferences against civil aviation by June, 2021; and
- iii. To minimize adverse effect of civil aviation activities on the environment by June, 2021. To enhance effective Safety Oversight System by June, 2021.

Performance indicators were as follows: -

- Accident and incident rates;
- Compliance rate; and
- Time taken to accomplish a search and rescue operation.

b. Air Transport Industry Orderly developed

This will be achieved through participation in civil aviation policy formulation by the Ministry of Works, Transport and Communications, promotion of competition and economic efficiency, protection interest of consumers and investors in the aviation industry and facilitation of air transport services in the country. The targets are;

- i. To active undertakes the advisory role in civil aviation policy making by June, 2021.
- ii. To ensure effective competition and economic efficiency by June, 2021.
- iii. To protect Consumers and investors interest by June, 2021; and
- iv. To facilitate Air Transport Services by June, 2021.

Performance indicators were as follows: -

- Accuracy of promulgated aeronautical information; and
- Percentage of air transport operators.

c. Safe, Orderly and Expeditious flow of Air Traffic enhanced

This will be achieved through enhancing safety to prevent aircraft collision and reduce incidents, to ensure efficient provision of air navigation services and strengthen and build capacity of Area Control Centre. The target is

- i. To prevent Aircraft collision and reduce rate of air traffic incidents by 50% annually; from rate of 1.77 per 10,000 aircraft movement in 2013/14 by June 2021;
- ii. To ensure efficient provision of air navigation services by June, 2021;
- iii. To build and strengthen capacity of Area Control Centre by June, 2021; and
- iv. To implement Safety management system (SMS) in the air traffic management by June, 2021.

Performance indicators were as follows: -

- Number of incidents and accident reported; and
- Percentage change of passenger traffic.

d. Organizational Efficiency Improved

This will be achieved through enhancing corporate image, strengthening internal control systems and improving human resource capacity. The target is;

- i. To maintain financial sustainability by June, 2021;
- ii. To improve Human Resource management by June, 2021;
- iii. To ensure governance and accountability issues are mainstreamed by June, 2021;
- iv. To enhance conducive working environment by June, 2021;
- v. To enhance Human Resources Information systems by June, 2021;
- vi. To improve ICT Management by June, 2021;
- vii. To maintain corporate Image by June, 2021;
- viii. To improve internal systems and processes by June, 2021;
- ix. To build and strengthened capacity of the Civil Aviation Training Centre by June, 2021;
- x. To participate and influence Development of civil aviation regionally and internationally by June, 2021; and
- xi. Institutionalize corporate planning by June, 2021.

Performance indicators were as follows: -

- Clean audit report; and
- Level of customer satisfaction.

1.17 DIVISIONS UNDER DIRECTOR GENERAL

The Management of the Authority is under the Director General and is organized in four-line divisions as follows:

- a. Division of Safety Regulations (DSR)
- b. Division of Economic Regulation (DER)
- c. Division of Corporate Services (DCS)
- d. Division of Air Navigation Services (DANS)

1.18 ORGANIZATIONAL OVERVIEW/ ORGANIZATIONAL STRUCTURE

All divisions are headed by Directors. The Director General reports to the Board and all divisional Directors reports to the Director General. Organization structure seen in **(Appendix 1)**

- a. The office of the Director General comprises the following seven (9) sections:
 - i. Internal Audit Unit;
 - ii. Legal Services Unit;
 - iii. Quality Assurance Unit;
 - iv. Procurement Management Unit;
 - v. Planning, Monitoring and Evaluation Unit;

- vi. Public Relations and Communication Unit;
 - vii. ICT and Statistics Unit;
 - viii. Civil Aviation Training Centre (CATC); and
 - ix. Internal Affairs Unit;
- b. The office of the Director of Safety regulations (DSR) comprises the following six (6) sections:
- i. Aviation Security section;
 - ii. Aerodrome and Ground Aids Section;
 - iii. Air Navigation Services Inspection Section;
 - iv. Airworthiness Section;
 - v. Flight Operations Section; and
 - vi. Personnel Licensing Section.
- c. The office of the Director of Economic regulations (DER) comprises the following three (3) sections:
- i. Air Transport Regulation Section;
 - ii. Business Analysis and Forecasting section and;
 - iii. Aeronautical Airport Services Section.
- d. The office of the Director of Corporate Services (DCS) comprises the following four sections:
- i. Finance and Accounts Section;
 - ii. Human Resource Management and Administration Section;
 - iii. Estate Management section
- e. The office of the Director of Air Navigation Services (DANS) comprises the following four sections:
- i. Air Traffic Management Section;
 - ii. Communication, Navigation and Surveillance System section;
 - iii. Aeronautical Information Management Section and;
 - iv. Safety Management Section;
 - v. Civil Aviation Stations (JNIA, KIA, Arusha, Dodoma, Iringa, Kigoma, Mtwara, Mwanza, Tabora, Tanga, Songea, Songwe, Pemba, Zanzibar).

1.19 REVIEW OF BUSINESS PERFORMANCE

1.19.1 FINANCIAL PERFORMANCE

Total revenue decreased by 68.7% to TZS 76.5 billion during 2019/20 from TZS 244.0 billion in the previous year. The decrease has mainly been contributed to a decrease in revenue from both Exchange, Non-Exchange Transactions and other income from TZS 244.0 billion to TZS 76.5 billion due to COVID 19 pandemic disease.

During the year 2019/20, the Authority realized a surplus of TZS 9.3 billion (2018/19: 181.5 billion) from previous year mainly due to decrease in revenue collected due to COVID 19 from TZS 244.0 billion to TZS 76.5 billion.

The total assets of the Authority decreased from TZS 305.9 billion in 2018/19 to TZS 289.8 billion representing decrease of 5.3% in total assets from previous year. Consequently, net equity increased by 3.6% from TZS 254.2 billion in 2018/19 to TZS 263.5 billion in 2019/20.

Capital expenditure during the year 2019/20 amounted to TZS 84.7 billion, out of which, TZS 3.2 billion was used to construct technical buildings, TZS 717.4 million was used to acquire new motor vehicles, TZS 39.0 billion was used to purchase Telecommunications and Navigational Aids (NAVAIDS) Equipment, TZS 4.1 billion was used to purchase office equipment, TZS 79.0 million was used to purchase office furniture and fittings, TZS 4.4 billion was used to purchase computers and TZS 32.8 billion was the project in progress including two Civilian Radar project and ILS Project.

In general, the financial performance results indicate that the Authority's existing sources of revenue can sustain its operations. The Authority will continue to monitor closely its current sources of revenue and explore other sources to enable it to sustain the expansion of its operations including finalizing the ongoing project to install two Civilian Radars for Mwanza and Songwe; and ILS Project in Zanzibar.

1.19.2 KEY ACHIEVEMENT, CHALLENGES EXPERIENCED IN 2019/20 AND FUTURE STRATEGIES

Key achievements made and challenges experienced by the Authority during the year under review are outlined in the following section.

a. Key Achievements

During the year under review, the key achievements of the Authority included:

- i. Improvement of CNS equipment in Tanzania airspace.
- ii. Enhanced capacity building of staff and strengthen civil Aviation Training Centre.
- iii. Effectively management of resources and sound financial and administrative support functions.
- iv. Continuous compliance with ICAO SARPs.
- v. Review user charges/fees.
- vi. Continue to invest as per ICAO ASBU.
- vii. To continue with law enforcement in Air Transport sector.
- viii. The Authority continued to review various regulatory tools and develop new ones. Most of the tools were developed to meet the requirements of the International Civil Aviation Organization (ICAO) and includes laws and regulations, Manuals for Air Navigations Operations and Financial Rules
- ix. The Authority continued to conduct monitoring and inspection of its regulated activities. This has improved the quality of services provided by Air Operators, Aerodrome Operators and Equipments and Aerodromes used in the Industry.
- x. The Authority continued to cooperate with other Government institutions such as Tanzania Food & Drug Authority (TFDA), Tanzania Airport Authority (TAA), National Environment Management Council (NEMC), Tanzania Revenue Authority (TRA) and Police Force, on matters that required TCAA's cooperation or intervention, or vice versa, for the country's interest.
- xi. In a bid to improve performance of regulated industry, the Authority has conducted

sensitization meetings to stakeholder in Mwanza, KIA, AAKIA and Dodoma.

During the year, the Authority continued with the implementation of its Strategic Plan for the year 2016/17 – 2020/21 that will guide the Authority’s operations in five (5) years period. The year 2019/20 was the fourth year of implementation.

b. Key Challenges

- i. Due to the Outbreak of Corona Virus in 2019, the revenue collected has been reduced from TZS 244.0 billion in 2018/19 to TZS 76.5 billion in 2019/20. Despite the Pandemic, The Authority has managed to review its Financial Plans to cut down costs and continue Operations.
- ii. Non-compliance with the amended TCARs in safety and security oversight by the industry stakeholders due to huge initial capital outlay needed by Air operators.
- iii. The requirement to meet a minimum ICAO SARPs e.g. training, enhance SSP and SMS as per Annex 1 to 14. Review of the current user charges/fees to meet regulatory operational costs, the increase in user charges or fees will increase Air operator’s operation costs.
- iv. Stakeholders are reluctant to contribute to the training fund (Pilots and AMEs training Fund).
- v. Requirement for implementation of ICAO Global Air Navigation Plan (GANP) e.g. Aviation System Block Upgrade (ASBU) modules, GNSS, GASR and EAC UFIR.
- vi. The requirement to implement USOAP ICAO Audit recommendation and implementation of USAP CMA.
- vii. Continuous growth in Passenger traffic and aircraft movements which require huge investments in airports and CNS equipment.
- viii. There are inadequate infrastructural facilities which hinder the Liberalization of Ground Handling in our airports.
- ix. Inadequate skilled and qualified Airworthiness and Flight Inspectors.
- x. Delays in Procurement of Air Navigation Equipment.
- xi. Inadequate and conducive class rooms at CATC.
- xii. Operators’ non-compliance to operating regulations due to lack of voluntary compliance safety culture.
- xiii. PPA & its Regulations require Attorney General Chambers to vet contracts above TZS 50 Million and Motor vehicles- GPSA, notification of all Bidders etc.

c. Future Strategies

- i. Improvement of CNS equipment in Tanzania Airspace
- ii. Enhance capacity Building of staff and strengthen Civil Aviation Training Centre
- iii. Effective manage resources and Sound Financial, and Administrative support functions.
- iv. The Authority will continue to attract and maintain a high-performance workforce
- v. The Authority will continue with Staff Performance appraisals and rewards
- vi. Continuous Compliance with ICAO SARPs
- vii. Review user charges/ fees
- viii. Continue to invest as per ICAO ASBU
- ix. To continue with Law Enforcement in Air Transport Sector.

1.19.3 OPERATIONAL PERFORMANCE (IMPLEMENTATION OF CORPORATE PLAN ACTIVITIES)

During the financial year 2019/20, the Authority performed most of the planned activities: Some activities were not performed due to the COVID-19 which reduced Revenue Collection by 68.7%.

Some of the key results/major activities and developments which were performed during this period included the following:

a. Implementation of TCAA Corporate Strategic Plan for 2016/17 – 2020/21

The Authority continued to implement the third five years (5) Corporate Strategic Plan which was prepared to cover 2016/17 to 2020/2021 periods. The Corporate Strategic Plan was presented to Management, Workers Council and finally to the Board for approval.

Implementation of this Plan started on 1st July, 2016. The new Corporate Strategic Plan entailed a significant shift from the activity-based planning, which has been in use for the past five years, to results based approach. The new approach has brought positive impact in the performance of the Authority; revenue has decreased from TZS 244.0 billion to TZS 76.5 billion.

Table 10: TCAA Projects

Project Name	Remarks
Procurement of 4 Civilian Radar to be install and commissioning at JNIA, Mwanza, Songwe and KIA	The Contractor commenced with excavation and earth works at JNIA on 3 March 2018 prior to inauguration of the Tanzania Radar Project. Site possession was given on 23 March 2018 and the inauguration was held on 2 April 2017 by H.E Dr. John Pombe Joseph Magufuli at JNIA Radar Site.
	JULIUS NYERERE INTERNATIONAL AIRPORT-JNIA The Civil works were practically completed on 30 th January, 2019 while equipment installation was completed in March, 2019.
	KILIMANJARO INTERNATIONAL AIRPORT (KIA) Civil Works Commenced on 18 th June, 2018 and were practically completed on 25 th June, 2019 while equipment Installation started on 9 th May, 2019 and Completed end of July, 2019.
	The project has been commissioned, Radar equipment is already in use at JNIA, Zanzibar, KIA and Arusha Stations
	MWANZA AIRPORT: Site Possession was on 27 th April, 2018 while Commencement of works was on 21 st June, 2018. The Civil & Electrical works were practically completed on 18 th July, 2019 Equipment installation at Radar head site commenced on 22 nd July, 2019 and completed in September 2019. Provision Site Acceptance Test (PSAT) and Flight Test conducted from 18 th -20 th and 23 rd -25 th Sept. 2019 respectively. Installation of Radar is at 100

Project Name	Remarks
Procurement of 4 Civilian Radar to be install and commissioning at JNIA, Mwanza, Songwe and KIA	SONGWE AIRPORT Site Possession was on 22 nd May, 2019 and Commencement of works was on 23 rd May, 2019. Completion is expected at the end of January 2020. Equipment installation involves Radar equipment at Radar head site, Consoles and ATM-System /TOPSKY in Equipment room and Tower Equipment installation at Radar head site commenced on 22 nd July, 2019 and completed in September 2019. Provision Site Acceptance Test (PSAT) and Flight Test conducted from 18 th -20 th and 23 rd -25 th Sept. 2019 respectively
Supply, Install, Testing Voice Recorder for JNIA	Contract implementation stage.
Supply and Install Solar backup power at stations of Dodoma, Mtwara, Tanga, Iringa, Kigoma, Pemba, Arusha and Songwe	Contract awarded to Rex Investment
Flight checks and calibration of NAVAIDS at KIA, JNIA, AAKIA and Mwanza stations	Completed.
Supply and Install Communication, Navigational and Surveillance facilities at New Mwanza Control Tower	Completed.
Acquisition of spares and test gears by June 2	Contract for supply of signal lamp and test gears was signed on 17 February 2020 btn TCAA and M/s Advanced semi conductor Europe Contract for supply of toolkits was signed on 26 th March, 2020 btn TCAA and M/s Agro vision Limited
Construction of circular Emergency exit stair case at Songwe tower by June 2020	The contract for construction of circular exit was signed on 19 February 2020 btn TCAA and M/s Tanzania Buildings Agency - Mbeya
Preparation of detailed engineering design, drawings, BOQs and tendering documents for construction of CATC by June 2020	The contract for the preparation of the feasibility study for Civil Aviation Training Centre construction signed on 26 th May 2020 between TCAA and M/s Inter Consult Limited
Development of 2 nd STP	Contract for the same assignment was signed on 12 March 2020 btn TCAA and M/s Simon J.K. Lugaba

1.20 SOLVENCY

The Board confirms that applicable accounting standards have been followed and that the financial statements have been prepared on a going concern basis. The Board has reasonable expectation that the Authority has adequate resources to continue in operational existence for the foreseeable future.

The Authority's total liability at 30th June, 2020 was TZS 26.2 billion (2018/19: TZS 51.7 billion) and total assets was TZS 289.8 billion (2018/19: TZS 305.9 billion).

The Authority's state of affairs as at 30th June, 2020 is shown in the accompanying statement of financial position. The Board considers the Authority to be solvent on the basis of the working capital position.

1.21 RESPONSIBLE BEHAVIOUR TOWARDS STAKEHOLDERS/CUSTOMERS

The Authority believes that the stakeholders/customers are what make the Authority exist. Several measures have been taken to institute a responsible behavior towards members of the Authority and other stakeholders/customers. These measures include, but not limited to, holding interactive meetings, seminars, Conferences and workshops; provide education through media and improving customer services at our offices.

1.22 FUTURE DEVELOPMENTS PLANS

The Authority will continue to improve and modernize its air navigation regulatory services to the satisfaction of its stakeholders/customers. In addition, during the year 2019/20, the Authority continues implementation of its 3rd Strategic Plan which covers 5 years from 2016/17 to 2020/21. The Authority's efforts and resources has been guided by this Plan for the past four (4) years starting 1st July, 2016. It is expected that successful implementation of the new Strategic Plan, which is results focused, will yield positive results for the Authority and the regulated sectors at large. The Authority Prepared Risk Framework Policy and Risk Register which is used during the planning; monitoring and evaluation process.

1.23 ADMINISTRATIVE EFFICIENCY

The Authority continuously improves skills and competence of its staff through trainings, professional workshops and seminars. The Authority allows its staff to subscribe to their respective professional bodies and pays annual fees for qualified staff. Further, the Authority recruits' staff after need assessment have been carried out. All these efforts are to ensure sustainable capability of handling all administrative matters efficiently.

1.24 BOARD'S INTEREST

During the year 2019/20, no conflict of interest existed between the Directors and the Authority. The details on related party transactions are disclosed in note 29 of these financial statements.

1.25 CORPORATE GOVERNANCE

According to TCAA Act, CAP 80, the Board of Directors of TCAA consists of seven (7) Directors. During the year 2019/20, the Board operated only four (4) Directors. Apart from the Director General, no other Director held executive position in the Authority.

The Board has the overall responsibility for the activity, including responsibility for identifying key risk areas, considering and monitoring investment decisions, significant financial matters and reviewing performance of management business plans and budgets. The Board is also responsible for ensuring

that a comprehensive system of internal control policies and procedures is operative and is in compliance with sound corporate governance principles. With absence of the Board the Minister Responsible for Transport has the overall responsibility on such matters

The Authority is committed to the principles of effective corporate governance. The Directors also recognize the importance of integrity, transparency and accountability.

1.25.1 SAFETY REGULATIONS DIRECTORATE

Various activities that were planned during the period for implementation and enforcement of the Tanzania Civil Aviation Regulations (TCARs) 2017 to ensure a compliant industry were carried out. The following figures indicate performance on various specific areas:

a. Airworthiness Inspections and Surveillance;

The Airworthiness section is responsible for performing the State obligations of maintaining regular safety oversight of all of the airworthiness aspects of aviation in the country, which includes certification and surveillance of Air Operators, Approved Maintenance Organisations, Approved Training Organisation and oversight of any other person or organisation involved in the maintenance/modification/repair of aircraft and training aspects of personnel engaged in civil aviation. The Section is also responsible for the Licensing/approval of maintenance personnel as a part of its regular inspection programme in support of Personnel Licensing Section.

During the financial year 2019/20, the following activities were carried out in the Airworthiness section:

i. Certificate of Airworthiness, Approved Maintenance Organisation and Ramp Inspections

Table 11: Certificates issued and Inspections

SN	Description	2019/20	2018/19
1	Certificate of Airworthiness issue/ Renewal	157	194
2	Export Certificate of Airworthiness	12	5
3	Approved Maintenance Organisation (AMO) issue/Renewal	19	29
4	AMO Surveillances	8	8
5	Ramp and Ad-hoc inspection	26	26
Total		222	262

ii. Modification Approvals

The section approves a total number of eleven (11) aircraft major modification which were requested by the Operator in order to carry out the modification to their aircraft.

Table 12: Major Modifications

SN	Description	2019/20	2018/19
1	Aircraft Major Modification Approvals	11	24

iii. Accidents and Incidents Reported

A total number of 4 accidents and 4 incidents occurred in this period of 2019/20 compared to 2 accidents and 8 incidents that occurred in the previous year of 2018/19. Therefore, the number of accidents increased slightly while incidents decreased due to some operational and technical reasons. The Authority will continue to address the accident and incidents causatives to ensure that the same do not happen again thus seeing the industry remains comparatively safe all the time.

Table 13: Accidents and Incidents Reported

SN	Description	2019/20	2018/19
1	Accidents	4	2
2	Incidents	4	8
	Total	8	10

b. Flight Operations

Table 14: Flight Operation Activities

SN	Description	2019/20	2018/19
1	Air Operator Certificate Issue/ Renewal	19	24
2	Operators' Training Facility Approval	6	20
3	Enroute and Cabin Safety Inspection	19	26
4	Adhoc base Inspections	12	9
5	Ramp Inspection	30	7
6	Observation of Instructors/ Examiners	59	50
7	Renew and amend Promulgated Regulations from Annex amendment	4	
8	Review Operator Regulatory Manuals	16	
9	Training and Sensitization to industry on regulations & guidance materials	1	
10	Implementation of Corrective Action Plans emanating from ICAO USOAP Audit	2	
11	Review and Customize Technical Guidance Materials	3	
12	Data sorting, scanning, filling and uploading on SOFIA Software	1	
13	Pilots Instrument Rating Flights examinations	99	
14	Drone Authorization permit	31	
15	Drone Workshop	6	
16	Drone Guidance to Applicants	215	
17	Cleared Drone applicants to TIIS	90	
18	Paraglide approvals	4	
19	Inspector's training	2	
20	Drone Technical Meeting	1	
21	Simulator Approval	1	
22	DGM, SMS, TANS Course Approval	2	
23	Phase Certification	6	
24	Ground Trainer observation and approval	4	
25	ATO inspection and renewal	4	
26	AOC inspection and renewal	19	
27	Operational Technical Meeting	2	
	Total	513	136

c. Personnel licensing section

i. Technical Examination

A total of 515 examinations were booked during the period of July 2019 to June 2020. This included written examinations together with various flying tests for granting, renewal, conversion, extension of licences and certificates.

Table 15: Technical examinations

SN	Description	2019/20	2017/18
1	Airline Transport Pilot Licence	17	19
2	Commercial Pilot Licence	80	73
3	Private Pilot Licence	20	24
4	Aircraft maintenance Engineer's Licence	51	34
5	Flight Operations Officer's Licence	36	125
6	Validation Certificates	-	14
7	Cabin Crew Certificates	122	163
8	General Flying Test	10	19
9	Technical Type Rating	60	85
10	Instrument Rating	-	86
11	English Proficiency Test	72	68
12	ATM rating board exams	47	33
13	Instructor Rating	-	2
Total		515	745

ii. Licences and Certificates issued

A total of 290 licences including certificates were issued during the period of July 2019 to June 2020.

Table 16: Licences and Certificates issued;

SN	Description	2019/20	2018/19
1	Airline Transport Pilot Licence	4	21
2	Commercial Pilot Licence	28	62
3	Private Pilot Licence	11	19
4	Student Pilot Licence	36	22
5	Aircraft maintenance Engineer's Licence	12	5
6	Flight Operations Officer's Licence	27	109
7	Validation Certificates	8	14
8	Cabin Crew Certificates	109	128
9	Instructor Rating	5	2
10	Avsec Screener Certificates	50	29
Total		290	411

iii. Licences Grants and Extension

A total of 3 licences were issued extension and 12 grants during the period of July 2019 to June 2020.

Table 17: Licence granted/renewed during 2019/20

SN	Description	2019/20	2018/19
1	Airline Transport Pilot Licence Extension	3	21
2	Commercial Pilot Licence	-	62
3	Private Pilot Licence	-	19
4	Aircraft maintenance Engineer's Licence	12	5
5	AMEL category extension	-	-
	Total	15	107

iv. Renewals

A total of 1249 licences including certificates and ratings were renewed during the period of July 2019 to June 2020.

Table 18: Licences Renewal

SN	Description	2019/20	2018/19
1	Airline Transport Pilot Licence	190	300
2	Commercial Pilot Licence	315	425
3	Private Pilot Licence	20	4
4	Aircraft maintenance Engineer's Licence	40	10
5	Flight Operations Officer's Licence	80	24
6	Cabin Crew Certificates	192	51
7	Flight Instructor Licence	5	2
8	Validation Certificate	4	2
9	Avsec Screener Certificate	308	186
10	Air Traffic Control License	83	11
11	Student Pilot License	12	22
	Total	1249	1037

v. Endorsements

A total of 323 endorsements were made on various licences and certificates during the period of July 2019 to June 2020.

Table 19: Endorsement

SN	Description	2019/20	2018/19
1	Instrument Rating	150	70
2	Technical Type Rating	95	85
3	Instructor Rating	6	39
4	ELP	72	68
	Total	323	262

vi. Sale of Documents

A total of 173 various documents were sold period of July 2019 to June 2020 compared to 128 various documents sold during 2018/19, resulting to 35% increase.

d. Aerodromes and Ground Aids (AGA)

Description of Activities

The Aerodromes inspectorate continued to conduct its traditional safety oversight activities including, development of Aerodrome standards and Technical Guidance Documents, Certification, Licensing and Registration Approval of Aerodromes, continuous surveillance of aerodromes, evaluation of obstacles, evaluation of Aerodrome designs, conducting sensitization workshops and seminars and Resolution of safety issues. In addition, the AGA section reviewed the findings and recommendations from the USOAP CMA CSA Audit which was conducted by ICAO in April 2017 followed up by a mini audit known as Integrated Validating Activity (IVA) in December 2019. Preparation, implementation and review of corrective action plans (CAPs) was initiated during the FY 2017/18 and continued in the FY 2019/20. The Aerodrome section is implementing a project to update the Aerodrome inventory and re-categorize some aerodromes to include aerodromes in Category E, the project goal is to achieve 100% compliance to aerodrome Certification, Licensing and Registration Approval requirements by the end of FY 2022/23. In addition, the Aerodromes section continued with implementation of the State Safety Programme (SSP) by reconstituting the team, development of the new set of SMS regulations to incorporate Amendment 2 to the Annex 19 SARPs, review the gap analysis and implementation plan. In summary, the activities that have been conducted are as tabulated below:

Table 20: Aerodrome certification

S/N	Aerodrome ID	Description
1	Julius Nyerere International Airport	Certified until February, 2021
2	Aman Abeid Karume International Airport	Certified until September, 2020
3	Kilimanjaro International Airport	Certified until June, 2021

Table 21: Aerodrome licensing

S/N	Aerodrome Group/activity	Description
1	Licensing of TAA aerodromes	20 Aerodromes
2	Licensing of other aerodromes	85 Aerodromes
3	Approval to construct Aerodromes/helipads	1 Aerodromes

Table 22: Continuous Surveillance of Aerodromes

S/N	Aerodrome Group/activity	Description
1	CAM inspections	32 Aerodromes inspected by CAMs Arusha, KIA, Mbeya, Iringa, Tanga, Songea, Tabora, Dodoma and Mwanza
2	TAA, ZAA, KADCO and TANAPA aerodromes	Surveillance of JNIA, KIA, Mwanza, Nungwi, Iringa, Kisima, Mlele, Iku, Mpanda, Sitalike, Sanzale, Moshi, Sumbawanga.
3	Review of operators Aerodrome manuals (Aerodrome Manual, SMS Manual and Aerodrome Emergency Planning Manual)	16 Manuals for AAKIA, JNIA, KIA, Nachingwea, Lindi, KilwaMasoko, Mpanda, , Lake Manyara, Kigoma, Tabora, Mtwara, Shinyanga, Musoma, Bukoba and Mwanza, were reviewed

Table 23: Evaluation of Obstacles

S/N	Mobile Operator	Description
1	HELIOS	83 masts evaluated
3	AIRTEL	19 masts evaluated
5	WIND FARMS	08 Meteorological Masts evaluated
6	TANESCO	02 transmission projects evaluated
7	AZAM DIGITAL	10 Masts evaluated
8	OTHERS	9 Obstacles evaluated

Table 24: Development and review of Regulations and Technical Guidance Material

S/N	Document action	Status of Review or development
1	Inclusion of amendment 13 and 14 and 15 of the ICAO Annex 14 SARPS in the Civil Aviation (Aerodromes) Regulations 2017	90% completed
2	Review of Advisory Circulars	100% Reviewed
3	Review of Orders	100% Reviewed
4	Review of Industry guideline manuals	100% Reviewed

Table 25: Conduct of Industry Sensitization Seminar

S/N	Theme of Seminar	Location	Type of Stakeholders
1	Workshop on Aerodrome Certification, Licensing and Registration approval.	Dar Es Salaam	Aerodrome operators, Licensed Air Operators and other stakeholders.

Table 26: Developed Technical Guidance Materials

S/N	Reference No	Subject	Revision Number	Date Revised and Issued
1	TCAA/FRM/SR/AGA-07	COVID-19 Contingency Related Differences CCRD/Electronic Filling of Differences, May 2019	0	May 2020
2	Document No : TCAA/FRM/ANS/AIS-30	Operational measures to ensure safe operations During the COVID-19 pandemic	0	May 2020
3	Document No : TCAA/FRM/ANS/AIS-30	Update on outbreak of coronavirus (COVID-19)	0	March 2020
4	Document No : TCAA/FRM/ANS/AIS-30	Update on outbreak of coronavirus (COVID-19)	1	April 2020
5	Document No : TCAA/FRM/ANS/AIS-30	Update on outbreak of coronavirus (COVID-19)	2	May 2020
6	Order CAA-O-GEN012D	Procedure for management of ICAO state letters and Identification, notification and publication of differences	4	May 2020
7	Order CAA-O-GEN002D	Amendment of the civil aviation act, regulations and technical Guidance materials	4	May 2020
8		AIC on Aerodrome Licensing	0	May 2019

e. Aviation Security Unit

The AVSEC Unit continued with its core functions to ensure safe and secure aviation systems in the united Republic of Tanzania and beyond. This is being achieved by establishing, implementing and ensuring effectiveness of baseline security measures intended to mitigate and prevent acts of unlawful interference with civil aviation. As a result, in the year 2019/20 there is no acts of unlawful interference recorded.

i. Review of AVSEC National Documents:

The review of Aviation Security documents was not done in this FY 2019/20 because of approval process of the amended Security Regulation, 2018 delayed to the extent that affected the finalization of the Technical Guidance Materials (TGMs). However, the regulation has been approved and now in publishing stage and the TGMs has also been approved and distributed to relevant operators for them to include the reflected changes in their respective security programs. The approved documents include:

Technical Guidance Materials (TGMs) namely

- National Civil Aviation Security Programme (NCASP),
- National Civil Aviation Security Quality Control Programme (NCASQCP),
- National Civil Aviation Security Training Programme (NCASP)

ii. ICAO USAP CMA Audit Progress:

Regarding Compliance to USAP CMA audit findings, the current progress indicates 90% compliance has been achieved and the draft Corrective Action Plan (CAPs) has been shared with ICAO Regional Office in Nairobi for verification. The CAPs will then be submitted to ICAO Headquarters in Montreal in order to arrange for an ICAO Compliance Validation Mission (ICVM) to Tanzania.

Review and approval of operators' documents:

The following operator security programs were reviewed and approved in the year 2019/20 in comparison to 2018/19:

Table 27: Programs under Aviation Security Unit

SN	Operators	2019/20	2018/19
1	Airport Security Programmes	05	12
2	Airline Security programme	08	10
3	Regulated agent/ground handling Security Programme	09	07
4	Catering Security Programme	03	02
5	Training Programme	02	02
TOTAL		27	33

Stakeholders have been required to comply with the Regulation and the National Civil Aviation Security Program by making sure they bring their security program for review as required. A total of 48 security programmes were submitted for evaluation and approval, 21 were approved and 27 were returned for improvement.

iii. AVSEC Oversight Activities:

These oversights involve the audits, follow up, inspections, surveys and tests tasks of airports, aircrafts, catering, handling agents and regulated agents security operations. A total number of 56 oversights were conducted in 2019/20 in comparison to 47 conducted in 2018/19 as follows;

Table 28: Oversight Activities

SN	Oversight Activities	2019/20	2018/19
1.	Audits	08	19
2.	Inspections & Tests	43	21
3.	Follow up	05	05
4.	Surveys	00	02
	TOTAL	56	47

The number of oversights vary each year due to combination of factors, these include risk assessment conducted, compliance history of the operators, staff level of aviation security staff, availability of budgetary resources, the oversight helps operators to identify security deficiencies. In carrying out of oversight, there are numbers of challenges such as timely submission of corrective action plan (CAPs) by operators and where submitted, were not properly implemented.

iv. National Civil Aviation Security Committee Meetings:

There were 4 planned National Civil Aviation Security Committee Meetings (NCASC); and two meeting were conducted one (1) in Iringa and the other in Katavi- Mpanda. Other two meetings were not conducted due to COVID 19. We had no extra ordinary meeting.

v. Certification/Recertification of AVSEC Screeners:

The Aviation Security Unit certified/recertified a total of 358 AVSEC screeners in 2019/20 compared to 226 AVSEC screeners in 2018/19. The certified/recertified screeners records is as follows:

Table 29: Certified/Recertified Screeners

SN	Operators	2019/20	2018/19
1	TAA-Regional Airports	60	62
2	TAA-JNIA	197	42
3	ZAA-AAKIA	10	48
4	ZAA-PEMBA	12	-
5	KADCO	17	44
6	ATCL	17	-
7	Precision	02	01
8	NAS DAR	05	08
9	Swissport	-	01
10	UAS	04	01
11	TANAPA	10	-
12	EVERETT	-	04
13	ZAT	-	06
14	GGM	-	09
15	VIKOSI-ZAA	24	-
	TOTAL	358	226

f. Air Navigation Service Inspections (ANS)

Description of Activities

The section is responsible for the preparation of specific operating regulations and technical standards, development of the safety oversight mechanism, determination of requirements for technical personnel qualification and training, provision of technical guidance and safety critical information to service providers, conduct of surveillance of air navigation service providers and resolution of safety concerns in the ANS domain.

The role of the section is three-fold:

- Development and maintenance of regulations and associated technical standards and supporting documentation relating to Air Navigation Services;
- Managing the regulatory approval process for Air Navigation Service providers, and maintenance of re-approval/re-certification processes; and
- continuous surveillance of the Air Navigation Service providers to ensure compliance with safety regulations and standards,

In summary, the activities that have been conducted are as tabulated below:

Table 30. Type of Inspections and Surveillance

SN	Type of Inspections and Surveillances	Years			
		2019/20		2018/19	
		Planned	Actual	Planned	Actual
1	Routine Audits for				
	-AIM and Charts	16	16	14	14
	-ATM	16	16	14	14
	-CNS	16	16	14	14
	-SAR	14	14	14	14
	-MET	16	16	14	14
	-PANS-OPS	2	1	2	2
	-SMS	4	0	4	0
2	Ad-hoc audits	40	40	20	20

i. Safety audit of CNS facilities

Table 31: Safety Audits of CNS

SN	Activity	Stations	Number
1	Routine audits	JNIA, Abeid Aman KarumeInte Airport (AAKIA), KIA, Arusha, Pemba, Tanga, Mtwara, Songwe, Iringa, Mwanza, Songea, Dodoma, Kigoma, Tabora, Bukoba	15
2	Ad hoc audits	JNIA, KIA, AAKIA, Mwanza, Dodoma, Songwe, Mtwara, Arusha	8
4	Safety assessment	Bukoba, Musoma, Mafia, Shinyanga	4

ii. Safety oversight of ATM

Table 32: Safety Audits of ATM

SN	Activity	Stations	Number
1	Routine audits	JNIA, AAKIA, Kilimanjaro, Arusha, Pemba, Tanga, Mtwara, Songwe, Dodoma, Mwanza, Songea, Iringa, Tabora and Kigoma, Bukoba, Musoma	16
2	Ad hoc audits	JNIA, KIA, Arusha, Mwanza, Dodoma, Arusha, Songwe, Mtwara	8
3	Safety assessment	Bukoba, Musoma, Mafia, Shinyanga	4

iii. Safety oversight of AIM

Table 33: Safety Audits of AIM

SN	Activity	Stations	Number
1	Routine audits	JNIA, AAKIA, Kilimanjaro, Arusha, Pemba, Tanga, Mtwara, Songwe, Dodoma, Mwanza, Songea, Iringa, Tabora and Kigoma, Bukoba, Musoma	15
2	Ad hoc audits	JNIA, KIA, Arusha, Mwanza, Dodoma, Arusha, Songwe, Mtwara	8
3	Safety assessment	Bukoba, Musoma, Mafia, Shinyanga	4
4	Instrument Procedure designers' audits	ANS- HQ	2

iv. Safety oversight of MET

Table 34: Safety Audits of MET

SN	Activity	Stations	Number
1	Routine audits	JNIA, AAKIA, Kilimanjaro, Arusha, Pemba, Tanga, Mtwara, Songwe, Dodoma, Mwanza, Songea, Iringa, Tabora and Kigoma, Bukoba, Musoma	16
2	Ad hoc audits	JNIA, KIA, Arusha, Mwanza, Dodoma, Arusha, Songwe, Mtwara	8

v. Safety oversight of SAR

Table 35: Safety Audits of SAR

SN	Activity	Stations	Number
1	Routine audits	JNIA, AAKIA, Kilimanjaro, Arusha, Songwe, Mtwara, Dodoma, Mwanza, Songea, Iringa, Kigoma and Tabora	12

vi. SMS Audits

Table 36: Safety Audits of SMS

1	Routine	AAKIA, KIA, Arusha, Mwanza, Songwe	5
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vii. Certification of Air Navigation Facilities

Table 37: Certificates issued

SN	Planned	Actual	Stations
1	15 Air Navigation Facilities	15	JNIA, AAKIA, Kilimanjaro, Arusha, Tanga, Mtwara, Dodoma, Mwanza, Songea, Iringa, PANS-OPS

viii. Approval of procedures and facilities

Table 38: Approval of procedures and facilities

No	Planned	Planned	Actual
1	Radar Systems	4	4
2	AMHS	1	1
3	ILS	1	1
4	Instrument Flight procedures	16	5
5	Manual of Operations	5	4

ix. Environmental Impact Assessment for ANS projects

Table 39: ANS Projects

SN	Planned	Actual	Stations
1	5 JNIA- Radar KIA- Radar AAKIA- Radar and ILS Mwanza- Radar Songwe- Radar	5	JNIA, KIA, AAKIA, Mwanza, Songwe

x. Amendment of Regulations

Tanzania Civil Aviation Regulations emanating from Annexes 2, 3, 4, 5, 10,11, 12, 15, and 16 were reviewed and amended.

xi. Review of technical guidance materials

The following documents were developed and reviewed to align with new regulations and recommendations from the ICAO USOAP preliminary report.

a. ANS Inspectors Handbook

During ICAO Audit the handbook was missing some information; A Comprehensive review was carried out to customize each section to include functions, duties and responsibilities to be aligned with those outlined in scheme of service.

b. Checklists

All audit areas Checklists were reviewed to include some questions relating to respective Protocol Questions, new regulations and other regulatory documents.

c. Forms

Orders and Advisory Circulars were all reviewed to include latest information, directives and regulatory requirements

1.25.2 ECONOMIC REGULATION DIRECTORATE

a. Air Transport Regulation

Facilitation of air transport Regulations have been completed and will be forwarded to the Ministry of

Works, Transport and Communications for being presented to Stakeholders for comments by August 2020.

i. Licensing of Air Services Operators in 2019/20 vs. 2018/19

During the year 2019/20, the Board held two (2) Licensing Board meetings, one in December 2019 and the other one in June 2020; and considered a total of fourteen (14) and twenty-five (25) applications respectively, for air services (24 applications) and ground handling services (.During the previous year, the Board held two meetings and considered a total of forty-two (42) and twenty-four (24) applications for air and ground handling services. The licensed air operators are detailed below:

Table 40: Licensing of Air Services Operators in 2019/20 Vs. 2018/19

	2019/20		2018/19	
	Approved	Disapproved	Approved	Disapproved
New Applications	4	1	7	1
Applications for renewal /variations	19	0	34	0
Total	23	1	41	1

Table 41: Licensing of Ground Handling Services Operators in 2019/20 Vs 2018/19

	2019/20		2018/19	
	Approved	Disapproved	Approved	Disapproved
New Applications	6	1	2	1
Applications for renewal /variations	8	0	20	1
Total	14	1	22	2

ii. Bilateral Air Services Agreements (BASAs) for 2019/20 Vs 2018/19

Tanzania participated in the ICAO Air Services Negotiation Event (ICAN2019) that was held in Aqaba, The Hashemite Kingdom of Jordan from 2 to 16 December, 2019. This event is a meeting forum for ICAO member States where Bilateral Air Services Agreements (BASAs) negotiated/reviewed or signed. Tanzania met with a total of eleven (11) countries and subsequently negotiated four (4) new BASAs (previous year 2), reviewed existing BASAs with five (5) countries (previous year 7) and signed BASAs with two (2) countries (previous year none). Tanzania did not convene any meeting for BASA negotiations/ review or signing with an individual country outside the ICAN forum (Last year TCAA did review the BASA with DRC outside of the ICAN forum).

Table 42: countries with which Tanzania had BASA negotiations/review meeting during the ICAN2019:

	2019/20	2018/19
New BASAs negotiated	<ul style="list-style-type: none"> Namibia, Sierra Leone, Gambia and Bahamas. 	<ul style="list-style-type: none"> Malaysia and Spain.
BASA reviewed	<ul style="list-style-type: none"> United States of America, Turkey, Jordan, Kenya and Ethiopia; 	<ul style="list-style-type: none"> Zambia, Oman, Switzerland, United Kingdom, Zimbabwe, Rwanda and Turkey.
BASA signed	<ul style="list-style-type: none"> Rwanda and Mauritius 	<ul style="list-style-type: none"> NIL

iii. Coordination of facilitation of Air Transport Committee Meetings

During the period under review, the National Air Transport Facilitation (National FAL) Committee held one meeting at Mbeya. We had a plan to hold two meetings, but we could not hold the meeting in June 2020 in Zanzibar as planned due to the COVID-19 outbreak. The meeting of Mbeya deliberated issues including the following:

- a. Enhancing the national campaign for combating the pilferage challenge at our airports;
- b. Underscoring effective use of and facilitation of the JNIA Terminal III Building;
- c. Advising the airports to ensure readiness on Public Health Emergencies by complying with the International Health Regulations at the entry/exit points.
- d. Ensuring strict screening of the arriving passengers for detection and proper management of the suspected cases.
- e. The need by the Authority to ensure that Ground Handlers use proper handling equipment at the airports.
- f. Advising airports to embark to non-aeronautical sources of revenue to subsidize airport management costs while cutting down aeronautical charges to attract competitiveness in aeronautical charges terms;
- g. Reminding airport operators on the potential threat of terrorism and drugs cases at their airports. The airports role to enhance their preparedness to fight the vice was underscored;

The issues were also raised during the FAL meeting at the EAC level, hosted by the United Republic of Tanzania in November 2019. EAC FAL meetings are also held twice a year but the meeting for the second half that was planned for June 2020 in Rwanda could not be held as planned due to the COVID-19 outbreak. The EAC FAL meetings are designed to address issues raised in the national FAL Committees of the six (6) Member States so as to create seamlessness in the air transport system in the Community.

iv. Complaints and Disputes

The Authority attended complaints against suppliers of regulated goods or services in relation to any matter connected with the supply, possible supply or proposed supply of goods or services. A summary of complaints received and settled in each sector is shown in the table below

At the end of the year a total of 11 complaints were at various stages of mediation and hearing.

Table 43: List of Complaints

SN	Complainant	Respondent	Date of Receipt	Summary of the Complaint	Status
1	Said Haji Saleh	Kenya Airways	Received on 7 August 2018	The complainant was claiming for loss of his baggage while travelling from Guangzhou to Dar es Salaam. He claimed compensation of USD 33524.	Consumer Complaints Unit tried to resolve the complaint but amicable settlement failed. The complaint is forwarded for committee of the board.
2	Andrew Makungu	Ethiopian Airlines	29 October 2019	The complainant lost his baggage while	Consumer Complaints' Unit tried to resolve

SN	Complainant	Respondent	Date of Receipt	Summary of the Complaint	Status
				travelling from Dar es Salaam to Gaborone using Ethiopian Airlines.	the complaint but amicable settlement failed. The complaint was forwarded for committee of the board for its decision but parties have resolved the complaint on 10 May 2020.
3	Khalid Ismail and 4 others	Tropical Air	Received on 19 September 2019	The Complainant and his four relatives are claiming compensation of USD 600,000 for damages which occurred due to aircraft accident. On 6 August 2019 they were travelling from Mafia to Dar es Salaam with his relatives (Shahnaz Ismail Hassan, Hanifa Ismail Hassan, Awadh Salum and Farid Said Issa). The aircraft failed to take off at the Mafia Airport and caught on fire at the runway.	Consumer Complaints Unit met on 24 October 2019 and tried to resolve the complaint amicably. The respondent agreed to resolve the matter by paying compensation subject to its Insurance policy.
4	Aly Mandai	Tropical Air	Received on 29 August 2019	The complainant is representing his relative Hassan who is claiming for payment of hospital charges. Hassan is admitted as a result of injuries sustained during an aircraft accident which occurred while travelling from Mafia	Consumer Complaints Unit met on 24 October 2019 and tried to resolve the complaint amicably. The respondent agreed to pay all hospital expenses.
5	Prachi Kagzi and family	Air Tanzania	Received on 18 August 2019	The complainant and his family was travelling from Kilimanjaro to Mumbai by Air Tanzania. The flight was cancelled without any notice.	The Consumer Complaints Unit met on 24 October 2019 and tried amicable settlement. The complainant was refunded the money

SN	Complainant	Respondent	Date of Receipt	Summary of the Complaint	Status
				Due to circumstances they encountered, He was forced to buy another ticket. He is claiming for compensation of USD 10000 for expenses he incurred and trauma	spent on to buy Air Tanzania tickets. Air Tanzania was requested to produce evidence on the alleged technical problem so that it can be exonerated from compensation liability, No evidence is produced to date so the complaint was forwarded to the Committee of the Board for its decision
6	Giorgos Matsoukas and 3 others	Air Tanzania	Received on 27 August 2019	The complainants were travelling from Zanzibar to Dar es Salaam. All the complainants had flight connection from Dar es Salaam to Greece. They Air Tanzania flight delayed for five hours thus caused them to miss their connecting flight. They were promised by Air Tanzania that they would be assisted to catch up their flight on time. As a result of the missing their flights they were forced to stay for two more days before they could get other tickets at their own cost. Each is claiming USD 600 as a refund of the money spent for the new tickets.	The Consumer Complaints Unit met on 21 January 2020 and tried to resolved complaint amicably. Air Tanzania requested more time to investigate the complaint up to 11 February 2020. The passenger confirmed refund on 3 April 2020
7	Ndibalema Ngemera	Air Tanzania	6 March 2020	Complainant was travelling from Mbeya to Dar es Salaam on 15 February 2020. There was a flight cancellation which	The CCU contacted Air Tanzania and informed them of the complaint. The letter of apology was written on 5 June

SN	Complainant	Respondent	Date of Receipt	Summary of the Complaint	Status
				made him miss an important meeting in Dar es salaam. He demanded a formal apology from Air Tanzania	2020. The complaint was resolved amicably.
8	Makala Masasi	Air Tanzania	March 2020	The complainant was travelling from Mwanza to Dar es Salaam. Upon arrival he did not received his checked in bucket of fish. He is claiming compensation of TZS. 120,000	The CCU contacted Air Tanzania informing them about the complaint on 10 March 2020. The complaint is still in amicable settlement process.
9	Iddi Said Nassoro	Qatar Airways	31 March 2020	On 31 July 2019 the passenger was travelling from Dar es Salaam to Doha then Munich Germany to attend an exhibition. When arrived at Munich his bag was not found	The CCU contacted Qatar Airways informing them about the complaint on 2 April 2020. Parties met for an amicable settlement on 27 July 2020. The respondent promised to work on the complaint and give feedback by 10 August 2020.
10	Luis Ferreira	Air Tanzania	8 June 2020	The passenger paid for a ticket to travel on 8 June 2020. The flight has been cancelled by Air Tanzania he demands refund of his ticket	CCU contacted to ATCL on 8 June 2020 The passenger was refunded on 29 June 2020 through his travel agent.
11	Dennis Mwesiga	Malawi Air	Received on 15 June 2020	On 22 December 2019. He was traveling with his family to Durban. There was flight delay from Dar es Salaam thus causing missing connection from Oliva Tambo International Airport - JHB	CCU contacted Malawi Air informing them about the complaint. Amicable settlement meeting was scheduled two times but the respondent was not able to attend due to corona lock down in Malawi.

b. Business Analyst and Forecasting

i. Statistical Reports

The Statistical Report for 2019 was issued. Three (3) quarterly Statistical reports were issued in November 2019, February 2020 and May 2020.

ii. Traffic Performance

During the year 2019/20 international aircraft movements reached 41,039 compared to 45,470 movements occurred in the previous year recording a slight decrease of 9.7%. International passengers uplifted decreased to 2,317,038 passengers from 2,441,250 passengers recorded in the previous year, which is a decrease of 5.1%. During the year, most international airlines decreased frequencies due to COVID 19 outbreak and at a later stage the airlines stopped operating when the pandemic intensified.

International cargo handled had an increase of 27.4%, from 21,581.8 tons in 2018/19 to 27,500.9 tons in 2019/20.

Domestic aircraft movements on the other hand decreased by 12.4%, from 187,383 movements in 2018/19 to 164,519 movements in 2019/20. Corresponding domestic passengers recorded a 1.6% decrease from 2,862,440 passengers in 2018/19 to 2,817,027 passengers in 2019/20.

Domestic cargo increased from 2,807.9 tons in 2018/19 to 3,324.9 tons in 2019/20, equivalent to 18.4% increase. The increased cargo export was due to increased airfreight volume for the perishable goods from our major airports, especially from Mwanza airport to Julius Nyerere International airport in Dar es Salaam.

Overall traffic performance of the industry recorded a decrease of 11.9% in aircraft movements, from 233,308 in 2018/19 to 205,558 movements in 2019/20.

Overall passenger traffic decreased from 5,303,690 passengers in 2018/19 to 5,134,065 passengers in 2019/20, equivalent to 3.2% decrease.

Overall cargo recorded a 26.4% increase, from 24,389.7 tons in 2018/19 to 30,825.8 tons in 2019/20.

iii. Project on aviation contribution to economy

During the year 2019/20, the Authority through the Division of Economic Regulation, continued with implementation of the project on aviation contribution to the Tanzanian economy which was planned to be completed before end of the financial year but it couldn't due to the COVID-19 outbreak. The project has been halted until when the Authority has regained its financial capability which has negatively been affected by the COVID-19 pandemic due to suspension of commercial flight operations in many countries globally.

c. Aeronautical Airport Services

Designation of international airports by WHO and preparedness for the COVID-19 pandemic:

As part of the air transport facilitation program under Annex 9 to the Chicago Convention, we undertook to assess three (3) international airports, namely Julius Nyerere (JNIA), Kilimanjaro (KIA) and Abeid Amani Karume (AAKIA). This was meant to establish the compliance level following the mock assessment that was undertaken in the previous year in preparation for the WHO assessment based on International Health Regulations (IHR). The Mock results of the three airports ranged between 70% and 81%. The WHO required score level for an airport designation and publication to global travel community is 80%. We plan to invite WHO for the assessment by June, 2021.

For the purpose of assessing the compliance level of the gaps identified during Mock studies, a number of inspections were conducted at the three international airports and domestic airports comprising of Mwanza, Bukoba, Mbeya and Kigoma between January and March 2020. Also, CAPSCA meetings and special high-level meetings of CEOs (TCAA, TAA, ZAA and KADCO) were conducted for the purpose of ensuring that airport and other service providers address identified gaps during the Mock assessment exercise. Both, the meetings and inspections were also meant to ensure our airport preparedness for the fight of the COVID-19 pandemic in the country.

1.25.3 DIRECTORATE OF AIR NAVIGATION SERVICES (DANS)

a. Air Traffic Control Services

The Authority during the financial year ended June, 2020 continued with the provision of air navigation services in the Dar es Salaam Flight Information region (Dar FIR) including provision of air traffic control services at 13 TCAA-manned stations and Aerodrome Flight Information Service (AFIS) at one.

Various communication, navigation and surveillance facilities/equipment have been modernized and serviced to ensure adequate provision of reliable air navigation services to ensure safe and orderly flow of air traffic; of which it is a continuous process so as to keep abreast with technological advancement in the aviation industry.

Operation and maintenance of communication, navigation and surveillance facilities in the Dar FIR were carried out satisfactorily and in accordance with the TCAA Strategic Plan and the African-Indian Ocean (AFI) Air Navigation Plan.

Engagement of the Authority in various international forum continued including hosting successfully of the Civil Air Navigation Services Organisation- Africa Conference 2019 in Dar es Salaam in September 2019.

During this period (2019/20) a total of four (4) incidents occurred out of 68,615 aircraft movements handled by the area control centre were reported giving a rate of 0.58 out per 10,000 aircraft movements. The rate achieved is higher than the planned reduction rate of 0.45 incidents per 10,000 aircraft movements for this particular period. In essence due to COVID-19, the number of aircraft movement has gone down.

- i. Provision of Air traffic control service at 13 stations continues as per hours promulgated in the Aeronautical Information Publication (AIP)
- ii. Reestablishment of Air traffic control services at Iringa airport.

iii. Operation of new Radar system commenced covering the whole Dar Flight information Region (FIR), including operation at Kilimanjaro, Mwanza, Arusha and Zanzibar.

• **Proficiency and Adequacy of staff**

- i. Seven (7) Air Traffic Management Officers (ATMOs) were rated as Approach radar controllers
- ii. Four (4) Air Traffic Management Officers (ATMOs) were rated as approach Procedural controllers
- iii. Seven (7) Air Traffic Management Officers attended Approach Procedural Control Course at CATC
- iv. Twenty-one (21) persons were recruited, trained and rated as Aerodrome Controllers
- v. Three (3) Air Traffic Management Officers were trained as On the Job Instructors at CATC
- vi. Five (5) Air Traffic Management Officers (ATMOs) attended Basic Safety Management System course at CATC
- vii. Forty-four (44), Area and Approach Radar controllers attended Top Sky site training at JNIA
- viii. Two (2) Air traffic Management officers attended a fellowship course on Air Navigation Services Leadership Management Programme in Singapore
- ix. One (1) Air Traffic Management officer attended a fellowship course on Safety Audits of Air Traffic Services in Singapore

b. Communication Navigation Surveillance

- i. Preventive and Corrective maintenance conducted at Pemba, Mtwara, Tabora, Mwanza, Iringa, Dar es Salaam, Civil Aviation Training Centre, Kigoma, Songwe, Kilimanjaro, Arusha, Tanga, Songea, Zanzibar and Dodoma CNS facilities and Nyashana, Matogoro, Kaluwe, Changalawe, Lilungu, Gairo, Kaze hill, Moroninya, Mnyusi, Singo (Babati) and Lolkisale, and Dar VHF Relay stations as per schedule.
- ii. Five Coordination meetings between TCRA and TCAA, TTCL and TCAA were conducted.
- iii. Installation of communication facilities at new Mwanza control tower completed.
- iv. M/s Air Navigation Service of the Czech Republic conducted NAVAIDS and PAPI flight calibration at Julius Nyerere and Kilimanjaro International Airports (under framework contract for three years i.e. 2018/19 - 2020/21).
- v. Installation of four radar systems at JNIA and KIA completed, Songwe and Mwanza is ongoing.
- vi. Consultancy service on survey of DAR FIR VHF coverage is ongoing.
- vii. Designing, Manufacturing, Supply, Installation, Integration, Training, Testing, Commissioning and Technical support of Voice Recorders for JNIA, Dodoma, Songwe and Pemba is ongoing.
- viii. Installation of Instrument Landing System at Zanzibar is ongoing.
- ix. Replacement of VHF extended Relay station at Kalue was done.

• **Operation of Facilities at Optimum Level**

All the facilities were maintained on regular basis as scheduled, the detailed serviceability of the different facilities was as follows:

- i. Navigation Aids operated with serviceability level of 97%.
- ii. Surveillance equipment operated at serviceability level of 99%.
- iii. VHF Area cover operated at serviceability level of 94%.
- iv. VHF Radio at stations operated at serviceability level of 98%.

- v. ATS DS Link operated at serviceability level of 99%; and
- vi. Aeronautical Fixed Telecommunications Network of the equipment was 96% for international circuits, and 95% for the domestic circuits.

- **Training Plan**

- i. Two (2) Engineers were trained in CNS/ATM Systems.
- ii. One (1) Engineer was trained in ICAO Safety Management Systems.
- iii. Four (4) Engineers were trained in Thales DVOR/DME equipment maintenance course.

- c. **Aeronautical Information Management**

The period of 2019 /2020, Aeronautical Information Management (AIM) continued to provide Flight planning and Briefing services to aircraft operators by 24 hours at Julius Nyerere, Abeid Amani Karume, Kilimanjaro International and Mwanza Airports, 12 hours service at Dodoma, Arusha, Songwe, Tabora, Tanga, Kigoma, Pemba and Mtwara Airports. The AIM section also continued to issue/produce NOTAM, AIP, AIP Supplements, AIP Amendments, Aeronautical Information Circulars and Aeronautical Charts. Also participated in developing various Instrument Flight Procedures that has contributed a lot to keep our Airspace safe in the AFI Region.

The AIM section and the Authority as whole in FY 2020/2021 have focused to implement the Aeronautical Information Exchange Model Database (AIXM Database) which will be the Central database and backbone for most of the Air Navigation Service Division operations. The main functional components that are expected to be integrated with the AIXM Database shall be the electronic AIP (eAIP), electronic Charts, electronic Terrain and Obstacle Database (eTOD), Aerodrome Mapping, Instrument Flight Procedure Design System, Briefing/Digital NOTAM System, the recently installed ATM Top Sky Solution and allow future expansion to System Wide Information Management (SWIM).

To suite the ANS user requirements, AIM section plans to establish the AIM Portal for provision of online services which includes Pre-flight Information Bulletins (PIB), online Flight Planning, Daily NOTAM Updates, Aeronautical Charts, and electronic AIP (eAIP)

For efficiency provision of International Air navigation services, those operations mainly depend on timely provision of accurate data/information.

The status regarding Aeronautical Information Management is as follows:

- i. Continue providing 24 Hours Aeronautical Information Services at; JNIA terminal III, KIA, AAKIA, Mwanza, International NOTAM office and Communication Centre.
- ii. Continue providing 12 Hours Aeronautical Information services at; Dodoma, Arusha, Songwe, Kigoma, Pemba, Tabora, Tanga, Iringa and Mtwara Airports.
- iii. Continue providing 16 hours Aeronautical Information services at; JNIA Terminal I.
- iv. Continue provision of Aeronautical Fixed Service, Aerodrome Flight Information Service at Songea airport.
- v. Drawing of Parking and Docking chart for JNIA Terminal III was done.

- vi. Drawing of RNAV GNSS approach chart for Iringa and Mpanda Airport completed.
- vii. Review and production of World aeronautical charts area Lake Victoria, Lake Tanganyika, Zanzibar Island and Ruvuma River have been completed.
- viii. Continuous issue of AIP amendments, AIP Supplements, Aeronautical Information Circulars, Aeronautical Charts, NOTAM and Pre-Flight Information Bulletins.

- **Proficiency and Adequacy of staff**

Table 44: Training of AIM staff 2019/20

NR	Course Title	Institute	Participants
1	AMHS Operations	EASA	3
2	Aeronautical Data Quality	EASA	1
3	On Job Training	CATC	3
4	Electronic AIP(e AIP)	MAIS	2
5	Advanced Aeronautical Digital Cartography	MAIS	3
6	NOTAM Management	CATC	3
7	Aeronautical Data Quality	IATA	Postponed due spread of COVID 19
8	AIS Supervisory Management	CATC	Postponed due spread of COVID 19
9	Advanced Aeronautical Communication Operations	EASA	Postponed due spread of COVID 19
10	AICM/AIXM 5.1 Advanced	Group EAD	Postponed due spread of COVID 19
11	AICM/AIXM 5.1 Advanced	Group EAD	Postponed due spread of COVID 19

1.25.4 DIRECTOR GENERAL OFFICE

a. Director of Legal Services

Review of Act and Regulations

The Civil Aviation Act, Cap 80 was amended to:

- Incorporate provision relating to Accident and Incident Investigation; and
- Amend other provisions to address ICAO audit findings.

The proposed amendments are currently at the Ministry for necessary action prior promulgation.

Several Regulations are being reviewed to address new ICAO Standards. They are still with the Authority awaiting Stakeholder's Consultation Meeting. These are:

- i. The Civil Aviation (Personnel Licensing) Regulations,
- ii. The Civil Aviation (Approved Training Organization) Regulations,
- iii. The Civil Aviation (Aircraft Registration Marking) Regulations,
- iv. The Civil Aviation (Approved Maintenance Organization) Regulations,
- v. The Civil Aviation (Instrument and Equipment) Regulations,
- vi. The Civil Aviation (Airworthiness) Regulations,
- vii. The Civil Aviation (Operations of Aircraft) Regulations,

- viii. The Civil Aviation (Air Operator Certification and Administration) Regulations,
- ix. The Civil Aviation (Aircraft accident and incident investigation) Regulations, and
- x. The Civil Aviation (aerodromes) Regulations.

b. Management Information System

The Authority’s ICT System supports Authority’s functions. It is the Authority’s policy to ensure that the public is provided with timely and accurate information. To this end, the Authority has established appropriate ICT infrastructure (i.e. Network, hardware and Application systems) in order to enhance information management.

i. Network Infrastructure

The Authority has extended its network to stations. However, Pemba station was not covered due national Backbone infrastructure challenge. For the year ending 2019/20, Pemba was connected to the TCAA network.

Additionally, there was a need to enhance security in the network. The Authority implemented Firewall, centralized Backup infrastructure and Active Directory at TCAA HQ.

ii. Hardware

The Authority procured and distributed to users’ iPad, laptops, printers, UPS, Desktop Computers based on replacement or new recruitments. The hardware infrastructure provides coherent working tools to the Authority staff.

iii. Application Systems

It is a strategic target that all business processes for the Authority to be automated. Several projects are in implementation stages including:

Table 45: ICT Projects

SN	Application System	Status
1	BusinessProcessManagement System	The project was suspended due to the directives from the President office records and Archives department (PO-RAMD), and e-Government Authority (eGA) that: all public institutions are required to use Government E-office system (E-office) as most of modules that were covered by BPMS were also available in the E-office
2	Self – Assessment Portal	Internal Custom Billing system linked with GePG is on implementation. Self-Assessment for FOO, Pilot and Cabin Crew is ready. The system will provide convenience to customers and improve service quality through empathy provided by online submission of application.
3	Inventory and Asset Management System	The Authority is in the process of acquiring Enterprise Resource Management Suit (ERMS) from eGA one of the module in ERMS is Assets and Inventory Management module

SN	Application System	Status
		by which the system will provide: <ol style="list-style-type: none"> 1. Automated requisition 2. Generation of GRN 3. Asset Tracking and Updates 4. Depreciation Management Currently the system is under implementation by which 2019-2020 assets will be uploaded into the system.
4	Intranet Service Portal	The intranet service portal will provide information to staff in all stations and amongst These documents include financial related controlled documents.
5	Website	Website has been reviewed twice for the Year 2019/20. The review includes enhancing layout, links to stakeholder for security and feedback.
6	Oversight Management System	The online oversight management and requisition for certification is in initial stage of development. The online certification request will be linked to GePG and hence increasing revenue transparency to stakeholders and meanwhile provide customers convenience.

iv. Governance

The ICT unit has been moved to report direct to the Accounting Officer as per prevailing rule. Two more staff have been recruited and this will enhance support to ICT related matters.

c. Civil Aviation Training Centre (CATC) Unit

Civil Aviation Training Centre (CATC) is the training arm of the Tanzania Civil Aviation Authority (TCAA). It was established on 10th June 1985 through the joint efforts of the Tanzania Government, the International Civil Aviation Organization (ICAO) and United Nations Development Programme (UNDP). The Centre is located in Dar es Salaam at the Julius Nyerere International Airport (JNIA) Terminal One Building.

In general, the main role of CATC is to provide quality and cost-effective training to meet the current and future needs of the aviation industry in Tanzania and elsewhere.

CATC customers are from within and outside the country. Within the country CATC customers are from the TCAA, Airports Operators, airlines, military, ground handling companies, approved aviation security organizations, other service providers at airports and the general public; whereas those from outside the country are from Uganda, Botswana, Swaziland, Liberia, Ghana, Nigeria, Rwanda, Burundi, Somalia, Zambia, Namibia, Sierra Leone and Guinea.

To maintain international standard of providing quality training to customers, CATC is an ISO 9001: 2015 certified since 2018. Before, CATC was ISO 9001:2008 certified since 2009 after successful assessment done to the Centre by International Organization for Standards Registrar (ACM Ltd from London).

CATC is also an ICAO Trainair Plus full member since 1 October 2019. Before, the Centre was Trainair

Plus Associate member since 12 September 2012.

Nationally, CATC is fully accredited by National Accreditation Council of Technical Education since 26/09/2017.

The current certification status is as per below:



Similarly, CATC is an Approved Training Organization by Tanzania Civil Aviation Authority (TCAA) (National Regulatory body).

The aim for retaining certifications is to improve business processes, increase customers satisfaction and compliance with International and National regulatory bodies.

In the financial year 2020/2021, the Centre plans to undertake the following activities.

- i. Conduct Feasibility study for development of CATC. The aim of the study is to attain value for money of the project.
- ii. Development ICAO Training Package (ITP) to become Regional Training Centre of Excellence (RTCE).

d. Quality Assurance Management Unit

Quality Assurance Management Unit as the custodian of the Quality Management System (QMS) has been ensuring all Authority systems and processes are improved by using various tools including embracing best practices to ensure efficiency and effectiveness of all operations.

The Authority (Regulatory, Air Navigation Services, Civil Aviation Training Centre and Corporate Services) has been an ISO 9001 certified organization since 2009. The ISO 9001:2015 standard replaced the previous ISO 9001:2008 standard was adopted in 2018 after successful assessment done by International Organization for Standardization Registrar (ACM Ltd from UK).

The aim for retaining ISO 9001:2015 certification is to improve business processes, reduce complains, lower overall costs, while taking cognizance of risks and opportunities.

The current certification status



Quality Management System auditing is a crucial business management tool used within TCAA to monitor and evaluate its documented processes, procedures and responsibilities to achieve TCAA quality policies and objectives, and to ensure the complete adherence to statutory and regulatory requirements. Consequently, conforming to the monitoring and evaluation approach, Authority provides its customers with the surety of cost effective, value-add and safe products and services.

In the year ahead (FY 2020/2021), the Authority will continue to undertake Internal and third-party audits to ensure compliance to ISO 9001:2015. Also reviews of processes and trainings and continues to instill a holistic and integrated management approach and culture throughout the organization.

Table 46: Quality Management System Audits

SN	Audit Scope	Planned Audits		Actual Audits	
		External	Internal	External	Internal
1	Safety regulation, Economic regulation & Corporate services.	1	2	1	2
2	Provision of Air Navigation Services within Dar es salaam Flight Information Region which includes Air Traffic Management (ATM), Communication Navigation Surveillance (CNS) & Aeronautical Information Management (AIM)	1	2	1	2
3	The Design and provision of training services for the Civil Aviation Industry to include ATM, AIS, CNS, AVSEC, Airport Operations, Train the Trainer & Airport Ground Handling.	1	2	1	2

e. Risk Management and Internal Control
i. Risk and internal control assessment

The Authority has developed a comprehensive enterprise risk management policy which outlines roles and responsibilities of various officers in the risk management process. The Authority developed risk management operational guidelines (manual) for the day-to-day management of risks. In addition, the

Internal Audit Unit / function assists management with risks assessment and mitigation.

ii. Results of risk management

The results show that the authorities Risks was 92 before any mitigation after the mitigation (residual) the result is as follow

Table 47: Risk Management results

RISK SUMMARY COLOUR	NUMBER OF RISKS	
	INHERENT RISK	RESIDUAL RISK
RED	54	11
BROWN	34	42
YELLOW	2	34
GREEN	2	5
TOTAL	92	92

This indicate that there is a reduction of risks from one stage to another this is due to the implementation of the activities as per budget and action plan, during the year ended June 2020 before any mitigation the extreme risk was 54 after mitigation the risks shifted from 54 to 11, likewise the yellow increased from 2 to 34, the result shows that there is a tremendous reduction or decrease of the risks from Red to Green.

NB: Key to colors

Red	Very serious concern; highest priority. Take immediate action and review regularly.
Brown	Serious concern; higher priority. Take immediate action and review at least three times a year
Yellow	Moderate concern; steady improvement needed. Possibly review biannually
Green	Low concern; occasional monitoring. Tolerate/ Accept. Continue with existing measures and review annually.

iii. Safeguarding of Authority's Assets

The Directors are responsible for safeguarding the assets of the Authority. During the year under review, the Board approved various policies and regulations including but not limited to Scheme of Service, Financial Rules 2018 and Staff Rules in order to strengthen the internal control environment and enhance efficiency within the Authority. These control documents are reviewed from time to time to align them to the dynamics of the operating environment. Also, during the year Accounting Manual were reviewed, pending EMT approval. During the year under review, no incident of loss of Authority's Assets was recorded.

iv. Compliance with Laws and Regulations

The principal functions and operations of the Authority are governed by the TCAA Act 2008, CAP 80. The Directors confirm that the activities and operations of the Authority were conducted in accordance with the Act and the Board is not aware of non-compliance with other applicable laws and regulations that would have material impact on the Authority.

v. Reliability of Accounting Records

The Authority has employed sufficient and competent staff in the Finance Department and has in place a computerized accounting system (Oracle EBS). Accordingly, proper books of accounts have been maintained and the financial statements are prepared and presented in compliance with the International Public-Sector Accounting Standards (IPSAS). The Authority is in the process of installing billing system in order to fully automate the billing process. The tender for supply installation and commissioning of billing system was advertised on 20th September, 2016 and M/S Indra Systems from France was procured to implement the project. The system was installed and operations started at the end of June 2019.

f. Public Awareness

The Tanzania Civil Aviation Act (Cap. 80), section 25 stipulates that it is a duty of the Authority to enhance public knowledge, awareness and understanding of regulated industry including the rights and obligations, ways in which complaints and disputes may be initiated and resolved; and the duties and functions of TCAA.

In order to balance the public expectations and what is achieved by TCAA, well thought public outreach is inevitable and implementation of public awareness programs and management of public relations is an integral part of the Authority's functions in order to enhance public knowledge, awareness and understanding of the regulated activities.

For the Financial Year 2019/20 the Authority executed several activities related to Communications and Public Relations functions of which have been presented in this report.

During the year, various means of communication channels were used to reach diversified stakeholders' interests that included electronic media, face to face meetings, print media, public hearings and consultations. Some of activities that were executed during the year have been highlighted here under: -

i. Sensitization Program

The Authority conducted secondary school sensitization program, to enhance its visibility and pupil's knowledge on civil aviation, TCAA mandates on particular. During the time seven regions, namely Pwani, Kagera, Tabora, Kigoma, Mwanza and Mara were visited reaching more than 10,000 pupils in various secondary schools. The pupils have the opportunities to hear from the aviation experts on the best way to prepare so they can join the Civil Aviation industry. We also aired 2 Television content and 2 Radio programs, respectively.

ii. Printed feature articles in local newspapers and Authority bi annual magazine

The Authority also coordinated 33 printed feature articles in local newspapers and Authority bi annual magazine, TCAA news Bulletin against 30 features printed in the previous in the same period, the Authority also conducted stakeholders' seminars and sensitization in particular on COVID- 19 pandemic and drones 'regulations.

iii. Press Conferences and Media Coverage

During the year, the Authority organized 13 media coverage on various activities held by TCAA including

the 2019 stakeholders meeting, CANSO Africa 2019 summit, GNSS inauguration in Mpanda, Drones stakeholders meeting, COVID- 19 responses, TCAA successes in four years of President Johh Pombe Magufuli in the Office to mention some.

TCAA also run actively social media namely Facebook, Instagram, Twitter and YouTube whereby the contents are updated weekly.

iv. Advertisements

During the year, the Authority published 60 batches of various advertisements compared to 59 batches of advertisements published in the previous Financial Year. The advertisements were mainly on Public Notices, Job Vacancies Adverts, Pre-inspection monitoring and licensing notices and Tenders.

v. Exhibitions

The Authority participated in two (2) exhibition, the Authority conducted public awareness, information and education activities where various publications such as brochures, Newsletter and TCAA annual reports were distributed to the public. At the end of 10 and 5 days exhibitions respectively for each, the Authority served more than 350 registered visitors at TCAA booth.

vi. Publicity Materials

During the year, the Authority facilitated the distribution of TCAA's education and information materials to the Government and the general public through various events such as exhibitions, Public inquiry meetings and in stakeholders' meetings. During the year, the Authority published various reports namely: TCAA Annual report, Aviation industry Performance Report for the year 2019, brochures and TCAA Newsletters. Various banners were also used.

vii. Political and Charitable Donations

The Authority did not make any political donations during the year ended 30 June 2020. Donations were made to institutions and charitable organizations to acknowledge TCAA's responsibility to community social needs.

1.25.5 CORPORATE SERVICES DIRECTORATE

a. Human Resources and Administration

Employees' Welfare

i. Recruitment

The Authority being Public Service Institution conduct its recruitment process through Public Service Recruitment Secretariat as stipulated in the Section 29 of Public Service Act, Cap 298. During the period under review, a total of 61 staff were recruited compared to 10 in the previous financial year 2018/19, thus bringing the number of staff to 481 out of 553 in the approved establishment. Staff gender structure is as indicated in below table:

Table 48: Staff structure

Description	Year ended 30 th June, 2020			Year ended 30 th June, 2019		
	Male	Female	Total	Male	Female	Total
Management Team	6	0	0	16	3	19
Chief/Principal Officers	75	40	115	81	41	122
Senior Officers	62	28	90	62	40	102
Middle level Officers	186	84	276	139	54	193
Total	329	152	481	298	138	436

ii. Management and Employees' Relationship

The relationship between management and staff is cordial. Employees are involved in major changes affecting them through such measures as monthly departmental meetings, internal communication and Workers Council meetings whereby the Authority conducts such meetings twice a year, one meeting being a planning meeting whereby budgets are submitted, resolved and assented and the other meeting which evaluates performance of the budget and Authority plans as required by The Public Service Negotiation Machinery Act No.19 of 2003 and its Regulations of 2005 and Employment and Labour Relations Act No.6 of 2004.

The Authority has well established procedures, including regular meetings with the Employees' Trade union (TUGHE – TCAA Branch), to ensure that the views of employees are taken into account in making rational decisions.

iii. Medical assistance

The Authority meets medical expenses of its employees and their immediate dependents through contributing to National Health Insurance Fund (NHIF). During the year 2019/20 a total of TZS 441.91 Million contributed to the Fund (NHIF) compared to TZS.385.71 Million contributed in previous year 2018/19. Also pays for staff medical examination once in every two (2) years. The Authority also pays for Air Traffic Controllers medical examination once in every year/ two years depending with age.

iv. HIV/AIDS Policy

The Authority HIV/AIDS policy focuses on creating awareness on HIV/AIDS among staff members by providing them with update information on HIV/AIDS with emphasis on the preventive strategies and education against the pandemic. The policy also focuses on encouraging employees to undertake voluntary counseling and testing (VCT). Furthermore, the Authority continued to raise awareness to staff on HIV and AIDS issues. During the year 2019/20 a total of TZS 1.8 million was spent to provide medical services to staff. HIV/AIDS awareness seminars were planned to take place in the fourth quarter, however such seminars were not conducted due to outbreak of COVID-19 pandemic which led restriction of mass gatherings.

v. Meal and Transport Assistance

All members of staff are provided with meal and transport allowance except for those who are using Authority's transport.

vi. Employment Policy

Tanzania Civil Aviation Authority is committed to employment policies which follow best practices, based on equal opportunity for all employees irrespective of sex, race, religious, disability, age or marital status. The Authority recognizes the need for ensuring fair employment practices in recruitment and selection, and the retention, training and career development of staff. As a measure towards improving Employer/Employee good relationship, during the year 2019/20 management convened one meeting with all staff.

vii. Training

The Authority regards training as investment in human resources. The Authority, therefore, sets aside sufficient resources in its annual budget and plans to meeting training objectives. All employees are trained with the aim of equipping them with knowledge, skills, attitude and abilities necessary to achieve Tanzania Civil Aviation Authority strategic goals. Training is normally carried out with focus on core business of the Authority academic and professional improvement and technical programs.

Training is conducted in accordance with an annual training program drawn from training needs assessment, which takes into account identified skills gaps and exposure to new and ever-changing working and business environment. This guarantees availability of high caliber employees capable of meeting the Authority's vision and mission.

Additionally, the Authority provide training on cross cutting issues like HIV Aids awareness seminar in collaboration with the TACAIDS, working life skills, life after retirement, fire safety and Project Management courses to all the Authority staff.

As at 30th June, 2020, The Authority training costs, both local and abroad, amounted to TZS 1,033,218,386.80 (2019/20) out of TZS 2,291,972,771/= which was allocated in the Training Plan 2019/20. Most of trainings in the fourth quarter were suspended due to outbreak of COVID-19 pandemic which led postponement of trainings in and outside the country.

viii. Persons with Disabilities

TCAA is an equal opportunity employer and as a matter of policy, recruitment processes are transparent and competitive. In case of applications for employment by persons with disabilities will be considered bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort shall be made to ensure that their employment with the Authority continues and appropriate training is arranged. It is the policy of the Authority that training, career development and promotion in case of persons with disabilities should, as far as possible, be identical to that of other employees.

1.26 RELATED PARTY TRANSACTIONS

Details of transactions with related parties and outstanding balances as at the reporting date are disclosed in note 29 of the financial statements. All transactions with related parties were undertaken on arm's length basis.

1.27 DIRECTORS RESPONSIBILITY

The Board accepts final responsibility for the risk management and internal control systems of the Authority. It is the task of management to ensure that adequate internal financial and operational control systems are developed and maintained on an on-going basis in order to provide reasonable assurance regarding:

- i. The effectiveness and efficiency of operations;
- ii. The safeguarding of the Authority's assets;
- iii. Compliance with applicable laws and regulations;
- iv. The reliability of accounting records;
- v. Business sustainability under normal as well as adverse conditions;
- vi. Responsible behaviours towards all stakeholders.

The efficiency of any internal control system is dependent on the strict observance of prescribed measures. There is always a risk of non-compliance of such measures by staff. Whilst no system of internal control can provide absolute assurance against misstatement or losses, the Authority's system is designed to provide the Board with reasonable assurance that the procedures in place are operating effectively.

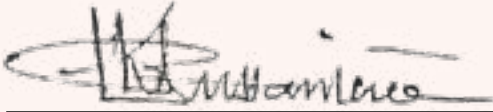
The Board assessed the internal control systems throughout the financial year ended 30th June, 2020 and is of the opinion that they met accepted criteria.

The Board carries risk and internal control assessment through the Board Audit Committee.

1.28 AUDITOR

Controller and Auditor General is the statutory auditor of the Tanzania Civil Aviation Authority by virtue of article 143 of the constitution of the United Republic of Tanzania, and amplified in section 9 of the Public Audit Act No. 11 of 2008. However, in accordance with section 33(1) of the same act, M/s Deloitte & Touche jointly with the NAOT carried out the audit of the Authority for the year ended 30th June, 2020.

BY THE ORDER OF THE BOARD



Prof. Longinus Rutasitara
Chairperson



Hamza Said Johari
Director

28th January, 2022.

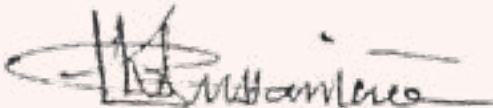
2.0 STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Tanzania Civil Aviation Authority Act, (CAP 80) of 2003(R.E 2006), require the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Authority as at the end of the financial year, and of the results of the Authority for that year. It also requires the directors to ensure that the Authority keeps proper accounting records which disclose with reasonable accuracy at any time the financial position of the Authority. They are also responsible for safeguarding the assets of the Authority.

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards and the manner required by the Tanzania Civil Aviation Authority Act, 2003 Cap 80 (R.E 2006), and for such internal controls as directors determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Public Sector Accounting Standards and Tanzania Civil Aviation Authority Act, 2003 Cap 80 (R.E 2006).The directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Authority and of its operating results. The directors further accept responsibility for the maintenance of accounting records which may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of the directors to indicate that the Authority will not remain a going concern at least for the next twelve months.



Prof. Longinus Rutasitara
Chairperson



Hamza Said Johari
Director

28th January, 2022.

3.0 DECLARATION OF THE HEAD OF FINANCE OF TANZANIA CIVIL AVIATION AUTHORITY

The National Board of Accountants and Auditors (NBAA) according to the power conferred under the Auditors and Accountants (Registration) Act. No. 33 of 1972, as amended by Act No. 2 of 1995, requires financial statements to be accompanied with a declaration issued by the Head of Finance/Accounting responsible for the preparation of financial statements of the entity concerned.

It is the duty of a Professional Accountant to assist the Board of Directors to discharge the responsibility of preparing financial statements of an entity showing true and fair view of the entity position and performance in accordance with applicable International Accounting Standards and statutory financial reporting requirements. Full legal responsibility for the preparation of financial statements rests with the Board of Directors as under Statement of Directors Responsibilities on earlier page.

I, Jamal Athuman, being the Finance Manager of Tanzania Civil Aviation Authority hereby acknowledge my responsibility of ensuring that financial statements for the year ended 30 June 2020 have been prepared in compliance with International Public Sector Accounting Standards and statutory requirements.

I thus confirm that the financial statements give a true and fair view position of Tanzania Civil Aviation Authority as on that date and that they have been prepared based on properly maintained financial records.



Jamal Athuman
Finance Manager
NBAA Membership No: ACPA 3589

28th January, 2022.

4.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL

Board Chairman,
Tanzania Civil Aviation Authority,
Aviation House,
Nyerere/Kitunda Road Junction, Banana Area
P.O. Box 2819,
Dar es Salaam, Tanzania

4.1 REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Opinion

I have audited the financial statements of Tanzania Civil Aviation Authority, which comprise the statement of financial position as at 30th June, 2020 and the statement of financial performance, statement of changes in net assets and cash flow statement and the statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Tanzania Civil Aviation Authority as at 30th June, 2020, and its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSAS) Accrual Basis.

Basis for Opinion

I conducted my audit in accordance with International Standards of Supreme Audit Institutions (ISSAI). My responsibilities under those standards are further described in the section below entitled "Responsibilities of the Controller and Auditor General for the Audit of the Financial Statements". I am independent of Tanzania Civil Aviation Authority in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the National Board of Accountants and Auditors (NBAA) Code of Ethics, and I have fulfilled my other ethical responsibilities in accordance with these requirements.

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

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statements of the current period. I have determined that there are no key audit matters to communicate in my report.

Other Information

Management is responsible for the other information. The other information comprises the Director's Report and the Declaration by the Head of Finance but does not include the financial statements and my audit's report thereon.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon. In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

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

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

Responsibilities of the Controller and Auditor General for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit

procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my audit report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

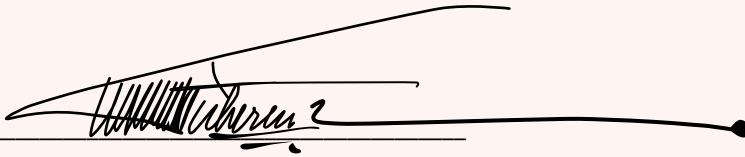
In addition, Sect. 10 (2) of the PAA No.11 of 2008 requires me to satisfy myself that, the accounts have been prepared in accordance with the appropriate accounting standards.

Further, Sect. 48(3) of the Public Procurement Act No.7 of 2011 (as amended in 2016) requires me to state in my annual audit report whether or not the audited entity has complied with the provisions of the Law and its Regulations.

4.2 REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Compliance with Public Procurement Act, 2011 (as amended in 2016)

In view of my responsibility on the procurement legislation and taking into consideration the procurement transactions and processes, I have reviewed as part of this audit. I state that Tanzania Civil Aviation Authority procurement transactions and processes have generally complied with the requirements of the Public Procurement Act No.7 of 2011 (as amended in 2016) and its underlying Regulations of 2013 (as amended in 2016).



Charles E. Kichere

CONTROLLER AND AUDITOR GENERAL

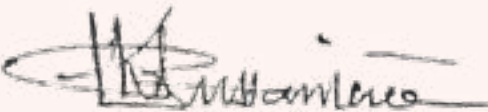
National Audit Office,
Dodoma, Tanzania

31st March, 2021

5.0 STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE 2020

	Note	2019/20 TZS'000	2018/19 TZS'000
ASSETS			
Current assets			
Cash and Cash equivalents	4	8,605,509	17,289,920
Receivables	5	10,922,742	24,415,650
Inventory	6	1,261,825	1,435,608
Prepayments	7	152,192	376,508
Other current assets	8	137,544	41,105
Total Current Assets		21,079,812	43,558,791
Non-current assets			
Property, plant and equipment	9	240,927,910	199,561,769
Capital Work in Progress	9	22,850,028	62,783,243
Intangible assets	10	4,896,745	45,699
Total Non-current Assets		268,674,683	262,390,711
TOTAL ASSETS		289,754,495	305,949,502
LIABILITIES			
Current liabilities			
Payables	11	8,755,434	11,067,559
Employee Benefits	12	43,548	26,030
Total Current Liabilities		8,798,982	11,093,589
Non - current liabilities			
Deferred Revenue	14	17,281,067	40,316,005
Long term service award payable	12	154,350	291,746
Total Non-current Liabilities		17,435,417	40,607,751
TOTAL LIABILITIES		26,234,399	51,701,340
NET ASSETS		263,520,096	254,248,162
NET ASSETS/EQUITY			
Capital fund	16	6,694,229	6,694,229
Accumulated surplus		256,825,867	247,553,933
TOTAL NET EQUITY		263,520,096	254,248,162

The financial statements on pages 62 to 108 were approved and authorised for issue by the Board of Directors on 28th January, 2022 and signed on its behalf by:


 Prof. Longinus Rutasitara


 Hamza S. Johari

Board Chairperson
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30TH JUNE, 2020

Director General

	Note	2019/20 TZS'000	2018/19 TZS'000
REVENUE			
Revenue from exchange transactions	17	38,431,519	47,317,587
Revenue from non-exchange transactions	18	20,275,680	23,799,636
Other revenue	19	17,799,108	172,926,424
		76,506,307	244,043,647
EXPENSES			
Salaries, allowances and other staff benefits	20	(23,284,365)	(20,948,730)
Regulatory expenses	21	(2,200,343)	(3,514,358)
Air navigation expenses	22	(3,542,400)	(3,716,701)
CATC running expenses	23	(913,054)	(694,853)
Operating and administrative expenses	24	(15,242,750)	(14,895,553)
Technical audit expenses	25	(171,694)	(100,069)
Board expenses	26	(87,278)	(211,532)
Contribution to Government and other bodies	27	(10,932,697)	(12,721,223)
Depreciation and amortization	28	(10,859,792)	(5,692,578)
Total expenses		(67,234,373)	(62,495,597)
Surplus for the year		9,271,934	181,548,050

**STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED 30TH JUNE 2020**

	Capital fund TZS'000	Accumulated surplus TZS'000	Total equity TZS'000
Year ended 30th June 2020			
At 1 st July 2019	6,694,229	247,553,933	254,248,162
Surplus for the year	-	9,271,934	9,271,934
At 30th June 2020	6,694,229	256,825,867	263,520,096
Year ended 30th June 2019			
At 1 st July 2018	6,694,229	66,005,883	72,700,112
Surplus for the year	-	181,548,050	181,548,050
At 30th June 2019	6,694,229	247,553,933	254,248,162

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE 2020**

	Note	2019/20 TZS'000	2018/19 TZS'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Exchange transactions	17	34,979,952	47,317,587
Non-exchange transactions	18	20,275,680	24,299,034
Other receipts	19	173,583	129,763
		55,429,215	71,921,307
Payments			
Employee cost	20	(22,920,314)	(20,948,730)
Suppliers	29	(10,141,651)	(8,622,750)
Other payments	30	(12,664,341)	(26,596,209)
		(45,726,305)	(56,167,689)
Net cash flows (used in)/ generated from operation		(9,702,910)	15,753,618
CASH FLOWS USED INVESTING ACTIVITIES			
Payment to suppliers of infrastructure and equipment	9	(18,387,321)	(26,134,789)
Payment to suppliers of intangible assets			
Net cash used in investing activities		(18,387,321)	(26,134,789)
CASH FLOW FROM FINANCING ACTIVITIES			
Receipts from radar grant	14	-	6,395,732
Net decrease in cash and cash equivalent		(8,684,411)	(3,985,438)
Cash and cash equivalents at the beginning of the year		17,289,920	21,275,358
Cash and cash equivalents at the end of the year	4	8,605,509	17,289,920

**STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS
FOR THE YEAR ENDED 30TH JUNE 2020**

	Original Budget (A)	Adjustments (B)	Final Budget C = (A+B)	Actual (D)	Difference Actual Vs Budget (D-C)	Note
Receipts						
Revenue from exchange transactions	53,112,824	1,361,944	54,474,768	38,431,519	(16,043,249)	i
Revenue from non-exchange transactions	27,121,936	316,721	27,438,657	20,275,680	(7,162,977)	ii
Other Income	-	118,563	118,563	17,799,108	17,680,545	iii
Total Receipts	80,234,760	1,797,228	82,031,988	76,506,307	(5,525,681)	
Payments						
Salaries, allowances & other Staff benefits	23,405,266	-	23,405,266	23,284,365	(120,901)	iv
Regulatory expenses	3,874,732	295,209	4,169,941	2,200,343	(1,969,598)	v
Air navigation expenses	5,906,141	706,875	6,613,016	3,542,400	(3,070,616)	vi
CATC running expenses	957,775	26,000	983,775	913,054	(70,721)	vii
Administrative expenses	9,583,175	764,872	10,348,047	15,242,750	4,894,703	viii
Technical audit expenses	334,956	-	334,956	171,694	(163,262)	ix
Board expenses	190,590	35,000	225,590	87,278	(138,312)	x
Contribution to Government fund and other bodies	16,952,877	15,000	16,967,877	10,932,697	(6,035,180)	xi
Depreciation and amortization	-	-	10,859,792	10,859,792	-	xii
Total Payments	61,205,512	1,842,956	73,908,260	67,234,373	(6,673,887)	
Surplus for the year				9,271,934		

The Authority prepares its budget on the accrual basis, except for estimates such as depreciation and amortization. Therefore, the budget and the financial statements are on the same basis and further adjustments are not required to align the financial statements and the budget. Comments on significant variances are on the next page.

Comments on the significant variances on final budget and actual

i. Revenue from Non-Exchange Transactions

The decrease of 3.5 billion was mainly due decrease in a number of embarking passengers due to Covid 19 pandemic and decrease in short term licence fees, aircrafts which were previous paying the STLTF applied for Air service licenses and others fail to apply due to Covid 19 pandemic impact and hence reduced revenue from STLTF by TZS 778 Million.

ii. Revenue From Exchange Transactions

The decreased by 9.2 billion was mainly due to decrease in aeronautical and revenue from Training College (CATC) navigation revenue. This was caused by COVID 19 pandemic disease.

iii. Salaries, Allowances & Other Staff Benefit

The increase of TZS 2.3 billion was mainly due to recruitment of new staff employed during the budgeting session compared to previous year.

iv. Administration expenses

Increase in administrative expenses was due to implementations of ICAO USOAP Audit recommendations.

v. Contribution to Government Fund and other bodies

Due to decrease in revenue the Authority has contributed part based on revenue collection during the year. The Authority has booked TZS 5.7 billion to be paid to the Government when operation resumes to normal.

vi. Depreciation and Amortization

Depreciation and amortisation expenses are estimates hence not considered in the budgeting process.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2020

1.0 GENERAL INFORMATION

Tanzania Civil Aviation Authority (“the Authority” or “TCAA”) was established on 1 November 2003 as a corporate body, pursuant to the Tanzania Civil Aviation Authority Act 2003 (Act No. 10 of 2003) which has been consolidated with the Civil Aviation No. 13 of 1977 and now titled as the Civil Aviation Act (CAP 80) of 2006. The address of its registered office and principal place of business are disclosed on page 1 of these financial statements. The principal activities of the Authority are described in the Directors’ Report.

2.0 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PREPARATION

The financial statements have been prepared on the historical cost basis, unless stated otherwise in the accounting policies. The statement of cash flows is prepared using the direct method. The financial statements are prepared on accrual basis

The Authority’s financial statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS) as issued by the International Public Sector Accounting Standards Board (IPSASB).

The financial statements are presented in Tanzanian Shillings (TZS), which is the functional currency of the Authority and all values are rounded to the nearest thousand (TZS ‘000’).

The Authority’ budget period is July 2019 to June 2020 and the budget was approved by relevant approval authorities before the beginning of the financial year.

CHANGES IN ACCOUNTING POLICIES AND ESTIMATES

i. New and Amended standards adopted by the Authority during the year ended 30 June 2020

The following new and revised IPSASs have been applied in the current year and had no material impact on the amounts reported in these financial statements.

Cash-Basis IPSAS — Financial Reporting under the Cash Basis of Accounting	The effective date amendments is for periods beginning on or after January 1, 2019. The amendments prescribe the manner in which general-purpose financial statements should be presented under the cash-basis of accounting to achieve transparency in the financial reporting of the cash receipts, cash payments, and cash balances of the governments.
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The amendment has no impact to the financial statements of the authority because the authority uses accrual basis.

IPSAS 40 — Public Sector Combinations

IPSAS 40 is effective for annual periods beginning on or after 1 January 2019, with earlier application encouraged. IPSAS 40 is applied prospectively and public sector combinations occurring prior to the application of IPSAS 40 are not restated.

IPSAS 40 provides the first international accounting requirements that specifically address the needs of the public sector when accounting for combinations of entities and operations. The standard classifies public sector combinations as either amalgamations or acquisitions.

For amalgamations, the standard requires use of the “modified pooling of interests” method of accounting, which is a variation of the pooling of interests method of accounting (also referred to as “merger accounting”), in which the amalgamation is recognized on the date it takes place.

For acquisitions, IPSAS 40 requires use of the “acquisition” method of accounting, applying the same approach as in IFRS 3, Business Combinations. This is supplemented with additional guidance for public sector specific situations.

The application of IPSAS 40 has no impact to the financial statements of the Authority as there was no business combination during the year.

i. Relevant new and amended relevant standards and interpretations in issue but not yet effective in the year ended 30 June 2020

The new standards that effective for annual periods beginning or after 1st January 2018 and have not been applied in preparing these financial statements are summarized below:

IPSAS 41, Financial Instruments

IPSAS 41, Financial Instruments, establishes new requirements for classifying, recognizing and measuring financial instruments to replace those in IPSAS 29, Financial Instruments: Recognition and Measurement.

IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by:

- Applying a single classification and measurement model for financial assets that considers the characteristics of the asset’s cash flows and the objective for which the asset is held;
- Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and
- Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an entity’s risk management strategies and the accounting treatment for instruments held as part of the risk management strategy.

The effective date of IPSAS 41 is January 1, 2022, with earlier adoption encouraged.

The Authority has started the process of evaluating the potential effect of this standard but given the nature of the Authority's operations, this standard may not have a pervasive impact on the Authority's financial statements when effective.

IPSAS 42, Social Benefits

IPSAS 42, Social Benefits, provides guidance on accounting for social benefits expenditure. It defines social benefits as cash transfers paid to specific individuals and/or households to mitigate the effect of social risk. Specific examples include state retirement benefits, disability benefits, income support and unemployment benefits. The new standard requires an entity to recognize an expense and a liability for the next social benefit payment.

IPSAS 42 seeks to improve the relevance, faithful representativeness and comparability of the information that a reporting entity provides in its financial statements about social benefits. To accomplish this, IPSAS 42 establishes principles and requirements for:

- Recognizing expenses and liabilities for social benefits;
- Measuring expenses and liabilities for social benefits;
- Presenting information about social benefits in the financial statements; and
- Determining what information to disclose to enable users of the financial statements to evaluate the nature and financial effects of the social benefits provided by the reporting entity.

IPSAS 42 is effective date on January 1, 2022 and other than disclosures is not expected to have significant impact to the Authority's financial statements when effective.

Collective and Individual Services (Amendments to IPSAS 19)

Collective and Individual Services (Amendments to IPSAS 19) addresses transactions for collective and individual services. Transfers such as s grants and contributions will be addressed in a subsequent ED.

Collective and Individual Services (Amendments to IPSAS 19) forms part of the IPSASB's broader non-exchange expenses project. The purpose of the project on non-exchange expenses is to develop new or amended standards that provide recognition and measurement requirements applicable to providers of non-exchange transactions, except for social benefits. Collective and Individual Services (Amendments to IPSAS 19) includes requirements for collective and individual services, a significant subset of those transactions.

Amendments to IPSAS 19 is effective date on January 1, 2022 and is not expected to have significant impact to the Authority's financial statements when effective.

ACCOUNTING POLICIES

The significant accounting policies outlined below have been consistently applied to all the years of presented.

a. Revenue recognition**i. Revenue from non-exchange transactions**

The Authority recognizes revenues from embarking Passengers Safety Fees, fines and Penalties, and Economic & Safety Regulations Fees when the event occurs and the asset recognition criteria are met. Other non-exchange revenues are recognized when it is probable that the future economic benefits or service potential associated with the asset will flow to the entity and the fair value of the asset can be measured reliably.

ii. Revenue from exchange transactions**• Rendering of services**

The Authority recognizes revenue from rendering of services by reference to the stage of completion when the outcome of the transaction can be estimated reliably. The stage of completion is measured by reference to completed journey of Aircraft in Tanzania Airspace in accordance with AIP GEN 4.2. For student fee, the revenue is recognized when the course has been conducted and the student attended.

• Sale of goods

Revenue from the sale of AIP is recognized when the significant risks and rewards of ownership have been transferred to the buyer, usually on delivery of AIP and when the amount of revenue can be measured reliably and it is probable that the economic benefits or service potential associated with the transaction will flow to the Authority.

b. Accounting for grants**i. Grants income**

Government grants are assistance by government in the form of transfers of resources to an entity in return for past or future compliance with certain conditions relating to the operating activities of the entity. Government Grants received are initially booked as deferred grants and transferred to statement of financial performance in accordance with the economic benefit accrued during the financial year.

ii. Capital grants

Grants used for the acquisition of property and equipment during the period are allocated to a capital grants account. The capital grants are amortized to the statement of financial performance on a systematic basis to match the depreciation charge on the assets acquired using the grants.

iii. Revenue grants

Grants related to income are government grants other than those related to assets. Grants related to income are presented as a credit in the statement of financial performance in the same period in which the related expenditure is changed.

iv. Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

c. Foreign currency translation

i. Functional and presentation currency

Items included in the financial statements of the Authority are measured using the currency of the primary economic environment in which the Authority operates (“functional currency”). The financial statements are presented in Tanzanian Shillings, which is the Authority’s functional and presentation currency.

ii. Transactions and balances

Foreign currency transactions are translated into Tanzanian shillings using the exchange rates prevailing at the dates of transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated to Tanzanian Shillings at the rate prevailing at that date. Exchange differences are recognized in Statement of Performance in the period in which they arise.

d. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized in Statement of Performance in the period in which they are incurred.

e. Property and equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the Authority recognizes such parts as individual assets with specific useful lives and depreciates them accordingly.

Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

Depreciation is calculated to write off the cost of fixed assets on a straight-line basis over the useful life of the assets. The annual depreciation rates, which have been consistently applied, are as follows:

Buildings	2%
Land	
Motor Vehicles	20%
Telecommunications	14.2%
Equipment	10%
Furniture and Fittings	20%
Computers hardware	25%

The assets' residual values and useful lives are reviewed, and adjusted prospectively, if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount, or recoverable service amount, if the asset's carrying amount is greater than its estimated recoverable amount or recoverable service amount.

The Authority de-recognizes items of property, plant and equipment and/or any significant part of an asset upon disposal or when no future economic benefits or service potential is expected from its continuing use. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the surplus or deficit when the asset is de-recognized.

f. Leases

i. Authority as a lessee

Also, the Authority has a lease agreement with Tanzania Telecommunication Company Ltd (TTCL) to lease communication lines throughout the country; the Authority need direct lines connecting its 14 stations through various technologies such as VPN and VHF Radio Communications.

ii. Authority as a lessor

The Authority has leased sheds behind Aviation House to DCB Commercial Bank PLC; rent received from the lease is recognized as income on a straight-line basis over the lease term. Contingent rents are recognized as revenue in the period in which they are earned

g. Intangible assets: Computer Software

Intangible assets acquired are carried at cost less accumulated amortization and accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs are not capitalised and expenditure is charged to Statement of Performance in the year in which the expenditure is incurred. Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Currently the amortisation rate is 20% per annum; however, this will be changed once TCAA adopts the rates at by the Treasury Circular no 2 of 2017/18.

h. Impairment of assets

At the end of each reporting period, the Authority reviews the carrying amounts of its assets to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated and an impairment loss is recognized in the Statement of Performance whenever the carrying amount of the asset exceeds its recoverable amount.

Intangible assets with a finite useful life are assessed for impairment whenever there is an indication that the asset may be impaired. The amortization period and the amortization method, for an intangible asset with a finite useful life, are reviewed at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

The amortization expense on an intangible asset with a finite life is recognized in surplus or deficit as

the expense category that is consistent with the nature of the intangible asset. Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the surplus or deficit when the asset is derecognized.

i. Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined using the weighted average method. Net realizable value is the amount that the item can realize in the market less cost of bringing to the saleable condition. Specific provision is made for obsolete, slow moving and damaged inventory.

j. Financial instruments

Financial assets are classified into the following specified categories: "available-for-sale" ("AFS") financial assets, held to maturity ("HTM") and "loans and receivables". The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. At the reporting dates, the Authority had loans and receivables only.

i. Loans and receivables

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Loans and receivables are measured at amortized cost using the effective interest method, less any impairment. Interest income is recognized by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

ii. Effective interest method

The effective interest method is a method of calculating the amortized cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period. Income is recognized on an effective interest basis for debt instruments.

iii. Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

For financial assets carried at amortized cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use

of an allowance account.

When a trade receivable is considered uncollectable, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through Statement of Performance to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

iv. De-recognition of financial assets

The Authority derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire; or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Authority neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, it recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Authority retains substantially all the risks and rewards of ownership of a transferred financial asset, the Authority continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

k. Available for sale Investments

Available-for sale investments are those intended to be held for an indefinite period of time, which may be sold in response to needs for liquidity or changes in interest rates, exchange rates, or equity prices. The Authority classifies equity investments, other than those acquired for trading purposes as available-for-sale. An investment in quoted shares of Twiga Cement Authority Limited has been classified as available for sale financial assets.

I. Financial liabilities

i. Initial recognition and measurement

Financial liabilities within the scope of IPSAS 29 are classified as financial liabilities at fair value through surplus or deficit or loans and borrowings, as appropriate. The Authority determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, plus directly attributable transaction costs. The Authority's financial liabilities include trade and other payables, loans and borrowings.

ii. Subsequent measurement

The measurement of financial liabilities depends on their classification.

iii. Financial liabilities at fair value through surplus or deficit

Financial liabilities at fair value through surplus or deficit include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through surplus or deficit. Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. This category includes derivative financial instruments entered into by the Group that are

not designated as hedging instruments in hedge relationships as defined by IPSAS 29. Gains or losses on liabilities held for trading are recognized in surplus or deficit.

iv. Loans and borrowing

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in surplus or deficit when the liabilities are derecognized as well as through the effective interest method amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

v. De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in surplus or deficit.

m. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the consolidated statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

n. Fair value of financial instruments

The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to quoted market prices or dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs.

o. Cash and Cash Equivalents

Cash and cash equivalents in the statement of financial position comprise cash at bank and in hand and short-term deposits with maturity of three months or less. For purpose of cash flow statement, cash and cash equivalents consists of cash and cash equivalent as defined above, net of outstanding bank overdrafts.

p. Provisions

Provisions are recognised when the Authority has a present obligation (legal or constructive) as a result of a past event in which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in provision due to passage of time is recognised as a borrowing cost.

q. Pensions and other post-employment benefits

The Authority contributes to defined contributions plans and a defined benefit plan.

i. Pension obligations

Under the defined contribution plan, the Authority's employees are members of state-owned pension scheme, the Public Service Social Security Fund (PSSSF). The Authority contributes to the schemes 15% of gross salary for each employee, and employee contributes 5% respectively. The Authority's contributions to the fund are charged to the Statement of Performance in the period in which they relate.

ii. Terminal benefits

Termination benefits are payable when employment is terminated by the Authority before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Authority recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal, or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than twelve months after reporting date are discounted to present value.

iii. Gratuity benefits

The Authority provides gratuity benefits to its contract employee's payable on expiry of the contract. The Authority contributes 15% of the basic salary towards that fund. Gratuity is charged to Statement of Performance during the period in which the employee renders related services.

r. Employee benefits - Retirement benefit plans

The Authority provides retirement benefits for its employees. Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a PSSSF, and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable.

Defined benefit plans are post-employment benefit plans other than defined-contribution plans. The defined benefit funds are actuarially valued based on one-year Central Bank Treasury Bills. Deficits identified are recovered through lump sum payments or increased future provision. The contributions and lump sum payments reduce the post-employment benefit obligation.

s. Foreign currency transactions

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. Trade creditors or debtors denominated in foreign currency are reported at the statement of financial position reporting date by applying the exchange rate on that date. Exchange differences arising from the settlement of creditors, or from the reporting of creditors at rates different from those at which they were initially recorded during the period, are recognized as income or expenses in the period in which they arise.

t. Borrowing costs

Borrowing costs are capitalized against qualifying assets as part of property, plant and equipment. Such borrowing costs are capitalized over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalization ceases when construction of the asset is complete. Further borrowing costs are charged to the statement of financial performance

u. Budget information

The annual budget is prepared on the accrual basis, that is, all planned costs and income are presented in a single statement to determine the needs of the Authority. As a result of the adoption of the accrual basis for budgeting purposes, there are no basis, timing or entity differences that would require reconciliation between the actual comparable amounts and the amounts presented as a separate additional financial statement in the statement of comparison of budget and actual amounts.

Explanatory comments are provided in the notes to the annual financial statements; first, the reasons for overall growth or decline in the budget are stated, followed by details of overspending or under spending on line items.

The annual budget figures included in the financial statements are for the Authority and its stations. These budget figures are those approved by the Board of Directors both at the beginning and during the mid-year review following a period of consultation with the internal stakeholders.

v. Significant judgments and sources of estimation uncertainty

The preparation of the Authority's financial statements in conformity with IPSAS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

w. Judgments

In the process of applying the Authority's accounting policies, management has made judgments, which have the most significant effect on the amounts recognized in the consolidated financial statements.

x. Operating lease commitments – Authority as lessor

The Authority has entered into property leases of certain of its properties. The Authority has determined, based on an evaluation of the terms and conditions of the arrangements, (such as the lease term not constituting a substantial portion of the economic life of the commercial property) that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

y. Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Authority based its assumptions and estimates on parameters available when the financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

z. Useful lives and residual values

The useful lives and residual values of assets are assessed using the following indicators to inform potential future use and value from disposal:

- The condition of the asset based on the assessment of experts employed by the Authority
- The nature of the asset, its susceptibility and adaptability to changes in technology and processes
- The nature of the processes in which the asset is deployed
- Availability of funding to replace the asset
- Changes in the market in relation to the asset

i. Fair value estimation – financial instruments

Where the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be derived from active markets, their fair value is determined using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, judgment is required in establishing fair values. Judgment includes the consideration of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

ii. Provisions

Provisions were raised and management determined an estimate based on the information available. Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date, and are discounted to present value where the effect is material.

aa. Value Added Tax (VAT)

The Authority being government department is not registered for Value Added Tax (VAT). No VAT is charged for all invoices raised by the Authority. VAT incurred on purchases is not recoverable and are therefore recognised as part of the cost of asset purchased or expense incurred.

ab. Trade and other payables

Trade and other payables are stated at their nominal value. Trade payables are non-interest bearing and are normally settled between 15 to 30 days.

However, Trade payables include 20% of Air Navigation Charges due to Tanzania Meteorology Authority. This liability will be paid as soon as the outstanding receivable is settled by customers.

3.0 FINANCIAL RISK MANAGEMENT

The authority's activities expose it to a variety of financial risks, including credit risk, foreign currency exchange rates and interest rates. The Authority's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on its financial performance within the options available in Tanzania. Risk management is carried out by the accounting unit under the responsibility of the Board of Directors.

The most important types of risk are:

- Credit risk;
- Liquidity risk;
- Market risk (interest rate risk and exchange rate risk)

Credit risk management

Credit risk is managed on an entity-wide basis. Credit risk arises from cash and cash equivalents, deposits with banks, as well as trade and other receivables. The Authority assesses the credit quality of each customer, taking into account its financial position, past experience and other factors.

The Authority does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The Authority defines counterparties as having similar characteristics if they are related entities. The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks.

a. Receivables

Receivables are amounts owed by consumers, and are presented net of impairment losses. The Authority has a credit risk policy in place, and the exposure to credit risk is monitored on an ongoing basis. The Authority to provide credit to its customers operated on cash basis for more than six (6) month without any default. There were no material changes in the exposure to credit risk and its objectives, policies and processes for managing and measuring the risk during the year under review. The Authority's strategy for managing its risk includes encouraging its customers to pay cash before the operations. The Authority's maximum exposure to credit risk is represented by the carrying value of each financial asset in the statement of financial performance.

The Authority has no significant concentration of credit risk, with exposure spread over a large number of consumers; The Authority establishes an allowance for impairment that represents its estimate of anticipated losses in respect of receivables. The outstanding amounts of the 19 largest debtors represent 86% (2019: 82%) of the total outstanding balance. The average credit period on services rendered is 60 days from date of invoice. The Authority provided fully for all receivables outstanding over 365 days where there was no evidence of expected recovery. Receivables up to 365 days are provided for based on estimated irrecoverable amounts, determined by reference to past default experience.

a. Cash and cash equivalents

The Authority limits its exposure to credit risk by depositing cash and cash equivalents with only reputable financial institutions approved by Bank of Tanzania. Consequently, the Authority does not consider there to be any significant exposure to credit risk.

The amount that best represents the Authority's maximum exposure to credit risk at 30 June without taking account of the value of any collateral obtained was:

	2019/20 TZS'000	2018/19 TZS'000
Cash and Cash equivalents	8,605,509	17,289,920
Receivables	20,313,044	30,551,735
Other Current assets	137,544	41,105
	29,056,097	47,882,760

The amount that best represents the Authority's maximum exposure to credit risk as at 30 June 2020 without taking account of the value of any collateral obtained was:

	Fully performing TZS '000	Impaired TZS '000
Receivables	20,313,044	9,390,302
Cash and bank balances	8,605,509	-
Other current assets	137,544	-
Total credit exposure	29,056,097	9,390,302

The amount that best represents the Authority's maximum exposure to credit risk as at 30 June 2019 without taking account of the value of any collateral obtained was:

	Fully performing TZS '000	Impaired TZS '000
Receivables	30,551,735	6,136,086
Cash and bank balances	17,289,920	-
Other current assets	41,105	-
Total credit exposure	47,882,760	6,136,086

The customers under the fully performing category are paying their debts as they continue trading. The default rate is low. The debt that is overdue is not impaired and continues to be paid. The finance department is actively following this debt.

The debt that is impaired has been fully provided for. However, management is actively following up recovery of the impaired debt. The movement in the provision for bad and doubtful debts is as set out below:

	2019/20 TZS'000	2018/19 TZS'000
At the beginning of the year	6,136,086	4,321,370
Provision for the year	3,254,216	1,814,716
At the end of the year	9,390,302	6,136,086

In determining the recoverability of a trade receivable, the authority considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date. The directors believe that there is no further provision required in excess of the allowance for doubtful debts already recognized.

Fair value of financial assets and liabilities

The Authority only has the available for sale investment carried at fair value. These are grouped into level 1 as per classification below:

- i. Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;

- ii. Level 2 fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as a price) or indirectly (i.e. derived from prices); and
- iii. Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Liquidity risk

Liquidity risk is the risk of the Authority not being able to meet its obligations as they fall due. The Authority's approach to managing liquidity risk is to ensure that sufficient liquidity is available to meet its liabilities when due, without incurring unacceptable losses or risking damage to the Group's reputation. The Authority ensures that it has sufficient cash on demand to meet expected operating expenses through the use of cash flow forecasts. On average, 60% (2019: 96%) of receivables are settled within 30 days after the due date, and payables are settled within 30 days of invoice.

Maturity analysis for financial liabilities showing the remaining contractual maturities:

	<1month TZS'000	1-5months TZS'000	5-12months TZS'000	Total TZS'000
At 30 June 2020				
Payables	2,363,967	2,626,630	3,764,837	8,755,434
	<1month TZS'000	1-5months TZS'000	5-12months TZS'000	Total TZS'000
At 30 June 2019				
Payables	3,430,943	3,320,268	4,316,348	11,067,559

Market risk

Foreign currency risk management

The Authority's costs and expenses are principally incurred in Tanzanian Shillings (TZS) and US Dollars (US\$). The Authority does not enter into formal hedging transactions to manage its exposure to foreign exchange rate fluctuations. Volatility in the exchange rate of US \$ against TZS would make the Authority's costs and results less predictable than when exchange rates are more stable.

The carrying amounts of the Authority's material foreign currency denominated monetary assets and liabilities that will have an impact on Statement of Performance when exchange rates change, as at 30 June are as follows:

	2019/20 TZS'000	2018/19 TZS'000
Receivables	10,922,742	24,415,650
Cash and cash equivalents	8,605,509	17,289,920
Payables	(8,755,434)	(11,067,559)
Open position	10,772,817	30,638,011

Foreign currency sensitivity analysis

At 30 June 2020, if the TZS had weakened/strengthened by 5% against the US\$ and Euro with all other variables held constant, the impact on surplus for the year would have been TZS 2,088,026,555.00 (2019: TZS 5,653,512,000) higher/lower.

The authority is exposed to interest rate risk as it borrows funds at both fixed and floating interest rates. The risk is managed by a close management monitoring control. The Authority's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section.

Interest risk management

The Authority had no financial assets and liabilities exposed to interest rate risk as at year end.

4 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise the following:

		2019/20 TZS'000	2018/19 TZS'000
Bank balances (analysis below)		8,598,693	17,284,791
Cash in hand		6,816	5,129
		8,605,509	17,289,920
Bank balances analysis			
Revenue accounts			
NBC-City Drive HQ	11105002975	229	228
NMB Bank House HQ	20101000006	2,581	-
NBC Nearer Mwanza	15105001856	-	-
NBC Zanzibar	21105003730	-	-
Stanbic bank	9120000811309	-	164,136
NBC training fund account	11105016457	-	1,263,961
NMB Arusha	40801000012	-	-
NMB Mwanza	31101000018	-	-
DCB Ukonga HQ	61013000001	-	13,058
DCB Ukonga HQ	61113000001	2,445	2,483
BOT HQ	9925260351	154,369	55,424
BOT HQ	9932445511	2,053,769	2,251,294
		2,213,393	3,750,584
Expenditure accounts			
NBC-City Drive HQ	11105002847	121,485	131,705
NMB Bank House HQ	2011000007	5,334	116,692
NMB Mtwara	70601100022	26,116	24,929
NMB Dodoma	50501100026	33,694	12,101
NMB Iringa	60501100014	637	208
NBC- Obeid Katikaza	51601000008	4,012	1,098
NMB- Mbalizi, Mbeya	61001000003	19,198	10,863
NMB Kenyata Rd MZA	31101000017	22,196	38,519
NMB Tanga	41701100037	28,084	9,366
NBC Zanzibar	21103002370	75,063	57,650
NMB Songea	61801100019	1,854	14,615
NMB C/Tower, Arusha	31101000017	23,029	39,541
NMB Chakechake	20201000002	38,697	4,629
NBC Isike, Tabora	5101100023	16,313	394
NMB, Kilimanjaro	40810000460	11,627	11,232
CRDB-TOWER Branch	01J1042986802	-	6,077
CRDB Pugu Rd	0J1092158200	24,915	149,633
DCB Ukonga HQ	061013000002/1	-	41,183
CRDB Tower Branch	01J1042986801	70,713	139,601
LC Margin Bank Account		429,861	865,017
		952,828	1,675,053
USD Radar account (BOT)		1,182,554	22,781
TIB Radar project account		4,249,918	11,836,373
		5,432,472	11,859,154
Total bank balance		8,598,693	17,284,791

5 RECEIVABLES

	2019/20	2018/19
	TZS'000	TZS'000
Receivable from Exchange Transactions	16,994,487	24,755,033
Receivable from Non-Exchange Transactions	3,318,557	1,290,502
Sundry Debtors	-	4,506,201
Sub total	20,313,044	30,551,736
Provision for bad debts	(9,390,302)	(6,136,086)
Total receivable	10,922,742	24,415,650

6. INVENTORY

Technical spare	991,076	1,068,188
Stationery	186,152	345,273
Stock & supplies	84,597	22,147
	1,261,825	1,435,608

7. PREPAYMENTS

Prepayments to Suppliers Control	12,331	213,685
Prepaid IP VPN Rates	139,861	162,823
	152,192	376,508

8. OTHER CURRENT ASSETS

Available for sale assets	16,342	14,856
Staff Imprest Control	101,243	-
Staff Loan Control	19,960	26,249
	137,544	41,105

Available for sale asset represent 7,428 equity shares of Twiga Portland Cement Company Limited purchased during the Initial Public Offering at a cost of TZS 435 per share. The Authority did not buy these shares with the aim of trading rather supporting establishment of Dar es Salaam stock exchange. The increase in value is due to revaluation of the share price at TZS 2,200 per share (2019: TZS 2,000).

9. PROPERTY, PLANT AND EQUIPMENT

	Office building TZS'000	Motor vehicles TZS'000	Telecom & Navaid TZS'000	Furniture and fittings TZS'000	Computer TZS'000	Office Equipment TZS'000	Land TZS'000	Total TZS'000
Cost:								
At 1 July 2018	14,933,436	4,629,374	22,785,574	1,724,701	2,938,055	4,820,977	-	51,832,117
Additions	869,863	839,880	8,734,045	246,524	170,780	1,052,572	170,460,560	182,374,224
Disposal/ retirement	-	-	-	(11,358)	(21,481)	(18,952)	-	(51,791)
At 30 June 2019	15,803,299	5,469,254	31,519,619	1,959,867	3,087,354	5,854,597	170,460,560	234,154,550
At 1 July 2019	15,803,299	5,469,254	31,519,619	1,959,867	3,087,354	5,854,597	170,460,560	234,154,550
Additions	3,153,754	717,403	39,030,775	79,082	4,447,475	4,109,311	274,679	51,812,479
Disposal/ retirement	-	-	-	-	-	-	-	-
At 30 June 2020	18,957,053	6,186,657	70,550,394	2,038,949	7,534,829	9,963,908	170,735,239	285,967,029

	Office building TZS'000	Motor vehicles TZS'000	Telecom & Navaid TZS'000	Furniture and fittings TZS'000	Computer TZS'000	Office Equipment TZS'000	Land TZS'000	Total TZS'000
Depreciation:								
At 1 July 2018	4,884,381	2,492,507	15,022,909	1,392,826	2,401,481	2,809,591	-	29,003,695
Disposal/ retirement	-	-	-	(11,358)	(21,481)	(18,952)	-	(51,791)
Charge for the year	300,215	741,574	3,804,911	123,975	199,150	471,052	-	5,640,877
At 30 June 2019	5,184,596	3,234,081	18,827,820	1,505,443	2,579,150	3,261,691	-	34,592,781
At 1 July 2019	5,184,596	3,234,081	18,827,820	1,505,443	2,579,150	3,261,691	-	34,592,781
Charge for the year	364,900	849,378	7,110,779	160,971	1,112,045	848,265	-	10,446,338
At 30 June 2020	5,549,496	4,083,459	25,938,599	1,666,414	3,691,195	4,109,956	-	45,039,119
Net Book Value								
NBV 30 June 2020	13,407,557	2,103,198	44,611,795	372,535	3,843,634	5,853,952	170,735,239	240,927,910
NBV 30 June 2019	10,618,703	2,235,173	12,691,799	454,424	508,204	2,592,906	170,460,560	199,561,769

The Authority through Ministry of Works, Transport and Communication has been allocated the Land where Aviation House is built, previously the land was owned by Tanzania Airports Authority (TAA). The value of the land together with other lands throughout Tanzania has been recognized in the financial statements.

Included in Telecom & Navaid is DVOR/DME for Tabora Airport which was granted and installed by Tanzania Airport Authority (TAA) in Financial Year 2018/2019 with the original cost of TZS 1,836,704,600. Details of this grant have been included under note 15.

WORK IN PROGRESS SCHEDULE AS AT 30 JUNE 2020

CODE	PROJECT	OPENING BALANCE TZS "000	ADDITIONAL TZS "000	RETIREMENT TZS "000	CLOSING BALANCE TZS "000
310101	ATS WIP Project	3,460,126	972,668	4,432,794	-
321104	HR- Records Management Modelling Project	165,786	-	-	165,786
321401	RADAR Project	57,542,620	28,493,820	68,031,330	18,005,110
321407	Dodoma Liaison Office Project	274,565	32,586	270,189	36,962
321409	GDP PROJECT	44,379	130,012	-	174,391
321603	BPMS Project	-	10,363	-	10,363
321701	CATC Building project	-	182,975	-	182,975
321902	ILS Project	1,294,308	3,018,213	39,540	4,272,981
321903	Voice Recorder Project	1,460	-	-	1,460
	TOTAL	62,783,244	32,840,637	72,773,853	22,850,028

WORK IN PROGRESS SCHEDULE AS AT 30 JUNE 2019

CODE	PROJECT	OPENING BALANCE TZS "000	ADDITIONS TZS "000	RETIREMENT/ DISPOSAL TZS "000	CLOSING BALANCE TZS "000
310101	ATS WIP Project	3,521,787	-	61,661	3,460,126
320501	ER DAS Mapping Project	10,222	-	10,222	-
321104	HR- Records Management Modelling Project	45,426	120,360	-	165,786
321401	RADAR Project	35,861,438	21,681,182	-	57,542,620
321402	Billing Project	2,049,752	10,525	2,060,277	-
321403	Pemba Tower-Glass Panes Project	156,979	156,973	313,952	-
321404	CATC Simulator Project	1,685,465	426,875	2,112,340	-
321406	VHF Main Project	2,525,976	198,748	2,724,724	-
321407	Dodoma Liaison Office Project	2,298	272,267	-	274,565
321408	TX BUILDING PROJECT	451,561	86,136	537,697	-
321409	GDP PROJECT	-	44,379	-	44,379
321902	ILS Project	26,052	1,268,255	-	1,294,307
321903	Voice Recorder Project	-	1,460	-	1,460
	TOTAL	46,336,956	24,267,160	7,820,873	62,783,243

Out of the total additional assets, TZS 18,387,321 (2018/19:TZS 26,134,789) were actual payments to suppliers as reconciled below:

	2019/20 TZS "000	2018/19 TZS "000
Addition to property, plant and equipment	51,812,479	182,374,224
Additions to work in progress	32,840,637	24,267,160
Payment related to prior years	6,508,058	-
Less: assets capitalised from work in progress	(72,773,853)	(7,820,873)
Less: assets capitalised from grants	-	(172,685,722)
Payment to suppliers of property, plant and equipment	18,387,321	26,134,789

10. INTANGIBLE ASSETS

	2019/20 TZS'000	2018/19 TZS'000
COST		
At 1 July	1,890,661	1,890,661
Additions	5,264,499	-
At 30 June	7,155,160	1,890,661
AMORTIZATION		
At 1 July	(1,844,960)	(1,793,262)
Charge for the year	(413,454)	(51,700)
At 30 June	(2,258,415)	(1,844,962)
NET BOOK VALUE		
At 30 June	4,896,745	45,699

11. PAYABLES

Trade payables	8,575,221	10,477,188
Other payables	114,591	583,411
Unearned revenue	65,621	6,959
	8,755,434	11,067,559

12. EMPLOYEE BENEFITS
(i) Retirement benefits

The Authority was contributing to pension scheme administered by the Public Service Social Security Fund (PSSSF) and National Social Security Fund (NSSF) depending on terms of employment until 1st March 2019 when all employees were transferred to PSSSF.

In addition, the Authority has an endowment scheme administered by a voluntary agreement between management and TUGHE as provided for in the staff benefit package to provide retirement benefits to employees reaching retirement age. The retired employee is paid in material or monetary equivalent to the material based on the length of service

The cost of the endowment scheme and the retirement age benefits are fully met by the Authority. Contributions to these funds are recognised as an expense in the period the employees render the related services.

(ii) Provision for gratuity - contract staff

The Authority is paying 15% gratuity allowance from basic salary to all contract staff. Since its inception in 2003 gratuity account has never been evaluated to ensure actual gratuity payable has been booked. During the year gratuity was measured against contract staff and its shortfall was adjusted to capital as indicated above in accordance with IPSAS 3. Under the contract of employment, the Authority contributes

to Social Security Funds for future retirement benefits for its employees. However, the Authority charges gratuity expense in Statement of Performance and maintains gratuity payable account for future payment to contract staff. Gratuity is computed at 15% of the employees' basic salary.

(iii) Provision for long term service award

The authority provides long term service award for their employees who have served more than five years at different rates from TZS 750,000 to TZS 2,000,000 payable upon retirement. These operated as defined benefit plans. As at 30 June 2020 the Authority had 481 employees out of those 443 have been in employment for a period of five years or more and qualified for long term services award. The Authority has therefore made a provision of TZS 163.8 Million in reference to this liability compared with TZS 313.8 Million in 2018/19, is due to decrease in interest rate and computation base.

	2019/20 TZS'000	2018/19 TZS'000
Current liability		
Gratuity payable	17,707	4,030
Investment Revaluation Reserve	16,341	-
Long Term Service Award	9,500	22,000
	43,548	26,030
Non-current liability		
Long Term Service Award	154,350	291,746

13. FUNDS HELD FOR SPECIAL PROJECT.

The Authority received Euro 188,852, which was equivalent to TZS 330,113,978 on 30 September 2006 from International Civil Aviation Organization (ICAO) in respect of integration and harmonisation of the East African Safety Oversight Project (Unified Flight Information Region for East Africa – UFIR). The amount is held by TCAA and is used to finance preliminary activities and meetings related to the project. The fund was fully utilised and no cent remain at the end of the year.

	2019/20 TZS'000	2018/19 TZS'000
As at 1 July	-	165,377
Paid during the year	-	(165,377)
At 30 June	-	-

14. DEFERRED REVENUE

Deferred revenue is made up of grant provided by the Government of the United Republic of Tanzania for procurement and installation of four civilian radars and fund held for training of pilots and inspectors.

As per Regulation issued by the Government in 2003 under Tanzania Civil Aviation Authority Act 2003 (No. 10 of 2003) clause 7 that require annual contributions from each Air operators Certificate (AOC) holders, Approved Maintenance Organization (AMO), Aerodrome operators and ground handling services providers as specified in the schedule to the Civil Aviation Authority (Contribution and Administration

of the Training Fund) Regulation, 2016, Annual contributions from the Authority for such sums, not less than a sum equivalent in Tanzanian shillings of fifty thousand United States dollars and any donations, grants or loans from any other sources.

	2019/20 TZS'000	2018/19 TZS'000
Opening Balance	40,316,005	28,166,402
Add: Radar Grant	-	6,395,732
Training Fund	-	5,753,871
Less: Radar Grant (Amortised)	(17,281,067)	-
Training Fund	(5,753,871)	-
	17,281,067	40,316,005

15. DEFERRED CAPITAL GRANT

During the year 2019 the Authority received DVOR/DME for Tabora Airport which was installed by Tanzania Airport Authority (TAA). Capital Grant release during the year was included in note 9 Property Plant and equipment.

16. CAPITAL FUND

By the provisions contained in the Civil Aviation Act (Act 10,) 2003, all movable and immovable properties which immediately before the commencement of the Act were vested in the former TCAA established under Executive Agencies Act.No.3 of 1997, vested in the Tanzania Civil Aviation Authority subject to all interests, liabilities, charges, obligations and trusts affecting those properties. Consequently, the capital fund represents part of the net assets and liabilities then identified and taken over by the Authority after transferring residential buildings to Tanzania Building Agency in July 2003 and adjustment of receivables.

	2019/20 TZS'000	2018/19 TZS'000
Long term loan and reserve		
Long term loan (EIB)	5,569,687	5,569,687
Accumulated surplus	1,702,745	1,702,745
Project fund	544,599	544,599
Fixed assets revaluation reserve	13,358	13,358
	7,830,389	7,830,389
Capital fund		
Total asset	16,923,471	16,923,471
Long term loan and reserve	(7,830,389)	(7,830,389)
	9,093,082	9,093,082
Decrease in capital fund		
Transfer of residential buildings to TBA	(2,339,831)	(2,339,831)
	6,753,251	6,753,251
Transfer of 5H ILS to TGFA	(37,593)	(37,593)
Transfer of PAPI to TAA	(21,429)	(21,429)
	6,694,229	6,694,229

17. REVENUE FROM EXCHANGE TRANSACTIONS

	2019/20 TZS "000	2018/19 TZS "000
Aeronautical Revenue	45,251,566	53,662,664
Revenue from Training College	538,983	1,118,366
Safety Regulation Costs Recovery	268,963	495,011
	46,059,512	55,276,042
Less: TMA Air navigation share 20%	(7,627,993)	(7,958,456)
	38,431,519	47,317,587
Less: Trade Debtors for the year 2019/20	12,744,527	-
Add: Trade Debtors for the year 2018/19	9,292,960	-
	34,979,952	47,317,587

Aeronautical Revenue

Air Navigation Services	38,141,517	45,476,888
Landing & Parking Fees	7,103,480	8,138,364
A.I.P. Sales	6,569	47,413
	45,251,566	53,662,664

Aeronautical Revenue includes Landing and Parking services amount that is a net amount receivable from Tanzania Airport Authority (TAA).

Air navigation services fees and landing and parking services fees are shared in the ratios of 80%, 0%, 20% and 30%, 60%, 10% between TCAA, TAA, and TMA respectively. TCAA collects and distributes the air navigation services revenue in the agreed ratios.

Safety Regulation Costs Recovery	2019/20 TZS "000	2018/19 TZS "000
Flight Safety Documents	10,778	9,239
Airworthiness Certification Cost Received	198,234	383,941
Personnel Certification Costs Received	1,253	-
Flight Ops Certification Cost Received	7,382	91,610
Airport Certification Cost Received	23,176	4,387
Aviation Security Certification Cost Received	28,140	5,835
	268,963	495,011

18. REVENUE FROM NON-EXCHANGE TRANSACTIONS

	2019/20 TZS'000	2018/19 TZS'000
Safety regulation fees	1,509,649	1,690,901
Economic regulation fees	2,903,237	3,100,628
Embarking passengers' fees	15,862,794	19,008,107
	20,275,680	23,799,636

Revenue from non-exchange transactions are mainly made of certification and licensing fees. Safety Regulation fees is made of fees from Airworthiness Certification, Personnel Licensing Certification, Flight Operation, Airport/Aerodrome Certification Services and Aviation Security Certification. Economic Regulation fees are made of fees from Air Service Licensing, Short Term Licensing, Administration and Ground Handling Licensing. Embarking Passengers Safety Fees is charged from passengers Ticket for USD 9 (United States Dollars Nine) on an international passenger ticket and TZS 3,000 (Tanzanian Shillings three thousand) on the domestic passenger ticket.

	2019/20 TZS'000	2018/19 TZS'000
Safety Regulation Fees		
Airworthiness Certification	813,787	831,858
Personnel Licensing Certification	320,767	485,004
Flight Operation Fees	95,682	166,614
Airport/Aerodrome Certification Services	211,744	123,169
Aviation Security Certification Fee	67,670	84,256
	1,509,649	1,690,901
Economic Regulation Fees		
Air Service Licensing	376,094	254,711
Short Term Licensing Fee	1,424,841	2,203,820
Administration Fees	646,364	564,201
Ground handling Licensing	455,937	77,897
	2,903,237	3,100,628

19. OTHER REVENUE

Fines and Penalties	58,620	49,509
English proficiency fee	2,391	3,850
Interest Earned	-	5
Rent Recovery	16,881	10,731
Sale of Tender Documents	8,989	15,077
Miscellaneous Income	86,702	49,135
Foreign exchange gain	160,252	294,200
Un-realized Exchange Gain/Loss	34,311	147,117
Sales of Fixed Assets - Furniture & Fittings	-	644

Sales of Fixed Assets - Equipment	-	607
Sales of Fixed Assets – Computer	-	205
Provision for Long Service Award	149,895	58,080
Other Revenue – Land Grants	-	170,460,560
Other Revenue – Equipment Grants	17,281,067	1,836,705
	17,799,108	172,926,425

OTHER REVENUE (CASH FLOW STATEMENT)

Fines and Penalties	58,620	49,509
English proficiency fee	2,391	3,850
Interest Earned	-	5
Rent Recovery	16,881	10,731
Sale of Tender Documents	8,989	15,077
Miscellaneous Income	86,702	49,135
Sales of Fixed Assets - Furniture & Fittings	-	644
Sales of Fixed Assets - Equipment	-	607
Sales of Fixed Assets – Computer	-	205
	173,586	129,763

20. SALARIES, ALLOWANCES AND OTHER STAFF BENEFITS

	2019/20	2018/19
	TZS'000	TZS'000
Salaries Expense	15,306,103	13,232,834
Provision For Long Service Award- Expense	9,500	22,000
Casual Labour & Wages	47,458	47,128
Leave Passage	1,257,560	1,084,197
PSSSF Employer Contribution	2,209,586	1,046,814
GEPF Expenses	-	5,689
NSSF - TCAA Contribution	-	553,076
Pension - TCAA Contribution	-	239,756
LAPF-TCAA Contribution	-	29,431
SDL TCAA Contribution	662,868	578,705
NHIF - TCAA Contribution	441,912	385,714
Gratuity Expense-Provision	36,793	27,009
PPF Employer Contribution	-	48,627
Workmen's Compensation	73,652	64,294
House Allowance	167,500	179,560
House Water Allowance	1,200	1,200
Meal and Ration Allowance	689,117	666,872
Shift and On call Allowance	174,987	168,847
Transport Allowance	135,288	125,387
Acting Allowance	58,325	52,245
Furniture Allowance	101,000	227,000
Outfit Allowance	7,800	12,600

Management Allowance	35,668	34,853
Special Allowance to Pilots & AME	180,000	148,000
Extra Duty/Overtime	1,015,104	1,071,901
Cashier Allowance	9,600	8,900
Entertainment Allowance	10,042	8,375
House Electricity Allowance	86,898	98,006
House Telephone	75,394	84,108
Staff Retirement Expenses	68,533	121,944
Staff Recruitment Expenses	43,251	26,115
Staff Uniforms	3,904	133,021
Death & Condolences	12,536	51,999
Subsistence Allowance	118,902	41,582
Transfer of Staff Expenses	223,302	256,150
Per Diem Relieve Duties	20,582	64,791
	23,284,365	20,948,730
Employee costs paid during the year:		
Salaries, allowances and other staff costs	23,284,365	20,948,730
Less: Unpaid salaries and other benefits 2019/20	(378,993)	-
Add: Unpaid salaries and other benefits 2018/19	14,941	-
	2,903,237	20,948,730

21. REGULATORY EXPENSES

	2019/20 TZS'000	2018/19 TZS'000
Airworthiness Inspections-Scheduled	79,531	188,521
Accident Investigation	58,255	76,728
Search & Rescue	62,478	20,726
Per Diem Inspection Economic Regulation	18,795	21,394
Consumer Complaint Handling	5,213	6,276
Adhoc Inspection-AIW & AMO	122,564	170,539
Adhoc Inspection Aerodromes &Ans	93,847	158,248
Adhoc Inspections-ANS	47,503	13,810
Routine Audit -MET & SAR	7,352	2,658
Adhoc Inspections-Flight Operations	27,945	7,255
Ramp Inspection Expenses	7,194	19,499
AMO/ATO Inspection Expenses	68,404	63,122
Basa Meetings	80,029	174,592
Airport Security Audit-Scheduled	15,396	18,256
Airport Inspection -Scheduled	19,799	10,126
Aviation security Screeners Exp	31,597	41,126
Aviation Security Board	23,667	31,267
Sensitisation Workshops	93,145	108,856
Flight OPs Inspection-Scheduled	40,904	96,708
Allowances Review of Laws & Regulations	80,901	250,632
Advertisements-Licensing	11,328	18,042
Customer Survey Expenses	-	19,588
Aviation Security Expenses	54,752	114,913
Perdiem Domestic Inspection	40,822	58,550
Air Ticket Foreign Inspection	145,483	378,743
Air Ticket Domestic Inspection	101,546	165,584
Instrument rating Test	40,390	52,757
Sitting Allowance ATC Rating Board	24,430	15,520
SADC/ICAO Office Expense	454,007	497,697
Study and Survey	10,865	252,082
English Proficiency Test	14,374	8,101
Per Diem CASSOA Meetings	259,489	331,020
Air Ticket CASSOA Meetings	58,338	121,422
	2,200,343	3,514,358

22. AIR NAVIGATION EXPENSES

	2019/20 TZS'000	2018/19 TZS'000
Procedures Design	66,016	38,430
Leased Circuits	546,127	545,251
Printing Flight Strips and Log Books	138,940	154,298
Safety Management System	30,510	-
Technical Site Upkeep	29,392	106,516
Per Diem Routine Station Visits	229,437	260,409
Commission Charges IATA	783,997	866,113
Per Diem EAC Upper Air Space Task Force	89,042	1,747
Air Ticket EAC Upper Air Space Task Force	3,149	-
Per Diem CANSO Meetings	448,896	103,338
Air Ticket CANSO Meetings	11,845	55,867
Repair & Maintenance Tech Building	43,426	8,995
Repairs & Maintenance Telecomm & NAVAID	898,902	1,129,728
Repairs & Maintenance Flight Calibration	222,720	446,009
	3,542,399	3,716,701

23. CATC RUNNING EXPENSES

CATC Student Allowances	25,663	38,644
CATC Teaching Allowance	19,400	14,882
CATC Other Running Expenses	250,637	130,067
Accreditation to NACTE	17,235	7,421
CATC Promotion Tour	23,023	7,725
CATC Re-Imbursement	577,096	496,114
	913,054	694,853

24. ADMINISTRATIVE EXPENSES

	2019/20 TZS'000	2018/19 TZS'000
Per Diem Training Local	353,227	472,865
Per Diem Training Abroad	450,577	965,685
Office Telephones & Fax	48,081	43,286
Postage Charges	38,425	37,765
Courier Charges	13,225	16,230
Email and Internet Expense	181,494	174,019
Stationery Consumables	347,893	188,079
Advertisement & Publicity	133,508	128,211
Newspapers & Periodicals	56,468	57,281
Mobile Phones	335,106	330,168
HIV/AIDS Seminars	2,180	4,370
Per Diem EAC Meetings	61,529	83,745
Per Diem Regional Task Force	155,254	211,807
PerDiem ICAO & other International Meetings	411,793	483,574

	2019/20	2018/19
	TZS'000	TZS'000
Sitting Allowance Facilitation Meetings	466,671	977,230
Sitting Allowance Disciplinary Committee	2,645	12,247
Advertisement-Tender	6,599	15,507
Sitting Allowance Ministerial Planning Meetings	220,310	141,973
Printing Annual Reports	8,654	6,424
Water Sewerages	17,134	8,749
Website Design & Hosting Expenses	58,639	32,393
Membership Fee to Professional Bodies	8,174	9,814
Conference Facility Domestic	190,600	14,842
Air Ticket Local	506,480	361,379
Air Ticket Foreign	762,262	903,840
Participation & Tuition Fee Local	159,952	233,876
Food and Refreshment	164,713	188,459
Participation & Tuition Fee Foreign	324,047	363,497
Electrical Supplies Expense	4,908	61,622
Cleaning of Offices -(Indoor)	99,042	94,315
Cleaning of Surroundings (Outdoor)	67,350	75,541
Computer Consumables	228,048	322,209
Fumigation Expenses	48,046	37,455
Office Sundries	431,649	315,398
Sitting Allowance Tender Board Meetings Expenses	150,630	194,607
Per Diem Seminars & Workshops Local	300,515	298,479
Per Diem Seminars & Workshops Abroad	41,532	174,951
Visa Expenses	6,436	7,951
Electricity Charges	474,433	381,006
Water Charges	39,440	30,290
Consultancy Fees	15,018	-
Technical Guidance Material	325,345	153,931
Sitting Allowance Budget Preparation	122,776	158,038
Provision for Doubtful Debts	-	1,814,716
Per Diem Internal Audit Expenses	22,171	19,296
Audit Fees	170,000	197,726
Audit Team Expenses	22,550	47,898
Sitting Allowance Strategic Plan	38,810	55,916
Cash Handling Expenses	12,650	12,894
Security Charges	455,858	433,117
Repairs & Maintenance Buildings	493,164	417,815
Repairs & Maintenance-Furniture & Fittings	78,752	69,578
Repairs & Maintenance Computer	166,832	124,735
Motor Vehicle - Fuel & Oils	534,852	509,091
Repairs & Maintenance - Motor Vehicles	567,527	513,921

	2019/20	2018/19
	TZS'000	TZS'000
Generator Fuels & Oils	99,548	131,887
Duty Mailage Allowance	5,186	-
Motor Vehicle - Hire Charges	314,997	303,228
Motor Vehicle - License & Parking	6,293	12,144
Motor Vehicle -Night security Charges	17,815	20,061
Motor Vehicle- Cleaning	38,211	35,668
Repairs & Maintenance Equipment	342,894	429,744
Publications of Journals	2,320	5,694
Government Hospitality	62,182	51,986
Publicity and Promotional	31,885	49,201
Social Responsibility	19,098	37,500
Medical Expenses	62,233	31,613
Software User License	-	61,619
Land Rent	-	11,480
Coding of Fixed Assets	13,014	20,025
Familiarization Tour & Bench Marking	71,130	78,533
Mayday Celebrations	-	53,946
Utumishi Week Exhibitions	-	6,004
Other Exhibitions	48,479	31,445
World Women's Day Event	5,730	10,640
TUGHE Expenses	18,203	17,782
Workers Council expenses	105,651	208,506
Shimiwi & Other Sports	3,991	25,915
ICAD & Other Events	57,450	41,139
MoT Expenses	66,476	5,926
Asset Disposal Expenses	5,490	15,210
Bad debts	3,254,217	-
Stock Taking Expense	16,621	15,180
Bank Charges	79,299	95,393
Fixed assets Revaluation Expense	90,363	98,273
	15,242,750	14,895,553
25. TECHNICAL AUDIT EXPENSES		
ICAO & Others Technical Audit	59,647	20,835
ISO 9000 Certification	112,047	79,234
	171,694	100,069

26. BOARD EXPENSES	2019/20	2018/19
	TZS'000	TZS'000
Sitting Allowance Board of Directors	45,233	64,702
Air Ticket Board Members	-	19,491
Per Diem Board Meetings	6,740	55,922
Board Fee	22,863	14,008
Air Time Board Member	12,392	16,058
Finance and Admin Committee of Board	-	4,560
Audit Committee of Board	50	4,160
CATC Advisory Board Expenses	-	32,631
	87,278	211,532
27. CONTRIBUTION TO GOVERNMENT AND OTHER BODIES	2019/20	2018/19
	TZS'000	TZS'000
Contribution to CGF	8,752,026	10,300,000
Contribution to ICAO	119,498	263,843
Contribution to CCC	375,459	
TCAA CCC Expenses	-	269,945
Contribution to CASSOA	1,070,440	1,008,165
Pilot & AME training	63,583	352,965
Contribution to AFCAC	169,799	153,767
Contribution to Fair Competition Tribunal	120,000	120,000
Contribution to fair Competition Commission	120,000	120,000
Contribution to CANSO	33,259	34,149
Contribution to AATO	28,495	22,657
Contribution to Professional Associations	30,260	25,170
Membership Fee Train Air Plus	49,878	50,562
	10,932,697	12,721,223
28. DEPRECIATION AND AMORTIZATION EXPENSES		
Depreciation – Motor Vehicles	849,378	741,574
Depreciation – Land and building	278,506	250,132
Depreciation – Technical Buildings	86,394	50,084
Depreciation – Office Equipment	848,265	471,052
Depreciation – Furniture & Fittings	160,971	123,975
Depreciation – Telecomm & NAVAID	7,110,779	3,804,910
Depreciation – Computers	1,112,045	199,150
Depreciation – Office Partition and studies	-	-
	10,446,338	5,640,877
Amortization		
Amortization - Software	413,454	51,700
	413,454	51,700
Total Depreciation and Amortization expenses	10,859,792	5,692,577

	2019/20 TZS'000	2018/19 TZS'000
29. PAYMENT TO SUPPLIERS		
Air Ticket Foreign Inspection	5,483	378,743
Air Ticket Domestic Inspection	101,546	165,584
Per Diem CASSOA Meetings	259,489	331,020
Air Ticket CASSOA Meetings	58,338	121,422
Procedures Design	66,016	38,430
Leased Circuits	546,127	545,251
Printing Flight Strips and Log Books	138,940	154,298
Technical Site Upkeep	29,391	106,516
Air Ticket EAC Upper Airspace	3,149	-
Air Ticket CANSO Meetings	11,845	55,867
Repair & Maintenance Tech Building	43,426	8,995
Repairs & Maintenance Telecomm & NAVAID	898,902	1,129,728
Repairs & Maintenance Flight Calibration	222,720	446,008
Office Telephones & Fax	48,081	43,286
Postage Charges	38,425	37,765
Courier Charges	13,225	16,230
Email and Internet Expense	181,494	174,019
Stationery Consumables	347,893	188,079
Advertisement & Publicity	133,508	128,211
Newspapers & Periodicals	56,468	57,281
Advertisement -Recruitment	-	-
Advertisement-Tender	6,599	15,507
Printing Annual Reports	8,654	6,424
Water Sewerages	17,134	8,749
Website Design & Hosting Expenses	58,639	32,393
Membership Fee to Professional Bodies	8,174	9,814
Conference Facility Domestic	190,600	14,842
Air Ticket Local	506,480	361,379
Air Ticket Foreign	762,262	903,840
Participation & Tuition Fee Local	159,952	233,876
Food and Refreshment	164,713	188,459
Participation & Tuition Fee Foreign	324,047	363,497
Surface and Marine Transport	-	-
Electrical Supplies Expense	4,908	61,622
Cleaning of Offices -(Indoor)	99,042	94,315

Cleaning of Surroundings (Outdoor)	67,350	75,541
Computer Consumables	228,048	322,209
Fumigation Expenses	48,046	37,455
Office Sundries	431,649	315,398
Legal Charge	-	-
Visa Expenses	6,436	7,951
Fine & Penalty paid	-	-
Electricity Charges	474,433	381,006
Water Charges	39,440	30,290
Consultancy Fees	15,018	-
Technical Guidance Material	325,345	153,931
Sitting Allowance Budget Preparation	122,776	158,038
Audit Fees	170,000	197,726
Cash Handling Expenses	12,650	12,894
Security Charges	455,858	433,117
Repairs & Maintenance Buildings	493,164	417,815
Repairs & Maintenance-Furniture & Fittings	78,752	69,578
Repairs & Maintenance Computer	166,832	124,735
Motor Vehicle - Fuel & Oils	534,852	509,091
Repairs & Maintenance - Motor Vehicles	567,527	513,921
Generator Fuels & Oils	99,548	131,887
Duty Mailage Allowance	5,186	-
Insurance Aviation House	-	-
Motor Vehicle - Hire Charges	314,997	303,228
Motor Vehicle - License & Parking	6,293	12,144
Motor Vehicle -Night security Charges	17,815	20,061
Motor Vehicle- Cleaning	38,211	35,668
Repairs & Maintenance Equipment	342,894	429,744
Publications of Journals	2,320	5,694
Government Hospitality	62,182	51,986
Donations & Assistances	-	-
Publicity and Promotional	31,885	49,201
Social Responsibility	19,098	37,500
Medical Expenses	62,233	31,613
Computer Software	-	-
Software User License	-	61,619
Computer Software Upgrade	-	-

Land Rent	-	11,480
Coding of Fixed Assets	13,014	20,025
Familiarization Tour & Bench Marking	71,130	78,533
Mayday Celebrations	-	53,946
Utumishi Week Exhibition	-	6,004
Bank Charges	79,299	95,393
Air Time Board Member	12,393	16,058
Sub Total	11,072,343	11,633,930
LESS: Trade Payable 2019/20 & 2018/19	930,693	3,011,180
	10,141,651	8,622,750
	2019/20	2018/19
	TZS'000	TZS'000
30. OTHER PAYMENTS		
Airworthiness Inspections-Scheduled	79,531	
Accident Investigation	58,255	76,728
Search & Rescue	62,478	20,726
ICAO & Others Technical Audit	59,647	20,835
ISO 9000 Certification	112,047	79,234
Per Diem Board Meetings	6,740	55,922
Per Diem Inspection Economic Regulation	18,795	21,394
Consumer Complaint Handling	5,213	6,276
Adhoc Inspection-AIW & AMO	122,564	170,539
Adhoc Inspection Aerodromes &Ans	93,847	158,248
Adhoc Inspections-ANS	47,503	13,810
Routine Audit -MET & SAR	7,352	2,658
Adhoc Inspections-Flight Operations	27,945	7,255
Ramp Inspection Expenses	7,194	19,499
AMO/ATO Inspection Expenses	68,404	63,122
Basa Meetings	80,029	174,592
Airport Security Audit-Scheduled	15,396	18,256
Airport Inspection -Scheduled	19,799	10,126
Aviation security Screeners Exp	31,597	41,126
Aviation Security Board	23,667	31,267
Sensitisation Workshops	93,145	108,856
Flight OPs Inspection-Scheduled	40,904	96,708
Allowances Review of Laws & Regulations	80,901	250,632
Advertisements-Licensing	11,328	18,042

Customer Survey Expenses	-	19,588
Aviation Security Expenses	54,752	114,913
Periderm Foreign Inspection	-	-
Periderm Domestic Inspection	40,822	58,550
Instrument rating Test	40,390	52,757
Sitting Allowance AATO Meetings	-	-
Sitting Allowance ATC Rating Board	24,430	15,520
SADC/ICAO Office Expense	454,007	497,697
Technical Library Expenses	-	-
Study and Survey	10,867	252,085
English Proficiency Test	14,375	8,101
Safety Management system	30,510	-
Per Diem Routine Station Visits	229,437	260,409
Commission Charges IATA	783,997	866,113
Per Diem EAC Upper Air Space task Force	89,042	1,747
Per Diem CANSO Meetings	448,896	103,338
CATC Student Allowances	25,663	38,644
CATC Teaching Allowance	19,400	14,882
CATC Other Running Expenses	250,637	130,067
Accreditation to NACTE	17,235	7,421
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CATC Re-Imbursement	577,097	496,115
Per Diem Training Local	353,227	472,865
Per Diem Training Abroad	450,577	965,685
Mobile Phones	335,106	330,168
HIV/AIDS Seminars	2,180	4,370
Per Diem EAC Meetings	61,529	83,745
Per Diem Regional Task Force	155,254	211,807
Per Diem ICAO & other International Meetings	411,793	483,574
Sitting Allowance Facilitation Meetings	466,671	977,230
Sitting Allowance Disciplinary Committee	2,645	12,247
Sitting Allowance Ministerial Planning Meetings	220,310	141,973
Sitting Allowance Tender Board meetings Expenses	150,630	194,607
Per Diem Seminars & Workshops Local	300,515	298,479
Per Diem Seminars & Workshops Abroad	41,532	174,951
Per Diem Internal Audit Expenses	22,171	19,296
Audit Team Expenses	22,550	47,898

Sitting Allowance Strategic Plan	38,810	55,916
Other Exhibitions	48,479	31,445
World Women's Day Event	5,730	10,640
TUGHE Expenses	18,203	17,782
Workers Council expenses	105,651	208,506
Shimiwi & Other Sports	3,991	25,915
ICAD & Other Events	57,452	41,140
MoT Expenses	66,476	5,926
Asset Disposal Expenses	5,490	15,210
Stock Taking Expense	16,620	15,180
Sitting Allowance Board of Directors	45,233	64,702
Finance and Admin Committee of Board	-	4,560
Board Fee	22,863	14,008
Audit Committee of Board	50	4,160
CATC Advisory Board Expenses	-	32,631
Contribution to CGF	8,752,026	10,300,000
Contribution to ICAO	119,498	263,843
TCAA CCC Expense	-	269,945
Contribution to CCC	375,459	-
Contribution to CASSOA	1,070,440	1,008,165
Pilot & AME training	63,583	352,965
Fixed assets Revaluation Expense	-	98,273
Contribution to AFCAC	169,799	153,767
Contribution to Fair Competition Tribunal	120,000	120,000
Contribution to fair Competition Commission	120,000	120,000
Contribution to CANSO	33,259	34,149
Contribution to AATO	28,495	22,657
Contribution to Professional Associations	30,260	25,170
Membership Fee Trainair Plus	49,878	49,878
Sub Total	18,673,292	29,893,450
Less: Other Payables 2019/20 & 2018/19	6,008,951	3,297,242
	12,664,341	26,596,208

31. RELATED PARTY TRANSACTIONS AND BALANCES

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

The Authority transacts with entities related to it by virtue of common ownership.

The transactions entered into with related parties during the year and balances outstanding with related

parties at the end of the year are set out below:

(a) Due from related parties

	2019/20	2018/19
	TZS'000	TZS'000
Air Tanzania Company Ltd	4,274,794	5,431,047
Commandant - SAK	3,131	64,460
Commanding Officer 601 KJ Ngerengere Morogoro	3,000	3,059
603 Air Transportation Station	12,680	-
Commanding Officer 603 KJ	62,750	-
Director General - TAA	-	880
Director JNIA	-	400
Kilimanjaro Airport Development Company	2,973,387	1,439,076
Ministry of Natural Resources & Tourism	107,320	71,897
National Institute of Transport	-	245
Ngorongoro Conservation Area	-	32,966
Tanzania National Parks	79,279	169,943
Police Airwing	-	4,554
Tanesco	-	25,561
Tanzania Government Flight Agency	-	95,952
Tanzania Peoples Defense Force-Air wing	-	15,980
Tanzania Railway Corporation	-	2,410
Tanzania Leaf Tobacco	-	32,662
Tanzania Airport Authority	2,670,205	2,771,698
Tanzania Wild Life Research Institute	10,910	3,726
Zanzibar Airport Authority	5,760	141,420
	10,203,217	10,307,936

(b) Due to related party

Tanzania Meteorological Agency	1,412,926	1,787,749
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(c) Compensation to the members of the board of directors and key management personnel

The remuneration of six (6) key management staff and seven (6) board members during the year was follows:

	2019/20	2018/19
	TZS'000	TZS'000
Key management Compensation		
Salaries	555,349	481,189
Allowances	124,558	125,158
Total	679,907	606,347

Board members Emoluments	2019/20 TZS '000'	2018/19 TZS '000'
i. Membership Fees	22,863	14,008
ii. Air time	12,393	16,058
iii. Air Ticket for Board Meetings	-	19,491
iv. Per Diem Board Meetings	6,740	55,922
v. Sitting allowances	45,545	64,702
vi. Finance and Admin committee of the Board	-	4,560
vii. Audit committee of Board	50	4,160
viii. CATC advisory Board	-	32,631
Total	87,590	211,532

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Authority, directly or indirectly. Key management personnel have been defined as the executive directors of the Authority, and members of the Authority's senior management.

32. CAPITAL COMMITMENTS

	2019/20 TZS'000	2018/19 TZS'000
Approved but not contracted for	1,102,822	2,789,456
Approved and contracted for	6,015,428	23,593,742
	7,118,250	26,383,198

33. CONTINGENT LIABILITIES

The Authority has no pending court case. Directors have assessed that no likely liability is expected to occur and have made no provision in the financial statements.

34. ULTIMATE OWNER OF THE AUTHORITY

The Tanzania Civil Aviation Authority is a body corporate established under The Civil Aviation Act No. 10 of 2003, now Civil Aviation Act, (Cap 80) of 2006.

The Government of the United Republic of Tanzania is the ultimate owner of the Authority.

35. REPORTING CURRENCY

These financial statements are presented in Tanzania Shillings (TZS '000').

36. DATE OF AUTHORISATION FOR ISSUE

These financial statements are authorized for issue by Tanzania Civil Aviation Authority on 28th January, 2022 there is no anybody with the power to amend them once they are issued.



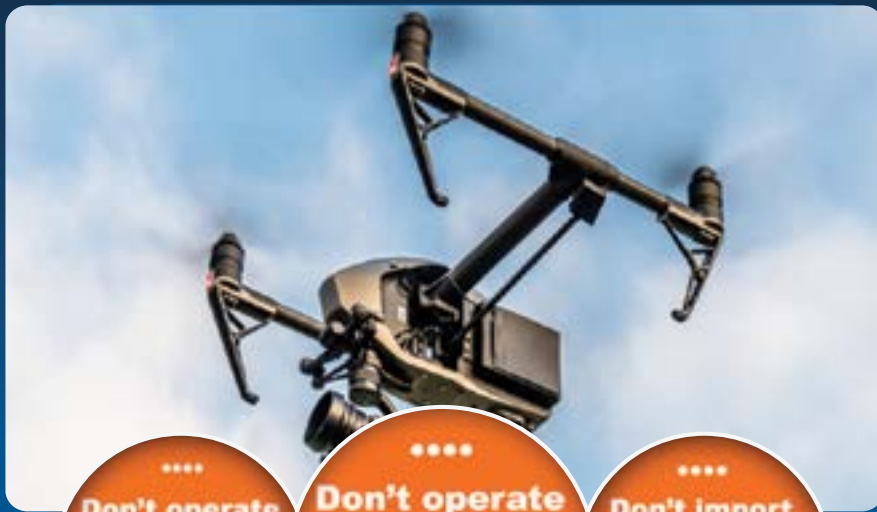
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For More Information:
+255 710 045 141
drones@tcaa.go.tz



The Civil Aviation (Remotely Piloted Aircraft Systems) Regulations, 2018



Don't operate drone that has not been registered

Don't operate drone without authorization

Don't import drone without authorization



For More information
+255 710 045 141

APPLY NOW

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The logo for the Tanzania Civil Aviation Authority (TCAA) is a white circle containing the letters 'TCAA' in blue, with an orange stylized arrow pointing upwards and to the right.

TCAA

CONSUMER COMPLAINTS UNIT

Tanzania Civil Aviation Authority Consumer Complaints Unit is a unit established under Section 59 (7) of consumers, investigate, attempt to resolve the complaint amicably and incase it can not be resolved. Present its findings to the Committee of the Board for hearing and Decision by the Board.

DECISION OF THE BOARD MAY CONTAIN REMEDIES TO CONSUMERS SUCH AS:

- Requiring a party to supply regulated goods or services for specified periods
- Requiring a party to supply regulated goods or services for specified terms and conditions
- Requiring a party to pay the cost of another party or of a person appearing at the hearing or producing documents
- Dismissing a complaint
- Imposing fines
- For specific performance
- Appointing trustees
- Setting up an escrow account and for such other reliefs may be deemed necessary.

*Complaints shall be addressed to:
Director General*

*Tanzania Civil Aviation Authority
Aviation House, Nyerere/ Kitunda Road Junction
P.O. Box 2819, Dar es Salaam, Tanzania
Tel: (255) 22 2198100, Fax: (255) 2844304 Email: tcaa@tcaa.go.tz*



Tanzania Civil Aviation Authority
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