

# ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2023



**TCAA**

Tanzania Civil Aviation Authority





Tanzania Civil Aviation Authority

**ANNUAL REPORT FOR THE YEAR  
ENDED 30 JUNE 2023**

## TABLE OF CONTENTS

LIST OF ABBREVIATIONS	ii
CHAIRMAN'S STATEMENT	1
DIRECTOR GENERAL'S STATEMENT	2
1.0 INTRODUCTION	3
1.1 OBJECTIVES OF THE REPORT	4
1.2 BOARD AND MANAGEMENT STRUCTURE	4
1.3 VISION, MISSION AND CORE VALUES	5
2.0 OPERATIONAL PERFORMANCE	6
2.1 SAFETY AND SECURITY REGULATION	6
2.2 DIRECTORATE OF AIR NAVIGATION SERVICES	17
2.3 DEPARTMENT OF ECONOMIC REGULATION	23
2.4 THE CIVIL AVIATION TRAINING CENTRE	24
2.5 DEPARTMENT OF CORPORATE SERVICES	25
2.6 PUBLIC INFORMATION	27
2.7 LEGAL AFFAIRS UNIT	30

## 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 Organization
ISO	International Standard Organization
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

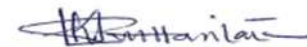
It is my pleasure once again to present the Authority's Annual Report and the Audited Financial Statements for the year ended 30 June 2023. This gives me another opportunity to highlight to our stakeholders the steady progress made by the Authority during the year under review and how the Authority has discharged its functions and responsibilities as per its mandate.

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, development of the Civil Aviation Training Centre (CATC), acquisition of modern navigational aids, maintenance of already ageing air navigation infrastructure as well as attracting and retaining highly specialized manpower. The Authority will keep on implementing various strategies to make sure that these important endeavors are in place.

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 greatly acknowledges the technical assistance which the Development Partners and ICAO have been extending to the Authority through their support. All the support has enabled the Authority to fulfil its mandate effectively.



Prof. Longinus Kyaruzi  
Rutasitara  
**CHAIRMAN OF THE BOARD  
OF DIRECTORS**

## DIRECTOR GENERAL'S STATEMENT

The Tanzanian airspace continues to improve following setbacks caused by COVID-19, which had a negative impact on the aviation industry. The number of aviation activities in the country has increased, encompassing both local and international operations. The Authority continues to make efforts to ensure the business environment of the aviation industry in the country is favorable for all stakeholders.

During this period, the Authority has been implementing two strategic projects, development of its new Civil Aviation Training Centre (CATC) and Installation of the communication facilities in the airports known as Very High Frequency Area Cover Systems. This project aimed to increase the number of qualified aviation personnel as well as improving the safety of our sky. Generally, the Industry continue to perform well with our new Strategic Plan that started its implementation from July 2021 and reviewed in December 2023 with seven thematic areas.

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.

In the year ended June 2023, TCAA continued to work towards the Authority's strategic direction, which aimed at achieving four set objectives: Safe and Secure Civil Aviation System and Environmental Protection enhanced, Orderly development of air transport sub-sector sustained, Enhancement of capacity and efficiency of air navigation services, Strengthening of organizational capacity and operational efficiency. These four objectives were the cornerstone of our activities during the year, and we remained focused towards their implementation.

During the year ended June 2023 overall traffic performance of the industry recorded an increase of 36.2% in aircraft movements, from 169,457 in 2021/22 to 230,755 movements in 2022/23. Overall passenger traffic increased from 4,487,562 passengers in 2021/22 to 6,335,477 passengers in 2022/23, equivalent to 41.2% increase. Overall cargo recorded a 6.5% increase, from 33,926 tons in 2021/22 to 36,140.2 tons in 2022/23.

The report demonstrates that TCAA has successfully

discharged 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. Together, step by step, we shall realize our vision.




Hamza S. Johari  
**DIRECTOR GENERAL**

## 1. INTRODUCTION

Tanzania Civil Aviation Authority presents the Annual Report that highlights its performance for the year ended 30th June 2023. The report summarizes the executed activities, challenges faced, and achievements realized during the period under review.

The Authority 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 fueling) 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 licenses.
  - (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 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 program.
  
- (k) Establish an acceptable level of safety.
  
- (l) Advise 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 2022/23 fulfils the following objectives:

- (a) To comply to the requirements of Section 49 of Act;
- (b) To inform stakeholders and the 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 fueling) and air navigation services sectors.
- (c) To educate stakeholders of regulated sectors and the 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, the Board meets at least four times in a year and has established three Committees to discharge its functions.

#### BOARD OF DIRECTORS



Prof. Longinus Rutasitara  
**BOARD CHAIRMAN**



Mrs. Mtumwa K. Ameir  
**BOARD VICE CHAIRPERSON**



Ms. Rukia J. Adam  
**BOARD MEMBER**



Dr. Bundara M. Malima  
**BOARD MEMBER**



Prof. Siasa I. Mzenzi  
**BOARD MEMBER**



Mr. Yusufu M. Ali  
**BOARD MEMBER**

### 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.

### EXECUTIVE MANAGEMENT



Mr. Hamza S. Johari  
**DIRECTOR GENERAL**



Ms. Maria Momba  
**DIRECTOR LEAGAL SERVICES**



Mr. Daniel Malanga  
**DIRECTOR ECONOMIC REGULATIONS**



Mr. Salim Msangi  
**DIRECTOR SAFETY REGULATIONS**



Mr. Teophory Mbilinyi  
**DIRECTOR CORPORATE SERVICES**



Ms. Flora Mwanshinga  
**DIRECTOR AIR NAVIGATION SERVICES**

## 1.3 VISION, MISSION AND CORE VALUES

### 1.3.1 Vision

Propelling Tanzania's Civil Aviation System to excellence in Africa and beyond

### 1.3.2 Mission

To ensure safety, security and regularity of civil aviation in Tanzania through effective oversight, provision of efficient air navigation services and training while maintaining quality, protecting the environment and safeguarding the interest of stakeholders”.

### 1.3.3 Motto

Aviation Safety and Efficiency. Our Commitment. In partnership

### 1.3.4 Values

Acronym	Core Value	Our Role
I	Integrity	We will be fair and honest in all cornerstones of TCAA services when dealing with our stakeholders.
M	Morals	We will adhere to ethical behaviour when dealing with stakeholders and discharge our duties with neutrality and impartiality, without fear or favour;
P	Professionalism and Customer focused	We will maintain the highest degree of professionalism and ethical standards, building value-added relationships with customers and stakeholders to deliver quality services
A	Accountability and Efficiency	We will adhere to good governance practices by delivering our services with high level of commitment.
C	Commitment	We will adhere to good governance practices by delivering our services with high level of commitment.
T	Transparency Teamwork	TCAA staff working as a team will engage the industry stakeholders and work collaboratively to achieve organisational goals while upholding the standards of ethics, honesty and transparency in all our actions.

## 2. OPERATIONAL PERFORMANCE

In the year 2022/23 the authority implemented planned activities in line with the annual action plan. The overall performance of the Authority was excellent 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 standards and recommended practices.

The performance of the Authority was measured against the set objectives and targets which are embodied in both the Strategic Plan and the Risk Register as following: -

- i. Safe and Secure Civil Aviation System and Environmental Protection enhanced.
- ii. Orderly development of air transport sub-sector sustained.
- iii. Enhancement of capacity and efficiency of air navigation services.
- iv. Strengthening of human resource and organizational capacity and operational efficiency.

### 2.1 SAFETY AND SECURITY REGULATION

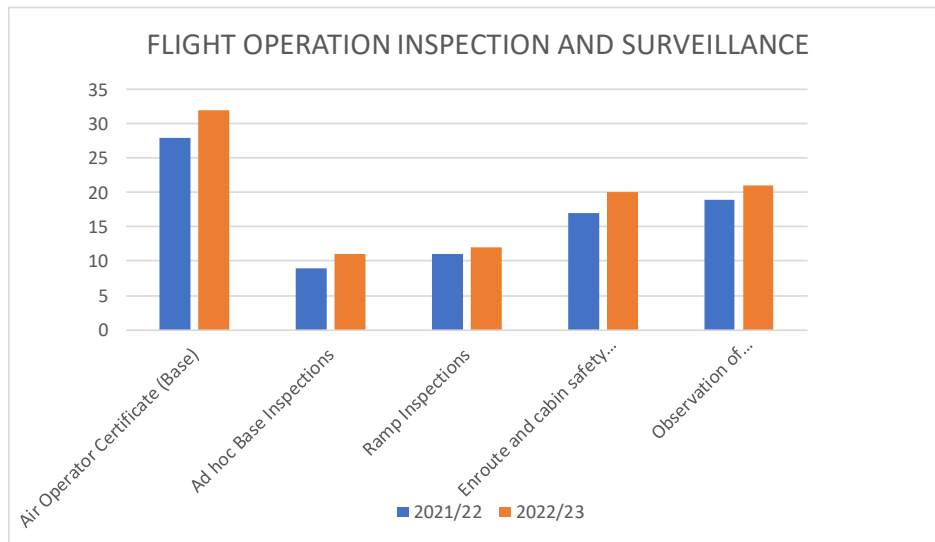
Various activities planned during the period aiming at implementation and enforcement of the Tanzania Civil Aviation Regulations (TCARs) 2006 to ensure a compliant industry were carried out. The following sections indicate performance in various specific areas:

#### 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**

	Description	2021/22	2022/23
1.	Air Operator Certificate (Base)	28	32
2.	<i>Ad hoc</i> Base Inspections	9	11
3.	Ramp Inspections	11	12
4.	Enroute and cabin safety inspection	17	20
5.	Observation of Instructors/Examiners	19	21
6.	Operators' training facility approval	7	10
	<b>TOTAL</b>	<b>91</b>	<b>106</b>



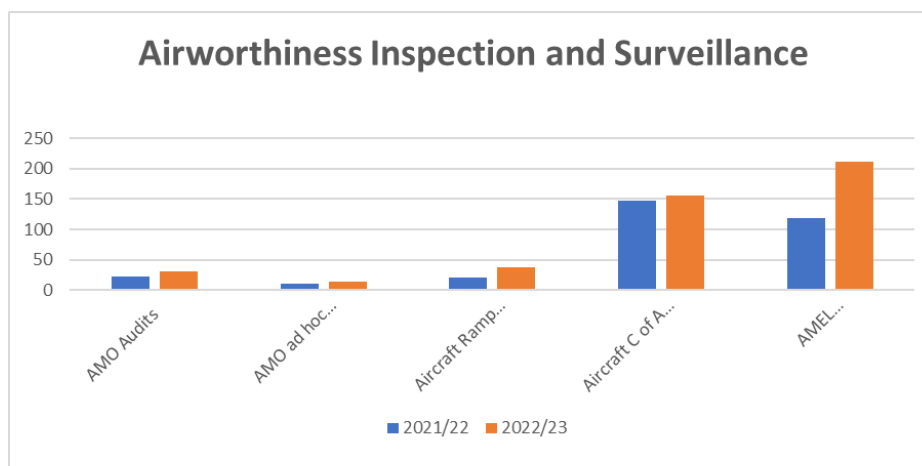
### 2.1.2 Airworthiness Inspection and Surveillance

During the year ended June 2023, twenty-six (26) aircraft were registered and awarded Certificates of Airworthiness: one (01) Being B767-300F, Eight (8) Cessna 208B, three (3) Airbus Helicopter AS 350, ten (10) Ultra magic Balloon, one Dash 8-200, two (2) Cessna 172, one (1) Embraer E120 and one (01) Savannah Microlight.

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

**Table 2: Airworthiness Inspection and Surveillance**

S/N	Type	2021/22	2022/23
1	AMO Audits	22	31
2	AMO <i>ad hoc</i> Surveillance	11	15
3	Aircraft Ramp Inspections	21	38
4	Aircraft C of A renewals / Issue / Export	147	155
5	AMEL issue / renewal, Written Examination and Oral Examination	119	212
	<b>TOTAL</b>	<b>320</b>	<b>451</b>



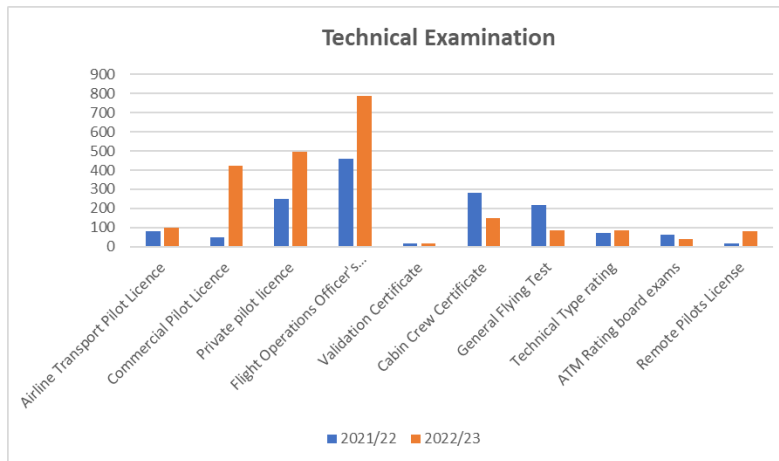
### 2.1.3 Personnel Licensing Section

#### a) Technical Examination

A total of 2265 examinations were booked during the period of July 2022 to June, 2023 compared to 1515 examinations booked in the year ended June, 2022. These included written examinations together with various flying tests for granting, renewal, conversion, extension of licenses and certificates.

**Table 3: Technical Examination**

S/N	TECHNICAL EXAMINATIONS	2021/22	2022/23
1.	Airline Transport Pilot License	83	100
2.	Commercial Pilot License	50	422
3.	Private pilot license	250	496
4.	Flight Operations Officer's License	460	788
5.	Validation Certificate	19	16
6.	Cabin Crew Certificate	281	150
7.	General Flying Test	218	87
8.	Technical Type rating	73	86
9.	ATM Rating board exams	63	38
10.	Remote Pilots License	18	82
<b>TOTAL</b>		<b>1515</b>	<b>2265</b>

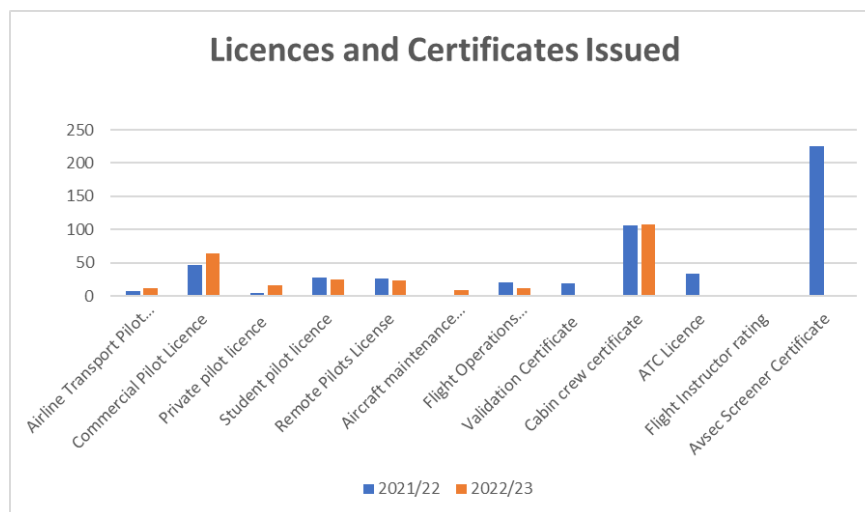


**b) Licences and Certificates Issued**

A total of 268 licenses including certificates were issued during the period July 2022 to June 2023 compared to 517 licenses issued in the year ended June 2022.

**Table 4: Licences and Certificates issued**

S/N	LICENCES AND CERTIFICATE ISSUED	2021/22	2022/23
1.	Airline Transport Pilot License	7	12
2.	Commercial Pilot License	46	64
3.	Private pilot license	4	16
4.	Student pilot license	28	25
5.	Remote Pilots License	27	23
6.	Aircraft maintenance engineer's license	1	9
7.	Flight Operations Officer's License	20	12
8.	Validation Certificate	19	0
9.	Cabin crew certificate	106	107
10.	ATC License	33	0
11.	Flight Instructor rating	0	0
12.	Avsec Screener Certificate	226	0
<b>TOTAL</b>		<b>517</b>	<b>268</b>

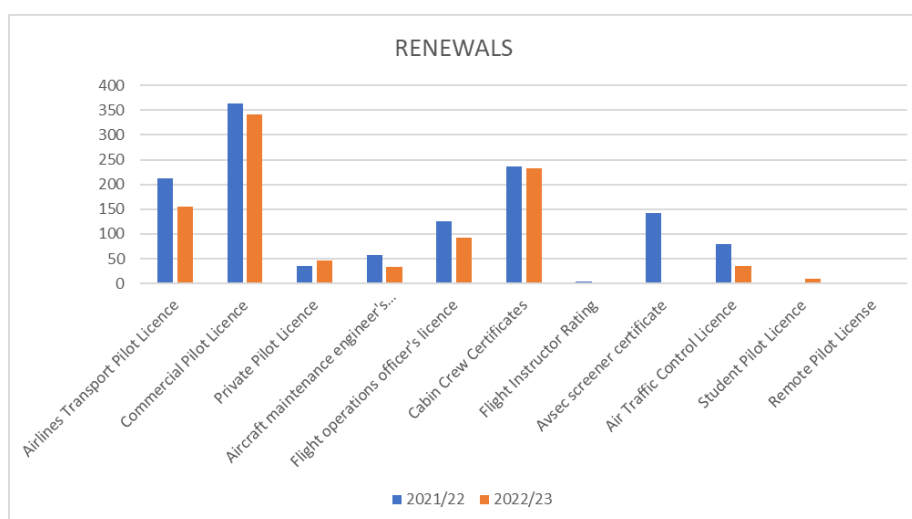


### c) Renewals

A total of 948 licenses including certificates and ratings were renewed during the period of July 2022 to June 2023 compared to 1,259 licenses including certificates and ratings renewed during the period of 2021/22.

**Table 5: Licenses / Certificates / Ratings**

SN	Description	2021/22	2022/23
1	Airlines Transport Pilot License	213	156
2	Commercial Pilot License	364	342
3	Private Pilot License	36	46
4	Aircraft maintenance engineer's license	58	34
5	Flight operations officer's license	126	92
6	Cabin Crew Certificates	236	232
7	Flight Instructor Rating	4	0
8	Avsec screener certificate	143	0
9	Air Traffic Control Licence	79	35
10	Student Pilot License	0	9
11	Remote Pilot License	0	2
<b>TOTAL</b>		<b>1259</b>	<b>948</b>

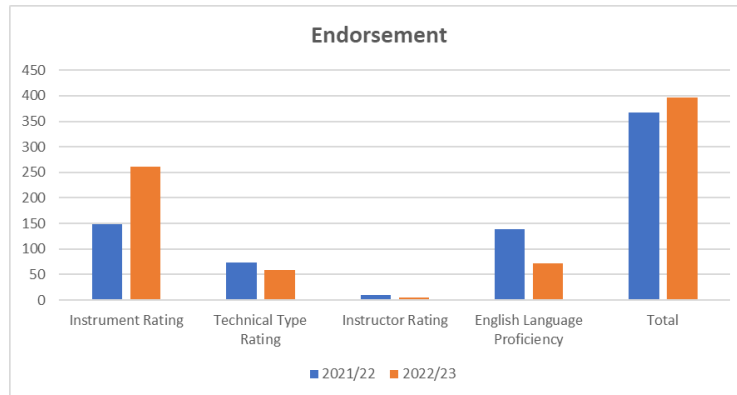


### d) Endorsements

A total of 396 endorsements were made on various licenses and certificates during the period of July 2022 to June 2023 compared to a total of 368 endorsements in 2021/22.

**Table 6: Endorsement**

SN	Description	2021/22	2022/23
1	Instrument Rating	148	261
2	Technical Type Rating	73	59
3	Instructor Rating	9	5
4	English Language Proficiency	138	71
<b>TOTAL</b>		<b>368</b>	<b>396</b>



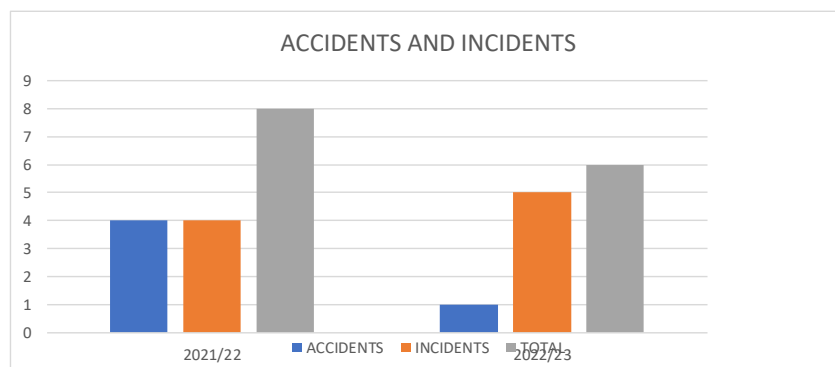
## 2.1.4 Airworthiness Section

### Accidents and Incidents

During the year ended 30 June 2023 the Authority continued to ensure that the industry remains comparatively safe all the time. At the end of the year there was one (01) accident and five (05) incidents compared to 4 accidents and 4 incidents that occurred in 2021/22.

**Table 7: Accidents and Incidents**

Type	2021/22	2022/23
Accidents	4	1
Incidents	4	5
<b>TOTAL</b>	<b>8</b>	<b>6</b>



## 2.1.5 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. In the year 2022/2023. No Act of unlawful interference was recorded.

### a) Review of Aviation Security Technical Guidance Materials (TGMs)

The review of Aviation Security guidance materials was made with the view of incorporating amendments 18 to ICAO Annex 17 and amendment 29 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 other Technical Guidance Materials have

been reviewed, approved and distributed to relevant operators for their implementation. These documents include:

- (i) National Civil Aviation Security Programme (NCASP),
- (ii) National Civil Aviation Security Quality Control Programme (NCASQCP),
- (iii) National Civil Aviation Security Training Programme (NCASTP),
- (iv) Oversight Checklists and Compliance Matrices.

**b) ICAO Universal Security Audit Programme Continuous Monitoring Assessment Audit Progress: (USAP CMA)**

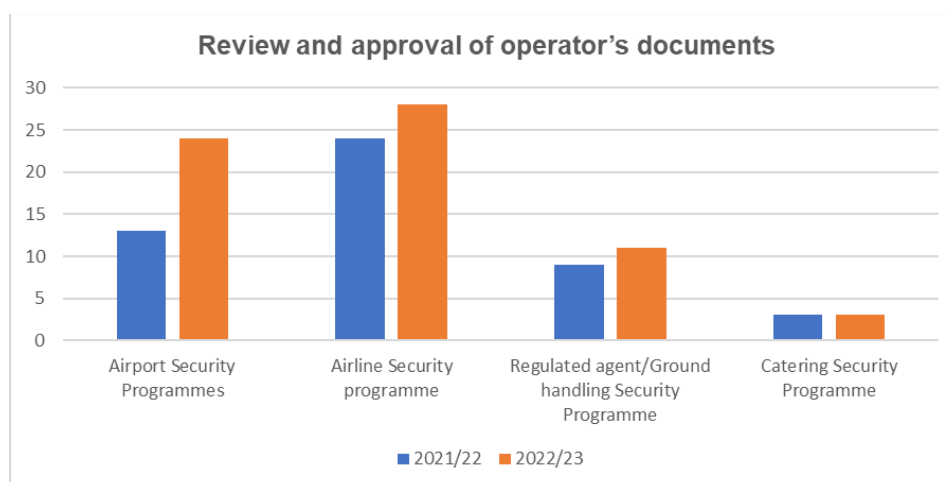
The current compliance status to the 2023 USAP CMA Audit findings indicates about 86.9% has been attained. The draft Corrective Action Plan (CAPs) has been transmitted to ICAO Headquarters for records and follow ups.

**c) Review and Approval of Operator’s Documents**

Table 10 below indicates operator security programmes which were reviewed and approved in the year 2022/2023 as compared to those reviewed and approved in 2021/2022.

**Table 8: Review and approval of operator’s documents**

SN	OPERATOR	2021/22	2022/23
1.	Airport Security Programmes	13	24
2.	Airline Security programme	24	28
3.	Regulated agent/Ground Security handling Programme	09	11
4.	Catering Security Programme	03	03
<b>TOTAL</b>		<b>49</b>	<b>66</b>



The number of oversights vary each year due to a combination of factors: these include the result of risk assessment conducted, compliance history of the operators and staff level of Aviation Security Staff and any new development made by the respective operators. 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.

**d) Meetings of the National Civil Aviation Security Committee.**

Four (4) National Civil Aviation Security Committee Meetings (NCASC) were conducted as follows; 55<sup>th</sup> NCASC in Dar es Salaam, 56<sup>th</sup> in Mwanza, 57<sup>th</sup> in Dar es Salaam and 58<sup>th</sup> in Dar es Salaam.

These meetings are important as they serve the purpose of coordination of aviation security activities between the ministries, departments, agencies and other organization in the United Republic of Tanzania including airports and aircraft operators, air traffic service providers, ground handling services provider and entities concerned with or responsible for the implementation of various aspects of the National Civil Aviation Security Programme.

**e) Certification/Recertification of AVSEC Screeners and National AVSEC Instructors:**

The Aviation Security Unit certified/recertified a total 668 of AVSEC screeners in 2021/2022 compared to 470 AVSEC screeners in 2022/2023. Table 9 below provides the number of certified/recertified screeners with their respective institutions as follows:

**Table 9: Certification / Recertification of AVSEC Screeners**

<b>OPERATOR</b>	<b>2022/2023</b>	<b>2023/24</b>
Tanzania Airports Authority-Regional Airports	70	155
Julius Nyerere International Airport	107	222
Zanzibar Airport Authority	85	43
Kilimanjaro International Airport	71	106
Air Tanzania Company Limited	10	03
Precision Air	01	02
NAS Dar Airco	10	09
Swiss port	72	61
G4S Security Solution	00	01
United Aviation Services	08	11
Tanzania National Parks	10	00
Dnata	21	23
Geita Gold Mining	05	04
Zanzibar Aviation Services and Travel Trade	00	04
Insight Risk	00	05
Alliance Cargo	00	05
Celebi	00	04
Garda World	00	09
LSG SkyChef	00	01
<b>Total</b>	<b>470</b>	<b>668</b>

**2.1.6 Aerodrome and Ground Aids Section**

The Aerodromes inspectorate continued to conduct its safety oversight activities including, development of Aerodrome Standards and Technical Guidance documents, recertification (five phase) process for JNIA, KIA and AAKIA. Licensing and Registration Approval of public and private, continuous surveillance of aerodromes, aeronautical study 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 which was conducted by ICAO in April 2017. The goal is to achieve 100% compliance to aerodrome Certification requirements under USOAP CMA by the end of FY 2022/2023.

#### Detailed activities performed during the Year under review.

The activities performed by Aerodromes and ground aids section are Inspection of 29 aerodromes: Tabora, Mafia, Nachingwea, Lindi, Kilwa Masoko, Engaresero, Lukwati, Butuli, Piti, Yeye 1, Yeye 2, Makwasa Rukwa, Musa rungwa, Masimba, Kilumbi, Lunda north, Makambe, Mlambala, Kingupira, Barani, Miguruwe, Mkangira, Rufiji, Madaba, Lukuliro, Utumge, Luhombelo, Kihurumila and Bomaulanga. Six (6) License issued for aerodromes of Mtwara, Iringa, Mafia, Nachingwea, Singida Gold Mining and Thanda Helipad and One (1) construction permit issued for Mwarongo new aerodrome. Other license to be issue after submission of Corrective Action Plan.

Conducted four Special Inspection: Kishoshoroni aerodrome to assess the requirement of the proposed upgraded for operation of code 2D Aircraft, Inspection of the Oilcom aviation fuel storage facility at the Abeid Aman Karume International Airport, inspection of Towers (electricity poles) of the TANESCO project of Julius Nyerere Hydro Power Plant (JNHPP) which are in the vicinity of Matambwe, Stieglers and Kinyanguru aerodromes.

**Table 10: Aerodrome Certification**

S/N	Aerodrome ID	Description
1	Julius Nyerere International Airport	Certified until June 2024
2	Aman Abeid Karume International Airport	Certified until June 2024
3	Kilimanjaro International Airport	Certified until June 2024

**Table 12: Aerodrome Licensing**

S/N	Aerodrome Group/Activity	Description
1	Government aerodromes	24 aerodromes
2	Licensing of Private aerodromes	60 aerodromes

AGA Activities as Per Approved Action Plan as of July 2022 to June 2023				
S/N	Planned Activity	Target	Performance	Remarks
1.	To amend and promulgate Aerodromes regulations from Annex amendment implementation date by June, 2023	Amended Civil Aviation (Aerodromes) Regulations	Three New Regulations developed to incorporate the Amended and submitted to Minister for Approval.  Developed Advisory Circular, Checklist.  Commence update database aerodromes and plan for development of obstacles database	Achieved 80%  Development and update of database for aerodrome and Obstacle requires more resources and time to accomplish

Completed Recertification process phase 3 Documentation review for AAKIA and continue with JNIA and KIA phase 3.

2.	To undertake 2 surveillance and adhoc inspections of public and private aerodromes by June 2023	2 surveillances	30 Surveillance and adhoc inspection conducted at 29 aerodromes  Surveillance inspection of Bulyanhulu, Kagera sugar, Loolera, Kajungu, Kibaya, Magambua, Makiumgu, Nkinga, Golden Pride, Buckreef, Stieglers Gorge, Mwadui, Dolly Estate, Kilombero Sugar, Thanda, Songea, Dodoma, Tabora, Msalato, JNIA, Abeid Aman Karume, KIA, Moshi, Njombe, Iringa, Mtwara, Musoma, Songwe, Bukoba	Achieved 100%  Although we achieved the target we have shortage of staff and working tools.
3.	To sensitize aerodromes regulatory requirements and technical guidance materials to stakeholders, sensitization workshops by June 2023	Sensitization of TGMS	Sensitization conducted on Recertification documentation for AAKIA, JNIA and KIA  Conducted Sensitization Workshop on Obstacle limitation surfaces in the vicinity of aerodromes in Dodoma and TANESCO JNHPP (Stieglers)	Amendment of TGM and sensitization to be conducted after issue of New Regulations
4.	To participate in 4 EAC, SADC and ICAO regional and international meetings, seminar / workshops by June 2023	4 meetings	4 meetings  CASSOA meeting of Experts, Runway Safety Team,	100%
5.	To undertake implementation of corrective action plans emanating from ICAO USOAP Audit by June 2023.	Update of USOAP Evidence and Corrective Action Plan	Uploaded evidence and updated CAPs	More evidence to be uploaded after completion of recertification and amendment of Regulations
6.	Seven Inspectors To participate in 2 local meetings, seminars and workshops by June 2023	2 local meeting	2 Meetings attended	100%

7.	To develop and implement State Safety Programme, oversight of Safety Management System and ECCAIRS incident/accident data management system, Compliance with new ICAO requirements including C01S62 GASP and GRF Implementation by June 2023	SSP implementation	Conducted SSP Gap analysis  Draft National Aviation Safety Plan (NASP) developed  On going Wildlife Incident reporting to ICAO through ECCAIRS	60%
8.	To coordinate 1 collaborative site inspections and assessment of ongoing aerodrome design and construction projects by June 2023	1 Collaborative site inspection	Three site collaborative inspection	100%
9.	To carry out a five phase Re-certification of international Aerodromes JNIA, KIA and AAKIA and Initial Certification of Mwanza Airport June 2023	Recertification of JNIA, KIA and AAKIA	Recertification is at phase 3 for the three aerodromes of AAKIA, JNIA and KIA	60%
10.	To carry out 4 formal training and on the job (OJT) instructions by June 2023	4 formal training	4 training and OJT conducted.	100%
11	To conduct 4 dedicated audits and special inspections to identify areas of safety great concern and resolve the findings by June 2023	2 special inspections	4 special inspections.	100%
12.	Certification of 3 International Aerodromes, Licensing and Registration of 30 Aerodromes and Surveillance activities in 30 Aerodromes	Certification of International Aerodromes  Licensing and Registration of 30 aerodromes	Extension of Certificates issued pending recertification.  30 licenses issued  30 planned Surveillance and 29 adhoc inspection conducted at aerodromes	Recertification to be completed by September 2023  Licensing 100%

## **2.2 DIRECTORATE OF AIR NAVIGATION SERVICES**

The authority through the directorate of Air Navigation Services is responsible for provision of air navigation services in the United Republic of Tanzania and upper airspace of Burundi. The authority manned 15 manned stations at Dar es Salaam, Zanzibar, Mwanza, Arusha, Pemba, Tabora, Kigoma, Dodoma, Iringa, Mbeya, Mtwara, Tanga, Songea, Kilimanjaro and Bukoba which started provision of Aeronautical Information Services (AIS).

### **2.2.1 Air Traffic Control Services**

The section is responsible for provision of Air Traffic Services at fourteen TCAA manned stations and at Area Control Centre (ACC). The section is also responsible for coordination of Aeronautical Search and Rescue Services within Tanzania. During the year under review the section implemented the following activities:

- (i) Provision of air traffic control services at 14 stations continued as per hours promulgated in the Aeronautical Information Publication (AIP) except at Songwe airport whereby the provision of services must be extended beyond 12 hours to accommodate ATCL night flights. Three stations, (JNIA, Kilimanjaro and Mwanza) are provided with Surveillance Services.
- (ii) Provision of air traffic services continued to be provided by Dar es Salaam ACC over Dar es Salaam Flight Information Region and over the upper airspace of Burundi and Rwanda but on 1 December 2022, the provision of services over the upper airspace of Rwanda was handed over to a newly established Kigali Area control Centre.
- (iii) Four letters of Procedures between Dar es Salaam Area Control Centre and Area Control Centres/approach control unit of adjacent Flight Information Regions were reviewed and signed to enhance coordination in the provision of air traffic services. ACCs/Control units involved are Kigali, Entebbe, Bujumbura and Lusaka.
- (iv) One Civil - Military Coordination Meeting was conducted at TCAA head office in Dar es Salaam with the objective of enhance safety and cooperation among the two main airspace users.
- (v) The section prepared a Search and Rescue Exercise aiming at improving coordination among Search and Rescue stakeholders and to sharpen skills of Search and Rescue personnel. The exercise was carried out successfully in July 2023.
- (vi) Airspace and flight procedure design services conducted in 2022/23 are as follows: -
  - (a) Designed RNAV(GNSS) approach procedures and control zone for Mtwara airport;
  - (b) Designed RNAV(GNSS) approach procedures and control zone for Songea Airport;
  - (c) Designed RNAV(GNSS) procedures for Bukoba Airport;
  - (d) Designed RNAV(GNSS) approach procedures and control zone for Pemba Airport;

### **2.2.2 Communication Navigation Surveillance**

The section is responsible for maintenance of communications navigation surveillance of systems and equipment. During the year under review the following were carried out:

- (i) Preventive and Corrective maintenance of CNS facilities at Pemba, Mtwara, Tabora, Mwanza, Iringa, JNIA, Kigoma, Songwe, KIA, Arusha, Tanga, Songea, AAKIA and Dodoma; and at Civil Aviation Training Centre in Dar es Salaam, Singo (Babati) and the VHF relay stations at Nyashana,

Matogoro, Kaluwe, Chagalawe, Lilungu, Gairo, Kaze hill, Moroninya, Mnyusi, and Lolkisale and Dar es salaam per PM schedule.

- (ii) One (1) Coordination meeting with TTCL and Three meetings with Vodacom, Tigo and Airtel regarding network backup were conducted.
- (iii) Improvement of external and internal earthing/lightning/security system(s) for CNS facilities were done at Kigoma, KIA, Mtwara and Tabora were done
- (iv) Rehabilitation and Reallocation of Antenna at Mtwara and Songea Airport were done
- (v) Feasibility study for implementation of NAVAIDS facilities at JNIA, KIA, Songwe & Mwanza and Zanzibar have been conducted.
- (vi) Designing, manufacturing, supply, installation, integration, training, testing, commissioning and technical support of voice recorders for Julius Nyerere International Airport, Dodoma, Songwe and Pemba were commissioned, and all systems are on operations.
- (vii) Supply, installation, integration, training, testing, commissioning and technical support of Digital Automatic Terminal Information Services (D-ATIS) for Kilimanjaro International Airport (KIA) and Arusha Airport is under implementation stage.

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 98%;
- (iii) VHF Area cover operated at serviceability level of 97%;
- (iv) VHF Radio at stations operated at serviceability level of 98%;
- (v) Air Traffic Services Direct Speech (ATS DS) Link operated at serviceability level of 97%; and
- (vi) Aeronautical Fixed Telecommunications Network of the equipment was 96% for international circuits, and 97% for the domestic circuits.

### **2.2.3 Aeronautical Information Management**

The section is responsible for provision of aeronautical information services (AIS) at 15-TCAA manned stations/airports and Aerodrome Flight Information Services (AFIS) at Songea airport. The stations are connected to Global networks with Aeronautical Fixed Telecommunication Network/ Air Traffic Services Message Handling Systems (AFTN/ AMHS) to enhance provision of Notice to Air Men (NOTAM), Flight Plan Management and Pre-Flight Information Bulletin/Daily NOTAM Summary.

The section continued with production of Aeronautical Information Publication (AIP) and Aeronautical Charts. To maintain currency of the information contained in the AIP the section constantly collects facts for development of AIP Amendments (including AIP Supplements), issuance of Aeronautical Information Circulars (AICs) and promulgation of NOTAM. It also participated in development of various Instrument Flight Procedures that contributed to the safety of Airspace in the AFI Region. Status regarding provision of services is as follows:

### a) Flight Plans Management

There has been a substantial increase of Flight Plans managed to a total of 143,463 in the FY 2022/2023 compared to 63,796 in the FY 2021/22. This is an increase of more than 125%. The ripple effect in the tourism sector caused by the President's Royal Tour, stabilization of the national carrier (ATCL) and Modernization of CNS/ATM system in Tanzania may have caused this sharp increase.

**Table 11: Flight plan handled (FY2021/22 – FY2022/23)**

Indicator	Category	2021/22	2022/23
Flight plan	Domestic	63,796	143,463

### b) NOTAM Management

The international NOTAM Office (NOF) managed a total of 58,992 NOTAM. Out of them 718 were local/domestic NOTAM issued due to a few reasons and 58,274 foreign NOTAM. In comparison, the foreign NOTAM have continued to decrease by 7% compared to 63,359 of the previous periods of the FY 2021/22. (Table 2)

The further decrease in Foreign NOTAM is due to implementation of the Global Campaign on NOTAM Improvement (NOTAM2021) launched on 8 April 2021 to significantly reduced the number of old NOTAM which are still in circulation and improvement of facilities that are used for provision of Air Navigation Services (ANS) globally.

**Table 12: NOTAM Managed (FY2021/22 – FY2022/23)**

Indicator	Category	2021/22	2022/23
NOTAM Handled	Domestic	667	718
	International	62,692	58,274
	TOTAL	63,359	58,992
Pre-flight Bulletins (PIBs)		2,530	3,349
Daily NOTAM Summary		-	5,812

In addition to the above, Pre-flight Bulletins (PIBs) processed for Airlines, General aviation and Privates Operators from JNIA, AAKIA, KIA and Daily have increased from 2,530 issued in the FY 2021/22 to 3,349. This is an increase of 32.4% which implies that airlines are keen to know the status of operations in their next destinations. That is safety consciousness.

### c) Aeronautical Information Publications

The information in the AIP is constantly changing due to rehabilitations, systems installations made at airports and the airspaces etc. Basing on the likelihood this information is changing, the section employed different update mechanisms to keep the information current while adhering to Aeronautical Information and Regulation and Control (AIRAC) system.

**Table 13: Aeronautical Information Publications (FY2021/22 – FY2022/23)**

Indicator	2021/22	2022/23
AIP AMDT	2	5
AIP SUPPLEMENTS	36	43
AICs	11	13
<b>TOTAL</b>	<b>49</b>	<b>61</b>

#### d) Aeronautical Fixed Services

The domestic AFS messages handled were 6,628,235 in 2022/23 compared to 6,579,012 messages handled in the previous year 2021/22. The small increase is attributed by increase in flight movements (as depicted in Flight Plan Management) which causes an increased number of messages.

**Table 14: AFS messages handled (FY2021/22 – FY2022/23)**

Indicator	2020/21	2021/22
AFS messages	6,579,012	6,628,235

#### e) Aerodrome Flight Information Services (AFIS)

The provision of AFIS continued at Songea airport as per AIC Nr.7/2000. Aircraft operating at the airport continued to be facilitated with Meteorological information, status of unserviceability of the aerodrome or its equipment, conditions of the landing surface (in wet weather), Information on essential local traffic on the maneuvering area or in flight in the vicinity of the aerodrome and messages between the ACC and arriving, departing or transit aircraft among others.

In the period more than 413 flights movements were served.

#### f) Other sectional targets

The targets achieved regarding AIM section were as follows:

1. Collected and Verified Aerodrome Data for Iringa, Songea and Morogoro (Mtibwa, Kilombero, Kilosa and Ifakara).
2. Prepared and produced the following charts;
  - (a) RNAV (GNSS) for Mtwara and Bukoba airports
  - (b) Ground Movement Charts for Bukoba and Tabora airports
  - (c) Visual Approach for Bukoba, Songwe and Tabora airports
  - (d) Aerodrome Chart for Bukoba, Songwe, Mtwara, Tabora airports and KIA.
  - (e) Aerodrome obstacle chart for Bukoba airport
3. Conducted Flight check for Bukoba airport.
4. Updated all technical documents at seven (7) stations namely Mwanza, Iringa, Dodoma, Zanzibar, Arusha, KIA, and Songwe.
5. Conducted proficiency checks eleven (11) stations namely Mwanza, Iringa, Dodoma, Zanzibar, Songea, Tanga, Arusha, KIA, Songwe, Mtwara and Tabora.
6. Conducted QMS Audit checks and findings follow-up at eleven (13) stations namely Songea, Songwe, Arusha, KIA, Tanga, JNIA, Dodoma, Iringa, Kigoma, Zanzibar, Pemba, Mwanza and Tabora.
7. Reviewed the following operational documents.
  - (i) AIP with regard to amendment of Tanzania Civil Aviation Regulations.
  - (ii) AIM Quality Manual and

(iii) MANSOPS Part III to comply with Tanzania Civil Aviation Regulations (TCARs).

8. Conducted stakeholders meeting on National Roadmap for Transition from AIS to AIM

9. Developed and signed Letters of Agreements (LoAs) for exchange of Aeronautical Data/ Information with Kenya, Rwanda, Uganda, Zambia and Mozambique States.

#### g) Proficiency and Adequacy of Staff

The section has a total of 87 staff. Out of them 28 AIM staff were trained in various technical disciplines related to AIM in this period compared to 25 who trained in FY 2021/22 (Table 5). This is an increase of 12% which is still a trivial increase of number of staff trained.

In addition, 30 AIM staff attended seminars in QMS, NOTAM Management and Flight Planning which were organized and conducted by Chief Aeronautical Information Management Mr. Hamis Kisesa.

Below is a table containing various professional courses attended.

**Table 15: AIM staff trained in various professional courses**

S/R	COURSE TITLE	2021/22	2022/23
1	Aeronautical Data Quality	00	02
2	Pre-Basic PANS OPS	09	05
3	AMHS Operations	00	03
4	NOTAM Management	05	05
5	Team Resource Management	04	04
6	Performance Based Navigation	00	02
7	Aeronautical Mobile Service	05	00
8	Aeronautical Mobile Service OJT	00	05
9	NOTAM OJT	00	02
	<b>TOTAL</b>	<b>25</b>	<b>28</b>

#### h) AIM System

To suite with the requirements for efficiency provision of International Air navigation services the AIM section and the Authority maintained the focus 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 AIXM Database shall be integrated with the electronic AIP (eAIP), electronic Charts, electronic Terrain and Obstacle Database (eTOD), Aerodrome Mapping, Instrument Flight Procedure Design System, Briefing/Digital NOTAM System, ATM Top Sky Solution and shall allow future expansion to System Wide Information Management (SWIM).

In the period, Design of AIM System Technical specifications by TCAA experts was done and submitted to ICAO TCB (Project Consultant) on 27 July 2022 for review and finalization. The final document of specifications was approved by DG on 15th September 2022 for tender processes.

The tender for designing, Supply, Installation, Testing, Integration and Commissioning of an AIM System was published through TANePS on 24th February 2023 and the deadline for submission of bids was on 24th March 2023.

Pre-tender and site visits for the project were conducted from 06th to 15th March 2023. JNIA, AAKIA-Zanzibar, KIA, Arusha, Songwe and Dodoma stations were visited. Few interested bidders

(who failed to attend the site visit activities) requested for extension of deadline. Their requests were considered, and the deadline extended to 14th April 2023.

Two international bidders competed for the tender, by the end of FY the contract was processed to award the supplier for implementation.

#### **i) Electronic Terrain and Obstacle data (e-TOD)**

The Tanzania Civil Aviation (AIS) Regulation 2017 requires the AIS provider to ensure availability of e-TOD related to all obstacles around aerodromes which are being categorized as international and domestic to facilitate safe and smooth operation of aircrafts. The e-TOD is used in a variety of critical aviation applications, they provide accurate position information and to ensure that the aircraft remains on course and generate terrain and obstacle alerts, which are displayed on the aircraft's navigation display. It is essential that the data be accurate, up-to-date, and easily accessible to pilots, air traffic controllers, and other aviation professionals.

To make sure e-TOD is available in Tanzania, the TCAA called for 'Tender No. AE/028/2021-2022/HQ/CS/02 for Provision of Consultancy Services for Survey on Electronic Terrain and Obstacle Data (e-TOD) in Area 2 and Area 3 at Julius Nyerere International Airport (JNIA), in which LandTek Limited from Tanzania in joint venture with SLC Geomatic Solutions Ltd from United Kingdom was awarded the contract.

The Project started on 01st March 2023 by a Survey for data collection from JNIA and extended to 45km radius. Data collection was finalized on 30th March 2023 and a debrief meeting for presentation of preliminary findings was conducted on 31st March, 2023. The consultant continued with data analysis and development of reports. By the end of FY 2022/23, the consultant was working on a final report.

#### **2.2.4 Safety Management**

The section is responsible for safety management of air navigation services operations. Its primary role is to ensure that risks associated with ANS operations are identified and managed to enhance safety levels.

During this year the following activities were conducted:

##### **(i) Safety assessment**

Safety assessment was conducted during introduction of new operational procedures and equipment or facilities to ensure that the change is managed effectively without contributing to aircraft incidents or accidents.

Safety assessment was conducted on the proposed introduction of Remote Piloted Aircraft Systems (RPAS) or drones' procedures in controlled airspace, Area Navigation (RNAV) procedures in class G A and RNAV procedure at Bukoba and Pemba

Also, safety assessment was conducted on the implementation of VHF project.

##### **(ii) Safety training and education**

SMS sensitization seminar was conducted to SMS Station Coordinators from selected aerodromes, namely, Kigoma, Tabora, Pemba, Tanga, Mtwara, Songea, Iringa, Dodoma and Songwe to equip them with the knowledge to effectively manage SMS at their respective stations.

Twelve (12) ANS staff attend Basic SMS Course at CATC and one (1) staff attended ICAO Safety Management for practitioner's course.

### (iii) Safety audits and inspections

Safety audits and inspections were conducted at 14 manned aerodromes namely Kigoma, Tabora, Mwanza, Arusha, KIA, AAIA, JNIA, Pemba, Tanga, Songwe, Iringa, Dodoma, Songea and Mtwara aerodromes to assess compliance with safety standards and identification of areas for improvement.

### (iv) ATS incidents investigations

The section continued to investigate and analyze incidents that has been reported to occur in the Dar es salaam Flight information region to identify route causes and implement corrective actions.

## 2.3 DEPARTMENT OF ECONOMIC REGULATION

### 2.3.1 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 2023/2024. The stakeholders meeting to collect views/opinion on draft Civil Aviation (Air Transport Facilitation) Regulations has been undertaken on 15 July 2022. Extension of the period to collected views/opinion was extended to 30 July 2023. Stakeholders' views/opinions will then be incorporated in the draft Regulations and further be submitted to the Ministry for further processes.

#### a) Licensing of air and ground handling services

During the year the Board held two Licensing Board Meeting in 2022/2023 and considered a total of 41 applications for air and ground handling services respectively, as detailed in the tables 18 and 19 below:

**Table 16: Status of Licensing of Air Services Operators in 2021/22 Vs 2022/23**

	2021/22		2022/23	
	Approved	Disapproved	Approved	Disapproved
New Applications	13	0	11	0
Applications for renewal/variations	21	0	30	0
Total	34	0	41	0

**Table 20: Bilateral Air Services Agreements (BASAs) for 2022/2023**

S/N		Year	Country	Date
1.	New BASAs negotiated	2022/23	Cameroon Togo Czech Suriname	December 2022 December 2022 December 2022 December 2022
2.	BASA reviewed		Oman DRC Nigeria Kenya Carbo Vede Namibia	December 2022 December 2022 December 2022 December 2022 December 2022 December 2022
3.	BASA Signed		France	23 <sup>Rd</sup> February 2023

#### b) Coordination of Facilitation of Air Transport

During the period under review, two National Air Transport Facilitation (National FAL) Committee meetings on air transport were held. The 53rd and 54th National FAL meetings were held in Arusha and Mbeya respectively. East African FAL meeting was not held due to recovery from COVID-19 pandemic.

## 2.3.2 Business Analysis and Forecasts Section

### a) Statistical Reports

The four (4) quarterly statistics reports were issued in August 2022; November 2022; February, 2023 and May, 2023 respectively.

### b) Traffic Performance

During the year international aircraft movements increased by 29.2% from 32,614 in 2021/22 to 42,123 in 2022/23, International passengers carried increased to 2,728,338 in 2022/23 from 1,759,224 passengers recorded in the previous year, which is equivalent to 58.2% increase. During the year some international airlines increased their frequencies, and some commenced their operations recovering from COVID-19 effects.

International cargo handled increased by 17.3% from 28,051.0 tons in 2021/22 to 32,916.7 tons in 2022/23. The increase was due to recovering to normal levels of business from COVID 19 pandemic effects.

Domestic aircraft movements increased by 37.8% from 136,843 movements in 2021/22 to 188,632 in 2022/23. Moreover, the corresponding domestic passengers recorded a 30.2% increase, from 2,728,338 passengers in 2021/22 to 3,552,913 passengers in 2022/23. Domestic cargo decreased from 5,874.7 tons in 2021/22 to 3,223.5 tons in 2022/23, equivalent to 45.1% decrease.

Overall traffic performance of the industry recorded an increase of 36.2% in aircraft movements, from 169,457 in 2021/22 to 230,755 movements in 2022/23. Overall passenger traffic increased from 4,487,562 passengers in 2021/22 to 6,335,477 passengers in 2022/23, equivalent to 41.2% increase. Overall cargo recorded 6.5% increase, from 33,925 tons in 2021/22 to 36,140.2 tons in 2022/23.

**Table 17: Traffic performance (FY2021/22 – FY2022/23)**

Indicator	Category	2021/22	2022/23	% Change
Aircraft Movement	Domestic	136,843	188,632	37.8
	International	32,614	42,123	29.2
	<b>TOTAL</b>	<b>169,457</b>	<b>230,755</b>	<b>36.2</b>
Passenger Traffic	Domestic	2,728,338	3,552,913	30.2
	International	1,759,224	2,782,564	58.2
	<b>TOTAL</b>	<b>4,487,562</b>	<b>6,335,477</b>	<b>41.2</b>
Cargo (Tons)	Domestic	5,874.7	3,223.5	-45.1
	International	28,051.0	32,916.7	17.3
	<b>TOTAL</b>	<b>33,925.7</b>	<b>36,140.2</b>	<b>6.5</b>

## 2.4 THE CIVIL AVIATION TRAINING CENTRE

In 2022/23 financial year, Civil Aviation Training Centre (CATC) continued offering aviation related courses. The overall function of CATC is to offer aviation training to produce qualified and competent aviation professionals to meet the current and future demand of aviation industry in Tanzania and elsewhere as per ICAO standards and recommended practices. A total of 143 different courses were conducted at the CATC premises and in outstations (Kilimanjaro, Mwanza, Arusha and Zanzibar). The total numbers of students were 2004 whereby 229 were international students and 1775 were local students (1476 Male and 528 Female).

**Table 18: Total number of students trained from 2016/2017 to 2022/23**

Financial year	Total students	Male	Female	International students	Local students	Total courses
2015/16	940	715	225	109	831	49
2016/17	466	310	156	20	446	37
2017/18	800	560	240	94	706	54
2018/19	1395	968	427	55	1340	80
2019/20	908	650	258	10	898	53
2020/21	1207	827	379	28	1179	70
2021/22	2338	1638	704	340	1998	156
<b>2022/23</b>	<b>2004</b>	<b>1476</b>	<b>528</b>	<b>229</b>	<b>1775</b>	<b>143</b>

**a) New courses developed**

There was no new course developed except the student academic database was developed and completed.

**b) Review of Training Materials**

Four courses were reviewed namely Dangerous Goods Regulations Awareness and Dangerous Goods regulations category 6, Basic screeners and screeners refresher.

**c) Certification and Accreditation**

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

Internationally, the Centre is an ICAO TRAINAIR PLUS Full member GOLD, ICAO Aviation Security Training Centre (ASTC Dar es Salaam), ISO 9001-2015 certified and Council member of Association of African Aviation Training Organization (AATO).

**d) CATC customers**

Currently, the beneficiaries of CATC courses internationally are from Uganda, Sierra Leone, Rwanda, Nigeria, Burundi, Eswatini, Botswana, Somalia, Namibia, Mozambique, Guinea Conakry, Zambia, Liberia, Kenya, South Africa and South Sudani Nations, the customers are from Tanzania Civil Aviation Authority (TCAA), Tanzania Airport Authority (TAA), Zanzibar Airports Authority (ZAA), Kilimanjaro Airport Development Company (KADCO), airlines, approved service providers at airports, JWTZ, Police, Banks, Tanzania Revenue Authority and society.

**2.5 DEPARTMENT OF CORPORATE SERVICES**

**a) Human Resource Management Strategy**

During the period under review the Authority implemented Its Human Resource Management Strategy geared to set out a roadmap for discharging human resource management functions in supporting implementation of TCAA's Strategic Plan. The implementation includes development and operationalization of HR and Administration Guiding Documents. The guidelines which were developed are Staff Health and Safety, and Anti-Corruption Guidelines.

**b) 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 18 staff were recruited compared to 67 in the previous financial year, thus bringing the number of staff to 507 out of 552 in the approved establishment.

Staff gender structure is as indicated in below table:

**Table 19: Staff structure**

Description	Year ended 30 <sup>th</sup> June, 2022			Year ended 30 <sup>th</sup> June, 2023		
	Male	Female	Total	Male	Female	Total
Management Team	3	2	5	4	2	6
Chief/Principal Officers	181	63	244	138	43	181
Senior Officers	111	65	176	96	52	148
Middle level Officers	55	36	91	108	64	172
<b>Total</b>	<b>350</b>	<b>166</b>	<b>516</b>	<b>346</b>	<b>161</b>	<b>507</b>

### c) Employee Relations

Relationship between management and staff is cordial. Employees are often made aware of the occurrences and issues that affect their working life. Some of the measures taken to ensure conducive employee relations are monthly departmental meetings, internal communication, morning awareness sessions, and Workers Council meetings.

In addition, the Authority has well established procedures for bipartite meetings that involved Management and Trade Union. These meetings are meant to ensure that views of employees are considered in making rational decisions.

### d) Medical Assistance

The Authority meets medical expenses of its employees and their immediate dependents through contributing to National Health Insurance Fund (NHIF). 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 year depending on age.

### e) 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 counselling and testing (VCT). Furthermore, the Authority continued to raise awareness to staff on HIV and AIDS issues.

### f) 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.

### g) Staff Learning and Development

The Authority sets aside sufficient resources in its annual budget and plans to meet staff learning and development objectives. Employees are provided with training and development programs for the purpose of equipping them with knowledge, skills, attitude required to achieve Authorities strategic goals.

Trainings were conducted in accordance with an annual training program drawn from training needs assessment, which considers identified skills gaps and exposure to new and ever-changing working and business environment. In the Financial year 2022/23 a total of 135 Staff were trained

in different fields compared to 182 Staff trained in 2021/22. However, 387 Staff were also facilitated and attended seminar/workshops, undergraduate evening programs, Counselling awareness programs, HIV/AIDS awareness programs and coco morning sessions. This guarantees availability competent employees who can meet the Authority's Vision and Mission.

#### **h) Persons with Disabilities**

In endeavor to enhance workplace diversity and to comply with equal opportunity employer Policy, the Authority has employed 5 employees with disability. The Authority has continued to provide conducive work environment for employees with disabilities to ensure they equally contribute to the achievement of organization goals as other employees who are not disabled.

#### **i) Best Presented Financial Statements Award**

Tanzania Civil Aviation Authority (TCAA) has been named the 2nd winner of the best presented financial statement for the year 2020/2021 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.

## **2.6 PUBLIC INFORMATION**

#### **a) 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 2022/23 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: -

#### **b) Sensitization Programs**

The Authority conducted public sensitization programs on various radio & Tv stations conducted at Radio One, Uhuru FM, Azam TV and TBC Media. Likewise, further sensitization programs on various were conducted at secondary schools. E.g. In Tanga Region (Galanos, Mkwakwani and Tanga Technical Secondary Schools), Pemba (Konde secondary school, Dr. Amani. A. Karume and Islamic College of Pemba from Micheweni district, Fidel Castro secondary schools, Madungu and Shamiani from Chake Chake Pemba district together with Utaani and Chasasa secondary schools in Wete district)



*CATC Principal Instructor Thamarat Abeid speaking to students at Tanga Technical and Mkwakwani Secondary Schools during sensitization program*

**c) Printed feature articles in local newspapers and Authority bi-annual magazine**

The Authority also coordinated 60 printed feature articles in local newspapers and Authority bi annual magazine, TCAA news Bulletin against 32 features printed in the previous in the same period. the Authority also conducted Media sensitization in particular on unveiling TCAA to the public that was conducted at all 14 stations and aired on the presidential program at TBC One known as “Kishindo cha Awamu ya Sita”.

**d) Press Conferences and Media Coverage**

During the year, the Authority organized 21 media coverage on various activities held by TCAA including South African Development Society in the air transport sector (SASO) agreement held in Dar es Salaam, International Trade Fair Exhibitions (saba saba), Introduction of the Civil Aviation Technical Committee (The Civil Aviation Technical Committee), Eight Session of the Committee for Architecture and development of airways and procedures (AFPP) held in Dar es Salaam, The 12th meeting of the Union of African Aircraft Mechanical Engineers (IFATSEA) held in Dar es Salaam, CATC passing to become East and South African air transport security training college (ESAF), CATC signing agreement with the World Food Organization (FAO) to train agricultural professionals on the use of bee planes (drones) in agricultural activities held in Dodoma, Sensitization programs conducted at secondary schools in Tanga and Pemba, Security Week Culture in Dar es Salaam, CASSOA Training Held in Zanzibar, EAC Aviation Meeting Held in Zanzibar, Ministries official visits at TCAA (Deputy Minister and Deputy Permanent Secretary), TATCA and TATSEA AGM’s, ICAD Week commemoration, Coverage of TUGHE AGM, Aviation Stakeholders Meeting, Coverage of TCAA NBAA, ATE and TRA Trophy, coverage of TCAA Workers Council, Launching of Drones applications portal coverage and coverage on the ANS Conference. TCAA also run actively social media namely Facebook, Instagram, Twitter and YouTube whereby the contents are updated weekly.

**e) Advertisements**

During the year, the Authority published 12 batches of various advertisements compared to 12 batches of advertisements published in the previous Financial Year. The advertisements were mainly on Public Notices, Board Decisions, Aircraft Maintenance Engineering (AME) Training Loan, Drone dealers’ registration, Commemoration and Congratulatory Messages Adverts, Public Notice, licensing notices and Tenders.

**f) Exhibitions**

The Authority participated in 1 exhibition (Saba-Saba), 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 16 days exhibition the Authority served more than 900 registered visitors at TCAA booth.



*Prime Minister of The United Republic of Tanzania Hon. Kassim Majaliwa and DG TCAA Mr. Hamza Johari at TCAA's pavilion in the Saba-Saba exhibitions*

### g) 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, stakeholders' meetings and students visits at our facility. During the year, the Authority published various reports namely: TCAA brochures, posters and TCAA Newsletters. Various banners were also used.

### h) Political and Charitable Donations

The Authority did make couple donations during the year ended 30 June 2023. Donations were made to institutions and charitable organizations to acknowledge TCAA's responsibility to community social needs. The following were donations extended: - A total of 783 books of various subjects were donated to Daniel Chongolo Secondary School located in Kawe-Dar es Salam. TCAA donated office equipment's worthy Five Million (5) to Mtwara airport police station, the equipment's included office table and chair, television, desktop computer, printer, cabinet and guest chair.



*TCAA Director Economic Regulations, Mr. Daniel Malanga handing over a total of 783 books of various subjects that were donated to Daniel Chongolo Secondary School located in Kawe-Dar es Salaam.*

## 2.7 LEGAL AFFAIRS UNIT

The head of the Unit continued to be the Secretary to the Board. The Unit also continued with provision of legal advice to the Authority.

### a) The Board

During the year 2022/23, a total of eleven (11) Board meetings were conducted whereby seven (7) were ordinary and four (4) were extra-ordinary.

During the period under review, a total of fifteen (18) meetings of the committees of the Board were held whereby ten (10) were ordinary and eight (8) were extra-ordinary as follows:

**Table 20: Board Committees**

S/N	Board Committee	Ordinary Meetings	Extra-ordinary Meetings	Total
1	Audit, Risk & ICT	4	1	5
2	Finance and Administration	4	3	7
3	Regulatory	4	2	6
	<b>Total</b>	<b>12</b>	<b>6</b>	<b>18</b>

### b) Review of the Civil Aviation Act

The 2006 edition of the Act was revised to incorporate all amendments made up to and including 30 June 2022.

### c) Review of Regulations

The following Regulations were reviewed to address new ICAO Standards and Recommended Practices. They were submitted to the Ministry of Transport for further action including signature by the Minister and publication. The Regulations are:

- i. The Civil Aviation (Carriage by Air) Regulations
- ii. The Civil Aviation (Heliports) Regulations
- iii. The Civil Aviation (Operation of Aircraft Helicopter Operations) Regulations
- iv. The Civil Aviation (Certification, Licensing and Registration of Aerodromes) Regulations
- v. The Civil Aviation (instruments and Equipment) Regulations
- vi. The Civil Aviation (Aerodrome Design and Operations) Regulations
- vii. The Civil Aviation (Facilitation) Regulations
- viii. The Civil Aviation (Operation of Aircraft - General Aviation) Regulations
- ix. The Civil Aviation (Transport of Dangerous Goods by Air) Regulations
- x. The Civil Aviation (Fatigue Risk Management) Regulations
- xi. The Civil Aviation (Operation of Aircraft Commercial Air Transport) Regulations
- xii. The Civil Aviation (Security) Regulations

In addition, the Unit commenced translating the Civil Aviation (Facilitation) Regulations into Kiswahili to comply with government directives.

Further the Unit participated in preparation of Cabinet Paper for ratification of AFCAC Constitution. which was submitted to and discussed by the Cabinet Secretariat and the Cabinet).

The Unit further participated in preparation of Cabinet Papers for ratification of amendment of Articles 50(a) and 56 of the Convention on International Civil Aviation, 1944 (Chicago Convention)

as well as the Protocol to Amend the International Convention on Offenses and Certain Other Acts Committed on board an Aircraft of 2014 (Montreal Protocol).

The Unit also provided opinions on (i) eight draft regulations relating to marine transportation; (ii) the draft cabinet papers on the recommendations to ratify the Additional Protocol No. 10 of the year 2018 and No. 11 of the year 2021 of the Universal Postal Union; (iii) draft Regulations of the National Construction Council; (iv) Muswada wa Sheria ya Uwekezaji wa Umma, 2023; and (v) maeneo ya Sheria ya Usafiri wa Anga ambayo yanahitaji kufanyiwa maboresho ili kurahisisha utekelezaji wa Dira ya Taifa ya Matumizi ya kuhusu Nishati Safi ya Kupikia.

#### **d) Provision of Legal Advice**

During the year 2022/23, the Unit continued to vet procurement contracts and participating in pre-contract negotiations for procurement of goods, works, services or consultancies.

The Unit also continued to participate and provided legal advice in the Advance Passenger Information/Passenger Name Record (API/PNR) Committee, Consumer Complaints Unit, Ethics Committee, the Tender Board, TCAA Bulletin Committee, Website Committee, the Project Management Committee for the Installation of a Very High Frequency Radio Communication System (VHF), Committee to Address the Various Challenges of Providing Ground Handling Services at Airports, Project Management Committee for the Consultancy Services for Survey on Electronic Terrain and Obstacle Data (eTOD) in Area 2 and Area 3 at Julius Nyerere International Airport and AFCAC Legal Experts Working Group.

The Unit also continued to collaborate with the Office of the Solicitor General in defending one case against the Authority at the High Court in Mwanza and another two in the High Court in Dar es Salaam.



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



**TANZANIA CIVIL AVIATION AUTHORITY (TCAA)**

**REPORT OF THE CONTROLLER AND AUDITOR GENERAL ON THE  
FINANCIAL AND COMPLIANCE AUDIT FOR THE FINANCIAL YEAR  
ENDED 30 JUNE 2023**

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Controller and Auditor General,  
National Audit Office,  
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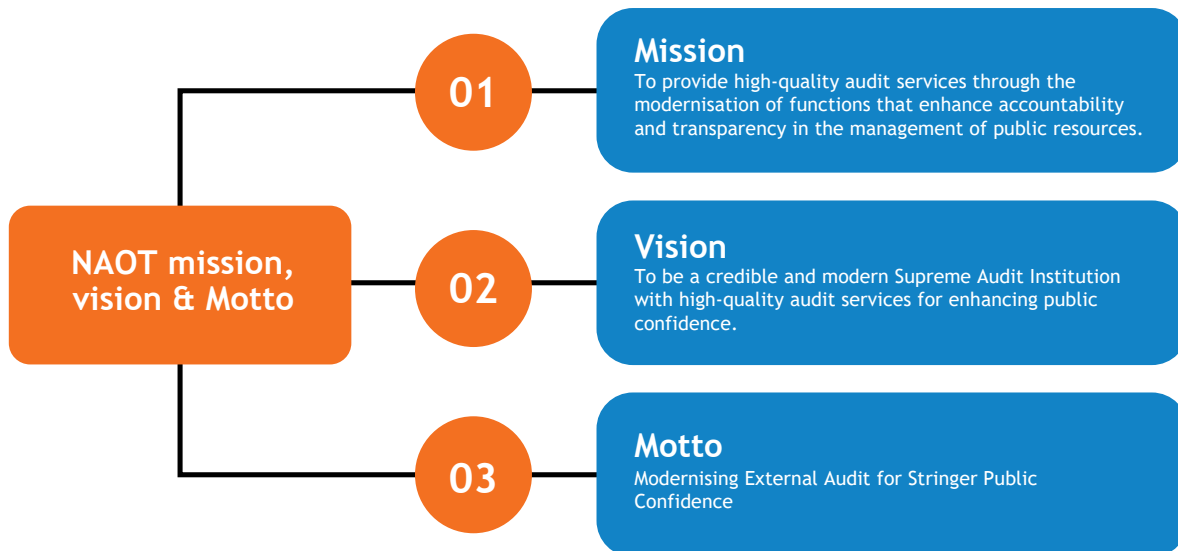
March 2024

AR/PA/TCAA/2022/23

## About the National Audit Office

### Mandate

The statutory mandate and responsibilities of the Controller and Auditor-General are provided for under Article 143 of the Constitution of the United Republic of Tanzania of 1977 and in Section 10 (1) of the Public Audit Act, Cap 418[R.E 2021].



	Note	2022/23 TZS'000	2021/22 TZS'000
<b>REVENUE</b>			
Revenue from exchange transactions	15	49,899,238	36,401,047
Revenue from non-exchange transactions	16	29,579,556	20,304,956
Other receipts	17	4,957,739	5,428,558
		<b>84,436,533</b>	<b>62,134,561</b>
<b>EXPENSES</b>			
Salaries, allowances, and other staff benefits	18	(44,700,029)	(26,153,721)
Administrative expenses*	19	(23,995,159)	(18,524,275)
Board expenses	20	(252,011)	(265,122)
Contribution to Government and other bodies	21	(13,375,669)	(11,107,473)
Depreciation and amortization	22	(13,446,715)	(9,151,849)
<b>Total expenses</b>		<b>(95,769,583)</b>	<b>(65,202,440)</b>
<b>Deficit for the year</b>		<b>(11,333,050)</b>	<b>(3,067,879)</b>

© This audit report is intended to be used by Tanzania Civil Aviation Authority (TCAA) and may form part of the annual general report, which once tabled to National Assembly, becomes a public document; hence, its distribution may not be limited

## TABLE OF CONTENTS

ABBREVIATIONS	35
1.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL	37
1.1 REPORT ON THE AUDIT OF FINANCIAL STATEMENTS	37
1.2 REPORT ON COMPLIANCE WITH LEGISLATIONS	39
2.0 REPORT BY THOSE CHARGED WITH GOVERNANCE	41
3.0 STATEMENT OF DIRECTORS RESPONSIBILITIES	102
4.0 DECLARATION OF THE HEAD OF FINANCE	103
5.0 FINANCIAL STATEMENTS	104
Statement of Financial Position	104
Statement of Financial Performance	105
Statement of Changes in Net Assets	106
Statement of Cash Flows	107
Statement of Comparison of Budget and Actual Amounts	108
6.0 NOTES TO THE FINANCIAL STATEMENTS	109

## ABBREVIATIONS

AAKIA	Abeid Aman Karume International Airport
AATO	Association of African Training Organization
ACPA	Associate Certified Public Accountant
AIDS	Acquired Immune Deficiency Syndrome
AME	Aircraft Maintenance Engineer
AMO	Approved Maintenance Organization
ANS	Air Navigation Services
ATM	Air Traffic Management
BASA	Bilateral Aviation Service Agreement
CAG	Controller and Auditor General
CANSO	Civil Air Navigation Service Organization
CATC	Civil Aviation Training Center
CASSOA	Civil Aviation Safety and Security Oversight Agency
CCC	Consumer Consultative Council
CNS	Communications, Navigation and Surveillance
COVID-19	Corona Virus Disease 19
CPA	Certified Public Accountant
CSP	Certified Supplies Officer
DGM	Dangerous Goods Material
FAL	Air Transport Facilitation Meetings
GePG	Government e-Payment Gateway
GNSS	Global Navigation Satellite System
HIV	Human Immunodeficiency Virus
ICAO	International Civil Aviation Organization
ICT	Information Communication Technology
ILS	Instrument Landing System
IPSAS	International Public Sector Accounting Standards
ISSAIs	International Standard of Supreme Audit Institutions
ISO 9001	International Standard Organization
IT	Information Technology
JNIA	Julius Nyerere International Airport
KADCO	Kilimanjaro Airports Development Company
KIA	Kilimanjaro International Airport
MET	Meteorology
MTEF	Medium Term Expenditure Framework
NAVAIDS	Navigational Aids
NBAA	National Board of Accountants and Auditors
NCASQCP	National Civil Aviation Security Quality Control Program
NCASTP	National Civil Aviation Security Training Program
PAA	Public Audit Act
PAC	Public Accounts Committee
PAR	Public Audit Regulation
PFA	Public Finance Regulations
PPA	Public Procurement Act
PPR	Public Procurement Regulations

SARPS	Standard and Recommended Practices
SMS	Safety Management System
ISSAI	International Standard of Supreme Audit Institutions
RNAV	Random/Area Navigation
STARs	Standard Instrument Arrival Routes
TAA	Tanzania Airports Authority
TCARs	Temporary Computer Access and Retrieval System
TUGHE	Tanzania Union of Government and Health Employees
TMA	Tanzania Meteorological Agency
ZAA	Zanzibar Airports Authority
HQ	Head Quarters
TBC	Tanzania Broadcasting Corporation
GCF	Government Consolidated Fund
EGA	E-Government Authority
PSR	Primary Surveillance Radar
TTCL	Tanzania Telecommunication Corporation Limited

## 1. INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL

Tanzania Civil Aviation Authority  
Hon. Chairman of the Board  
P.O. Box 2819  
Dar es Salaam  
Tanzania

### 1.1 REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

#### Unqualified Opinion

I have audited the financial statements of Tanzania Civil Aviation Authority (TCAA) which comprise the statement of financial position as at 30 June 2023, 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 the notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly in all material respects, the financial position of Tanzania Civil Aviation Authority (TCAA) as at 30 June 2023, and its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSAS) Accrual basis of accounting and the manner required by the Public Finance Act, Cap. 348/the Local Government Finances Act, Cap. 290.

#### Basis for Opinion

I conducted my audit in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). My responsibilities under those standards are further described in the section below entitled "Responsibilities of the Controller and Auditor General for the Audit of the Financial Statements". I am independent of Tanzania Civil Aviation Authority (TCAA) 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 IPSAS and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

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

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

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

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

In addition, Section 10 (2) of the Public Audit Act, Cap 418 [R.E 2021] requires me to satisfy myself that the accounts have been prepared in accordance with the appropriate accounting standards.

Further, Section 48(3) of the Public Procurement Act, Cap 410 [R.E 2022] requires me to state in my annual audit report whether or not the audited entity has complied with the procedures prescribed in the Procurement Act and its Regulations.

## 1.2 REPORT ON COMPLIANCE WITH LEGISLATIONS

### 1.2.1 Compliance with the Public Procurement laws

#### **Subject matter: Compliance audit on procurement of works, goods, and services**

I performed a compliance audit on procurement of goods, works and services in the Tanzania Civil Aviation Authority for the financial year 2022/23 as per the Public Procurement Laws.

#### **Conclusion**

Based on the audit work performed, I state that procurement of goods, works and services of Tanzania Civil Aviation Authority is generally in compliance with the requirements of the Public Procurement Laws.

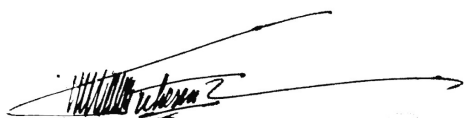
## 1.2.2 Compliance with the Budget Act and other Budget Guidelines

### Subject matter: Budget formulation and execution

I performed a compliance audit on budget formulation and execution in the Tanzania Civil Aviation Authority (TCAA) for the financial year 2022/23 as per the Budget Act and other Budget Guidelines.

### Conclusion

Based on the audit work performed, I state that Budget formulation and execution of Tanzania Civil Aviation Authority (TCAA) is generally in compliance with the requirements of the Budget Act and other Budget Guidelines.



Charles E. Kichere  
**Controller and Auditor General,**  
**Dodoma, United Republic of Tanzania.**  
**March 2024**



## 2. REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 30 JUNE 2023

### 2.1 INTRODUCTION

Tanzania Civil Aviation Authority also referred to as “TCAA” or “the Authority” was established pursuant to the Civil Aviation Act (Cap 80) of the Laws [R.E. 2020], herein referred to as “the Act”. This Act mandates the Authority to regulate the activities of persons and institutions carrying out air services, aeronautical airport services and air navigation services. Tanzania is among the 193 members of the International Civil Aviation Organization (ICAO).

The directors of Tanzania Civil Aviation Authority (TCAA) are pleased to submit their report on the state of affairs of the Authority together with the audited financial statements for the year ended 30 June 2023.

### 2.2 MISSION, VISION AND CORE VALUES

#### Mission

“To ensure safety, security and regularity of civil aviation in Tanzania through effective oversight, provision of efficient air navigation services and training while maintaining quality, protecting the environment and safeguarding the interest of stakeholders”.

#### Vision

“Propelling Tanzania’s Civil Aviation System to excellence in Africa and beyond”.

#### Core Values

The Authority shall always embrace and institutionalise values that care about stakeholder’s satisfaction and expectations at all times. All employees are expected to be committed, competent and able to uphold the following values as character of the identity to their organisation:

**Table 1: TCAA Core Values**

Acronym	Core Value	TCAA’s Role
I	Integrity	To be fair and honest in all cornerstones of TCAA services when dealing without stakeholders.
M	Morals	Adhere to ethical behavior when dealing with stakeholders and discharge our duties with neutrality and impartiality, without fear or favor;
P	Professionalism and customer focused	Maintain the highest degree of professionalism and ethical standards, building value-added relationships with customers and stakeholders to deliver quality services.
A	Accountability and efficiency	Adhere to good governance practices by delivering our services with high level of commitment.
C	Commitment	Adhere to good governance practices by delivering our services with high level of commitment.
T	Transparency and teamwork	TCAA staff working as a team will engage the industry stakeholders and work collaboratively to achieve organizational goals while upholding the standards of ethics, honesty and transparency in all our actions.

### 2.3 NATURE OF THE OPERATIONS

The principal function of the Authority as stipulated in the Act is to regulate civil aviation industry and provide air navigation services. Specific functions of the Authority are to issue, renew, vary,

and cancel air service licenses; to establish standards for regulated goods and regulated services; to establish standards for the terms and conditions of supply of the regulated goods and services; to regulate rates and charges; and to make rules for carrying out the purposes and provisions of the Act.

**a) The legislative and regulatory environment in which the Authority operate According to Section 30 of the Act, the duties of the Authority are:**

- i) promoting effective competition and economic efficiency;
- ii) protecting the interest of consumers;
- iii) protecting the financial viability of efficient suppliers;
- iv) promoting the availability of regulated services to all consumers including low income, rural and disadvantaged consumers;
- v) enhancing public knowledge, awareness and understanding of the regulated sectors including:
- vi) The rights and obligations of consumers and related suppliers;
- vii) The ways in which complaints and disputes may be instituted and resolved;
- viii) The duties, functions and activities of the Authority;
- ix) taking into account the need to protect and preserve the environment.

**b) The industry in which the Authority operates**

The Authority operates under the Ministry of Works and Transport of the United Republic of Tanzania. It works in collaboration with other ministries like the Ministry of Industry and Investment, Ministry of Communication and Information, Ministry of Defence and National Environmental and Management Council (NEMC). The Authority regulates civil aviation industry and provide air navigation services in Tanzania.

**c) Main products, services, stakeholders, business processes and distribution methods**

**i. Products and services**

The Authority regulates air transport industry (safety, security, and economic oversight) and provides air navigation services in Tanzania. The regulated services fall under three categories, namely: air transport services, aeronautical airport services (airside airport operations, ground handling, in-flight catering and aviation fuelling) and air navigation services. Furthermore, the Authority promote international travel between Tanzania and other countries through Bilateral Air Service Agreements (BASAs). Currently, Tanzania has BASAs with eighty-one countries. Additionally, the Authority operates a training centre for provision of aviation knowledge and expertise for both local and foreign consumers. Also, the Authority provides licenses, air navigation data, information to pilots, and certification of air operators and settling of customer complaints.

**ii. Stakeholders**

Main stakeholders include the government institutions, employees, airport operators, aviation industry Investors, international regulators, workers union, mass media, private sector, consultants, parliamentary committees, suppliers, and the general public.

**iii. Business processes and distribution methods**

The main processes and distribution methods are those which aim to improve health services and minimizing HIV/AIDS infections; to ensure that effective implementation of national anti-corruption strategy is enhanced and sustained; to provide safe and secure civil aviation system and enhance environmental protection; to ensure orderly development of air transport sub-sector is sustained; to enhance capacity and efficiency of air navigation services and strengthen human resource,

organisational capacity and operational efficiency.

In carrying out its operations, the Authority uses equipment and other capital (financial, social and relationship, intellectual, natural, and human) and laws.

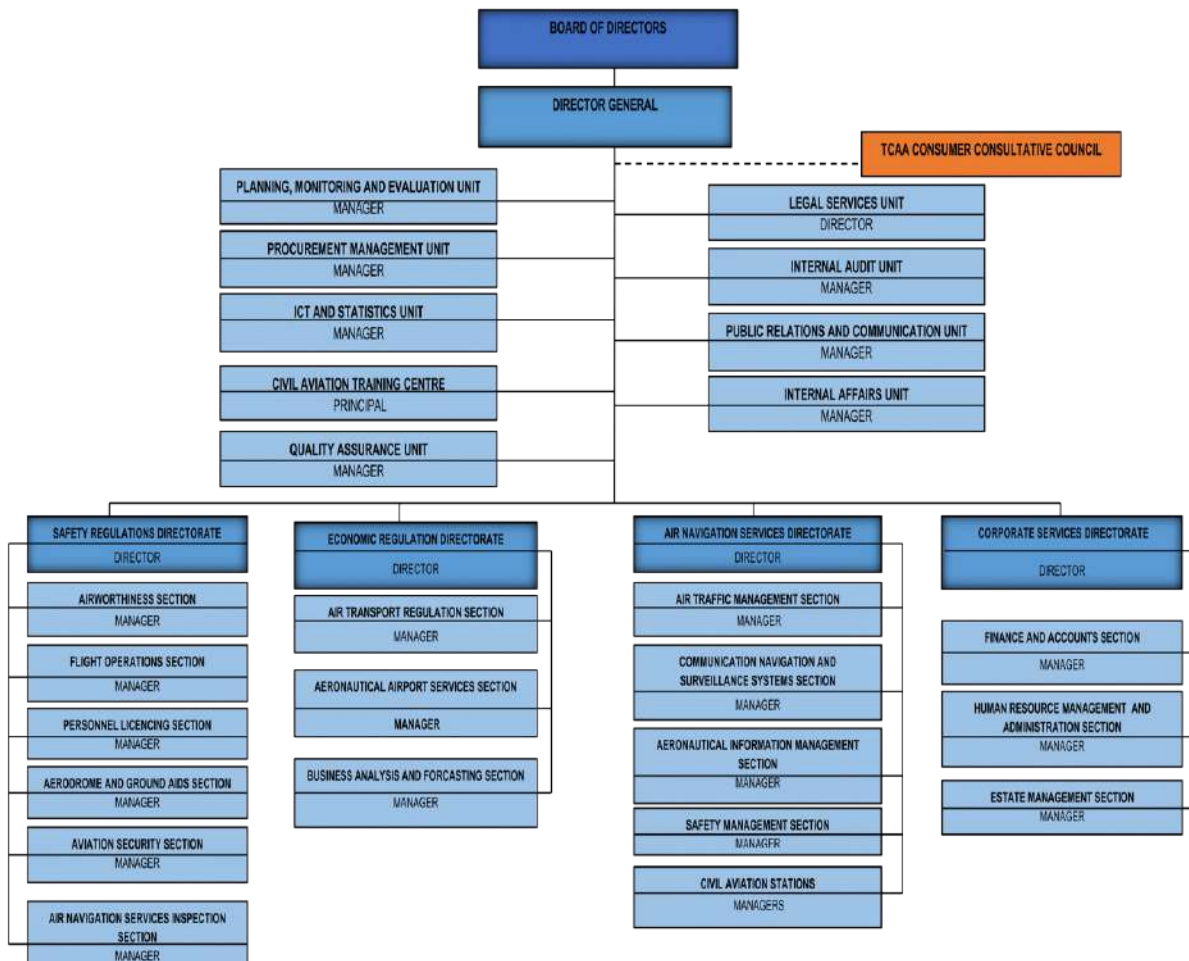
**d) Structure of the Authority’s operation and its economic model**

The structure of the Authority is operational after being approved by the President of the United Republic of Tanzania. In the structure the Board of Directors is mandated with the role of governing all operations of the Authority. The day-to-day management is entrusted to the Director General through four-line directorates and ten unit as follows:

- i) Directorate of Safety Regulation.
- ii) Directorate of Economic Regulation.
- iii) Directorate of Air Navigation Services.
- iv) Directorate of Corporate Services, and
- v) Director Generals Office:

TCAA Headquarters is at Dodoma and operates in fifteen airport offices namely Julius Nyerere International Airport (JNIA), Kilimanjaro International Airport (KIA), Abeid Amani Karume International Airport (AAKIA), Mwanza, Dodoma, Songwe, Arusha, Iringa, Songea, Mtwara, Kigoma, Tabora, Pemba, Tanga and Bukoba. All airport offices are managed by Civil Aviation Managers (CAMs) under the Air Navigation Services Directorate.

**Figure 1: Organization Structure**



The sources of funds of the Authority consist of: -

- i) fees collected by the Authority including fees receivable for the grants and renewal of licenses,
- ii) charges received in respect of air navigation services and safety oversight,
- iii) levies collected from regulated suppliers,
- iv) all the receipts or property due to the Authority in respect of any matter incidental to its functions; and
- v) any grants, loans, donations, bequests, or other contributions made to the Authority.

#### **e) Effectiveness and efficient utilization of resources**

The Authority is a non-profit oriented using a cost recovery budget as approved by Parliament. In the financial year under review, the Authority's effective implementation of the action plan stands at 92% based on fund utilization per directorate. This achievement indicates the level on how the Authority is effective and efficient in utilizing available resources in realizing its objectives.

#### **f) Macro and micro economic conditions**

The Authority carries out its activities and operations in domestic and global aviation markets. The markets are affected by inflation, exposure and economic risks, government policies, change in technology, shortage of aviation experts and consumer consumption patterns. The aviation industry was affected worldwide due to COVID-19 pandemic, Russia - Ukraine war, global congestion, cyber, Climate change and environmental issues. Passengers and cargo were affected as well. COVID-19, for example, affected attainment of a passenger target from the projected 6.1 million passengers to 2.8 million passengers in financial year 2019/20. However, during the year 2022/23 the industry has shown positive recovery where number of passengers has increased to 5.7 million compared to 4.4 million in 2021/22.

#### **g) Market forces**

TCAA operates as a player in aviation industry with given exclusive mandate as explained under legislative and regulatory environment. There is no competition with internal players in the industry except for CATC but the Authority's performance in aviation is key to the country in ensuring aviation safety and economic growth. The Authority thrives to provide better services to stimulate increase inflow of air operators and therefore increase revenue from regulations and provision of air navigation services.

#### **h) The speed and effect of technological change**

The digital transformation in achieving improved business processes in the organization necessitated the Authority to embrace technology in its day-to-day operations for improved efficiency and productivity through streamlined, seamless, and interoperable business processes and automation.

The Authority operations are highly affected by the fast change of technology in aviation industry globally. Like other public institutions, the Authority took advantage of the Government direction and political will towards country's transformation through ICT by massive investment in ICT technology, communication, navigation, and surveillance systems.

The Authority in collaboration with eGA took initiatives to develop "e-Permit systems" that has enabled instant issuing of over flight and landing permits. Regardless of their destination or location, operators are now able to process permits through e-Permit systems. The deployment of e-Permit System has attracted more operators hence improved revenue generations.

The Authority automated its Air Traffic Management (ATM) Systems. The ATM system is commonly referred to as TOPSKY (its brand name) TOPSKY is a platform in which surveillance data (i.e., PSR, SSR and ADS-B data), Meteorological data, Flight plans and other ATS Messaged are gathered, organized, processed, and displayed to Air Traffic Controllers in an appropriate manner. In addition, the system communicates and distributes data to external surfaces such as billing system that automatically calculates Air Navigation Charges payable by operators using Tanzania airspace. Prior to the Automation, Air Navigation charges were calculated manually which was prone to revenue loss and inefficiencies.

In an area of enabling functions, the Authority through the support from e-Government Authority (e-GA) has deployed various systems geared to improve operational efficiency. The deployment of e-Office has greatly improved timeliness in correspondence management and decision making.

To enhance enterprise-based resource management, the Authority has deployed an Enterprise Resource Suit (ERMS). The system consists of 19 modules among which four modules are currently operational. These modules include Finance and Accounts, Planning, Procurement Management, Fleet Management, Human Resource and Payroll. The deployment of ERMS has improved revenue collection, planning, financial control, and payment management. Additionally, the system has enhanced human resource management and administrative services.

Enterprise Resource Management Suite (ERMS), CASIP Portal, and Travel Permit. The systems have taken time to become fully procured, developed, and deployed. The Authority will ensure future investments on CNS and ICT are enhanced including building capacity to CNS and ICT staff to cope with technological changes.

#### **i) Societal issues**

The Authority operates within societies in Tanzania and cannot dissociate itself from these societies. In this regard, the Authority has been participating and supporting financially the societies programs under the corporate social responsibility's funds. However, despite continuous participation and funding, demands from societies are higher than approved annual budgets.

#### **j) Environmental challenges**

While aviation undoubtedly plays a vital role in supporting the economy and creates societal benefits, it also contributes significantly to climate change through air pollution. In 2017, Civil Aviation emitted around 859 million tons of CO<sub>2</sub> globally, which is roughly 2% of man-made carbon emissions.

ICAO serves as a multilateral platform for cooperation on international aviation environmental protection. Over the years, the national governments who participate together under the Chicago Convention, also commonly referred to as 'ICAO Member States' have agreed to concentrate their aviation environmental collaboration on three core areas: climate and aviation emissions, aircraft noise and local air quality.

Countries, including Tanzania, are pursuing these objectives through ICAO primarily via development of new global aviation standards. They have also agreed to aspirational goals for international aviation, and have prioritized ICAO's Environmental Protection resourced on:

- i) Airframe, propulsion, and other aeronautical and technological innovations.
- ii) Optimizing flight procedure to reduce fuel burn.
- iii) Increasing the production and deployment of sustainable aviation fuels and clean energy; and
- iv) Implementing the Carbon Offsetting Reduction Scheme for International Aviation (CORSIA).

Under the United Nations-led Sustainable Development Goals (SDGs), TCAA implements Goal seven: Ensure environmental sustainability. Under this goal TCAA strives to reduce environmental impact associated with aviation activities in the United Republic of Tanzania.

The Authority continued with its efforts to educate the public on this area and held stakeholders' meetings. This was done in collaboration with other stakeholders such as airport owners and operators, fuel supplier and business communities.

#### **k) The political environment**

The Authority plans and budgets are prepared and implemented while observing government directives. The political environment in the country was conducive and calm for the Authority to perform its functions without political challenges.

#### **l) Compliance with Laws and Regulation**

The Authority has continued to be a good corporate citizen by instituting measures to ensure compliance with the country laws and regulations, including: -

- a. The Income Tax Act No. 11 of 2004,
- b. The Environment Management Act (Cap191),
- c. Public Procurement Act, Cap 410
- d. Fire and Rescue Force Act of 2007,
- e. Tanzania Meteorological Authority Act No. 2 of 2019,
- f. Tanzania Communications Regulatory Authority Act No. 12 of 2003,
- g. Occupational Health and Safety Act No. 5 of 2003,
- h. The Immigration Act (Cap 54) of 2016,
- i. Tanzania Ports Authority Act No. 17 of 2004,
- j. The Civil Aviation (Training Centre) Management and Operations Rules of 2021.
- k. The National Council for Technical Education Act 1997.
- l. Land Act (Cap 113),
- m. The Employment and Labour Relation Act of 2004 and
- n. The Public Service Act. Cap 298
- o. Tanzania Investment Act Cap 38
- p. The Public Finance Act Cap 348
- q. The Budget Act 2015
- r. Bank of Tanzania Act Cap 197
- s. Foreign Exchange Act Cap. 271.
- t. The e-Government Act 2019.

## 2.4 SERVICE PERFORMANCE INFORMATION

**Table 2: Service Performance Information**

Objectives	Risk	Risk Impact	Risk Mitigation	Strategies	Key Performance Indicators (KPIs)(Annually)
A. To improve health services and minimizing HIV/AIDS infections.	Loss of manpower & productivity	Unwillingness of staff to undertake voluntary testing and sharing their HIV/AIDS status.	Provide sensitization on voluntary counselling and testing of HIV/AIDS. Continue providing care and support to people living with HIV. Review of HIV/AIDS policy.	Enhance HIV/AIDS awareness and support services to staff living with HIV/AIDS	Number of staff living with HIV/AIDS provided support. Number of guidelines reviewed. Number of awareness seminars to be provided.
B. Effective implementation of national anti corruption strategy enhanced and sustained.	Loss of reputation	Loss of trust & customer loyalty to the Authority.	Provide workshop intervention programs on preventing and combating corruption. Conducting customer perception survey on the level of corruption.	Enhance anti corruption awareness campaign to customers and employees.	Number of staff trained on corruption. Percentage of customer perception on corruption to Authority's services.
C. Safe and secure civil aviation system and environmental protection enhanced.	Ineffective safety and security oversight	Loss of reputation	Decrease accidents and incidents rates. Improve level of safety and security oversight.	Strengthening oversight of the aviation system.	Number of accidents and incidents occurred. Percentage level of Effective Implementation.
D. Orderly development of air transport sub sector sustained,	Incompetent licensed operators	Unstable and non competitive industry	Conducting comprehensive license applicant's evaluation Implementation of effective oversight activities	Strengthening of air transport services.	Number of licensed operators. Number of consultations done Number of BASA signed
E. Enhancement of capacity and efficiency of air navigation services.	Increase of Air traffic services incidents occurrence	Unreliable airspace system	Provision of effective & efficiency Air Traffic Services	Strengthen capacity of ANS staff and improve CNS/ATM systems	Reduction of incidents rate per aircraft movements. Percentage of CNS/ATM system serviceability. Percentage of accuracy and reliable information.
F. Strengthening of human resource and organizational capacity and operational efficiency	Inadequate Resource provision	Compromising sustainability of the Authority operations	Developing and implementing Human, Financial, and other resources mobilization	To ensure human, financial, and other resources are effective and efficiently deployed	Percentages (%) resources provision
	Failure to comply with Laws	Compromising safety, security, and regularity of civil aviation system	Strengthening enforcement Conducting consultative engagement of stakeholders on developed laws	Monitoring and adopting of various standards and recommended practices from ICAO	Number of stakeholder consultative meetings conducted. Percentages of effective enforcement
	Unavailability of information system Failure to secure and integrate information system.	Failure of automated business processes Data loss and information leakage Financial loss	Conduct system backup and restoration test and provision of contingency link and redundant ICT Active Devices  Perform regular penetration test, updates, patches, and firewall.	Ensure adoption of modern technology in the development maintenance and monitoring of ICT systems and services	Number of Business Processes automated. Number of new ICT equipment's distributed and maintained. Number of ICT security awareness session conducted. Number of penetration test performed. Number of backup and restoration test performed

2022/2023 Target	Input	Processes	Outputs	Outcome	Implementation Status	Budget (TZS 'Mio)	Actual (TZS 'Mio)
Support Services provided to number of staff identified with HIV/AIDS HIV workplace guidelines reviewed. 7 awareness seminars to 7 stations on HIV/AIDS.	Staff Competent Health consultancy Sufficient fund	Conduct sensitization on voluntary counselling and testing of HIV/AIDS providing care and support to people living with HIV Review of HIV/AIDS policy	Care and support provided monthly to all people living with HIV on monthly basis. Improved knowledge among staff HIV/AIDS policy reviewed	Minimizing number of HIV/AIDS Infections at workplace.	Awareness seminar conducted to HQ, JNIA, Zanzibar, Dodoma, Mwanza and KIA stations. Support has been provided to those who voluntary identified.	21.87	20.07
91 staff trained on corruption at seven stations. Less than 0.1 percent on corruption incidence reported.	Competent anticorruption experts Sufficient fund	Conducting seminars to the Authority's staff on corruption issues. Conducting customer perception survey.	Seminars and meetings were conducted. Customer perception survey was conducted.	Reduction of unethical behaviors/incidents related to corruption.	91 staff attended sensitization meetings and seminar to staff on Corruption issues conducted. No customer perception survey was conducted.	15.4	14.04
0.8 accidents and 3.22 incidents per 100,000 movements. 90% level of effective implementation (USAP).	Competent staff Laws Sufficient fund	Promulgation of new and revised Regulations. Conducting certification and surveillance inspections.	Promulgated Regulations Certifications and surveillance inspections conducted.	Safe and secured civil aviation in Tanzania.	New and revised regulations promulgated Certification and surveillance inspections conducted 86.47 percent of level of effectiveness implementation.	2,534.97	2,421.80
One (1) Licensed operator. One consultation to be conducted. One (1) BASA contract.	Competent staff Laws Sufficient fund	Promulgation of new and revised Regulations. Licensing Conducting surveillance inspections. Conducting consultation meetings Conducting BASA signing.	Promulgated Regulations Licensed Operators Inspections conducted. Consultation meetings conducted. BASA signed.	Sustainable air transport system.	Seven (7) operators have been Licensed. Regulations promulgation, licensing and surveillance inspections conducted. One (1) BASA with France has been signed.	630.8	622.4
0.5 incidents per 10,000 movements. Above 97% CNS/ATM systems serviceability. Above 86% of information accuracy and reliability	Competent staff Sufficient fund	Provision of Air traffic services and airspace design	Air traffic services and airspace design provided.	Efficient and Improved air navigation services	air navigation services provided	6,110.64	6,019.11
100% of provision of resources	Competent staff Sufficient fund	Provision of Human, financial and other resources	Sustainable operations	Authority's objectives implemented	Human, financial and other resources provided	76,074.12	75,488.76
Four (4) consultative meetings. 100% of effective enforcement	Competent staff Sufficient fund	Conducting stakeholders' consultative meetings Implementing enforcement procedure	Stakeholders' consultative meetings conducted. Enforcement procedures implemented.	Safe, secure, and sustainable civil aviation system	One consultative meeting was conducted. 100% of effective law enforcement		
Four business processes automated. Forty new ICT equipment distributed and maintained. Two ICT security awareness session	Competent staff Sufficient Fund Modern technology	Automation of business processes Acquisition and distribution of ICT equipment's Conducting ICT security awareness session Conducting penetration test Perform backup and restoration test.	Business process automated. ICT equipment acquired and distributed. staff attended ICT security awareness sessions. Backup was conducted on daily basis. Readability tests have been performed. penetration test has been performed.	Secure and reliable ICT systems	Seven Business process automated Sixty-Four ICT equipment acquired and distributed. 204 staff in four session attended ICT security awareness sessions. Backup was conducted on daily basis. Four readability tests have been performed. One penetration test has been performed.		

Objectives	Risk	Risk Impact	Risk Mitigation	Strategies	Key Performance Indicators (KPIs)(Annually)	2022/2023 Target
A. To improve health services and minimizing HIV/AIDS infections.	Loss of manpower & productivity	Unwillingness of staff to undertake voluntary testing and sharing their HIV/AIDS status.	Provide sensitization on voluntary counselling and testing of HIV/AIDS. Continue providing care and support to people living with HIV. Review of HIV/AIDS policy.	Enhance HIV/AIDS awareness and support services to staff living with HIV/AIDS	Number of staff living with HIV/AIDS provided support. Number of guidelines reviewed. Number of awareness seminars to be provided.	Support Services provided to number of staff identified with HIV/AIDS HIV workplace guidelines reviewed. 7 awareness seminars to 7 stations on HIV/AIDS.
B. Effective implementation of national anti corruption strategy enhanced and sustained.	Loss of reputation	Loss of trust & customer loyalty to the Authority.	Provide workshop intervention programs on preventing and combating corruption. Conducting customer perception survey on the level of corruption.	Enhance anti corruption awareness campaign to customers and employees.	Number of staff trained on corruption. Percentage of customer perception on corruption to Authority's services.	91 staff trained on corruption at seven stations. Less than 0.1 percent on corruption incidence reported.
C. Safe and secure civil aviation system and environmental protection enhanced.	Ineffective safety and security oversight	Loss of reputation	Decrease accidents and incidents rates. Improve level of safety and security oversight.	Strengthening oversight of the aviation system.	Number of accidents and incidents occurred. Percentage level of Effective Implementation.	0.8 accidents and 3.22 incidents per 100,000 movements. 90% level of effective implementation (USAP).
D. Orderly development of air transport sub - sector sustained,	Incompetent licensed operators	Unstable and non - competitive industry	Conducting comprehensive license applicant's evaluation Implementation of effective oversight activities	Strengthening of air transport services.	Number of licensed operators. Number of consultations done Number of BASA signed	One (1) Licensed operator. One consultation to be conducted. One (1) BASA contract.
E. Enhancement of capacity and efficiency of air navigation services.	Increase of Air traffic services incidents occurrence	Unreliable airspace system	Provision of effective & efficiency Air Traffic Services	Strengthen capacity of ANS staff and improve CNS/ATM systems	Reduction of incidents rate per aircraft movements. Percentage of CNS/ATM system serviceability. Percentage of accuracy and reliable information.	0.5 incidents per 10,000 movements. Above 97% CNS/ATM systems serviceability. Above 86% of information accuracy and reliability
F. Strengthening of human resource and organizational capacity and operational efficiency	Inadequate Resource provision	Compromising sustainability of the Authority operations	Developing and implementing Human, Financial, and other resources mobilization	To ensure human, financial, and other resources are effective and efficiently deployed	Percentages (%) resources provision	100% of provision of resources
	Failure to comply with Laws	Compromising safety, security, and regularity of civil aviation system	Strengthening enforcement Conducting consultative engagement of stakeholders on developed laws	Monitoring and adopting of various standards and recommended practices from ICAO	Number of stakeholder consultative meetings conducted. Percentages of effective enforcement	Four (4) consultative meetings. 100% of effective enforcement
	Unavailability of information system Failure to secure and integrate information system.	Failure of automated business processes Data loss and information leakage Financial loss	Conduct system backup and restoration test and provision of contingency link and redundant ICT Active Devices  Perform regular penetration test, updates, patches, and firewall.	Ensure adoption of modern technology in the development maintenance and monitoring of ICT systems and services	Number of Business Processes automated. Number of new ICT equipment's distributed and maintained. Number of ICT security awareness session conducted. Number of penetration test performed. Number of backup and restoration test performed	Four business processes automated. Forty new ICT equipment' distributed and maintained. Two ICT security awareness session

Input	Processes	Outputs	Outcome	Implementation Status	Budget (TZS 'Mio)	Actual (TZS 'Mio)
Staff Competent Health consultancy Sufficient fund	Conduct sensitization on voluntary counselling and testing of HIV/AIDS providing care and support to people living with HIV Review of HIV/AIDS policy	Care and support provided monthly to all people living with HIV on monthly basis. Improved knowledge among staff HIV/AIDS policy reviewed	Minimizing number of HIV/AIDS Infections at workplace.	Awareness seminar conducted to HQ, JNIA, Zanzibar, Dodoma, Mwanza and KIA stations. Support has been provided to those who voluntarily identified.	21.87	20.07
Competent anticorruption experts Sufficient fund	Conducting seminars to the Authority's staff on corruption issues. Conducting customer perception survey.	Seminars and meetings were conducted. Customer perception survey was conducted.	Reduction of unethical behaviors incidents related to corruption.	91 staff attended sensitization meetings and seminar to staff on Corruption issues conducted. No customer perception survey was conducted.	15.4	14.04
Competent staff Laws Sufficient fund	Promulgation of new and revised Regulations. Conducting certification and surveillance inspections.	Promulgated Regulations Certifications and surveillance inspections conducted.	Safe and secured civil aviation in Tanzania.	New and revised regulations promulgated Certification and surveillance inspections conducted 86.47 percent of level of effectiveness implementation.	2,534.97	2,421.80
Competent staff Laws Sufficient fund	Promulgation of new and revised Regulations. Licensing Conducting surveillance inspections. Conducting consultation meetings Conducting BASA signing.	Promulgated Regulations Licensed Operators Inspections conducted. Consultation meetings conducted. BASA signed.	Sustainable air transport system.	Seven (7) operators have been Licensed. Regulations promulgation, licensing and surveillance inspections conducted. One (1) BASA with France has been signed.	630.8	622.4
Competent staff Sufficient fund	Provision of Air traffic services and airspace design	Air traffic services and airspace design provided.	Efficient and Improved air navigation services	air navigation services provided	6,110.64	6,019.11
Competent staff Sufficient fund	Provision of Human, financial and other resources	Sustainable operations	Authority's objectives implemented	Human, financial and other resources provided	76,074.12	75,488.76
Competent staff Sufficient fund	Conducting stakeholders' consultative meetings Implementing enforcement procedure	Stakeholders' consultative meetings conducted. Enforcement procedures implemented.	Safe, secure, and sustainable civil aviation system	One consultative meeting was conducted. 100% of effective law enforcement		
Competent staff Sufficient Fund Modern technology	Automation of business processes Acquisition and distribution of ICT equipment's Conducting ICT security awareness session Conducting penetration test Perform backup and restoration test.	Business process automated. ICT equipment acquired and distributed. staff attended ICT security awareness sessions. Backup was conducted on daily basis. Readability tests have been performed. penetration test has been performed.	Secure and reliable ICT systems	Seven Business process automated Sixty-Four ICT equipment acquired and distributed. 204 staff in four session attended ICT security awareness sessions. Backup was conducted on daily basis. Four readability tests have been performed. One penetration test has been performed.		

## **2.5 AUTHORITY STRATEGIC PLAN 2021/22 - 2025/26**

The Authority continued to implement its fourth Strategic Plan which covers five years from 2021/22 to 2025/26. The Authority continued to improve and modernize its air navigation and regulatory services to the satisfaction of its stakeholders. The Strategic Plan has maintained the strategic direction of the Authority focusing on safe and secured aviation systems.

In order to perform Authority's day-to-day operations, the Medium-Term Expenditure Framework (MTEF) was developed, based on the Strategic Plan to guide Management on implementation of day-to-day activities. The Board will continue with its oversight function to make sure that these plans are effectively implemented.

The Authority will continue with the implementation of Global Air Navigation Plan (GANP), manage and oversee unmanned aerodromes and unmanned aerial vehicles, capacity building of its staff and strengthen the Civil Aviation Training Centre (CATC). These steps are in line with both national and regional initiatives intended to meet minimum ICAO Standards and Recommended Practices (SARPS).

## **2.6 FUTURE STRATEGIES**

The Authority intends to undertake the following future strategies:

- a) Improvement of CNS equipment for Tanzania airspace through installation of VHF Area Cover, deployment of Aeronautical Information Exchange Management System (AIXIM), installation of ADSB westside of the country and installation of Instrument Landing Systems (ILS) for Pemba, Songwe, Mwanza, Tabora, and Kigoma airports.
- b) Establish effective mechanism to manage and oversee unmanned aerodromes and unmanned aerial vehicles;
- c) Enhance aviation safety and security oversight through automation of business processes in areas of personnel licensing, flight operations, airworthiness, aerodromes and aviation security inspections;
- d) Conduct research-based market information on air transport to establish air transport market characteristics in the in United Republic of Tanzania for the development of the aviation sector.
- e) Construction and operationalization of state of art Civil Aviation Training Centre (CATC) to address the innate challenge of shortage of aviation experts in the United Republic of Tanzania and in the region;
- f) Enhance legal and regulatory capacity of the Authority for efficient and effective aviation sector oversight;
- g) Enhance effective management of resources and sound financial and administrative support functions; and
- h) Automation of business process of the Authority's support services.

## 2.7 DIRECTOR GENERAL'S OFFICE

Director General Office oversees day-to-day operations of the Authority. The office is supported by nine units which are the Public Information, Planning Monitoring and Evaluation, Legal Services, Quality Assurance, Performance Audit, Procurement Management, Internal Affairs, Information Technology and Statistics and the Civil Aviation Training Centre.

## 2.8 DIRECTORATE OF SAFETY REGULATION

The Directorate of Safety Regulation is discharged with safety and security oversight of the industry. The Directorate ensures that Tanzania complies with international safety and security standards as per International Civil Aviation Organization (ICAO). It meets its functions through six technical sections: Personnel Licensing, Flight Operations, Airworthiness, Air Navigation, Aerodrome and Ground Aid and Aviation Security. The Directorate also collaborates with ministry responsible for civil aviation in managing and conducting air accidents investigation.

During the year, the Directorate implemented various activities including enforcement of the Tanzania Civil Aviation Regulations (TCARs) to ensure a compliant industry. Specifically, the following activities were implemented under:

### 2.8.1 Airworthiness Inspections and Surveillance

Air worthiness section has continued to address critical elements of safety oversight by carrying out planned activities. The performance indicates ability of this section to make sure that operators continue to meet minimum set requirements and industry standards. The performances have been tabulated in the tables below:

#### i) Certification Inspection

During the year ended 30 June 2023 a total of 482 certification (2022: 433 certifications) inspection were carried out as detailed in Table 3:

**Table 3: Certificates Issued and Inspections**

No.	Description	2022/23	2021/22
1.	C of A renewal/issue/export	165	178
2.	Aircraft Maintenance Engineer License (AMEL) issue/renewal	34	38
3.	Approved Maintenance Organization (AMO) issue/Renewal	31	115
4.	AMO Surveillances	15	5
5.	Ramp and Ad-hoc inspection	38	39
6.	Written examination	167	27
7.	Oral examination	32	31
<b>Total</b>		<b>482</b>	<b>433</b>

#### ii) Accidents and Incidents Reported

During the year ended 30 June 2023, the Authority continued to ensure that the industry remains comparatively safe all the time. Table 4 shows the number of accidents and incidents reported during the period under review:

**Table 4: Accidents and Incidents**

No.	Description	2022/23	2021/22
1.	Accidents	4	3
2.	Incidents	3	4
<b>Total</b>		<b>7</b>	<b>7</b>

### 2.8.2 Flight Operations

The Flight Operations section is responsible for Safety Oversight of Air Operators conducting commercial and private air transportation. The section also works with Personnel Licensing section in issuing, conducting surveillance and renewal of licenses and certificates of license holders (flight crews, cabin crews and flight operation officers) as well as certification, approval, and surveillance of Approved Training Organizations (ATO). Table 5 shows the overall performance of the section for all activities conducted from July 2022 to June 2023:

**Table 5: Flight Operation Overall Performance**

No	Description	2022/23	2021/22
1	ATO inspection and renewal	11	8
2	Air Operator Certificates (AOC) inspection and renewal	30	28
3	Enroute and Cabin Safety Inspection	14	17
4	Ad-hoc base Inspections	11	22
5	Ramp Inspection	14	11
6	Observation of Instructors/ Examiners	26	19
7	Renew and amend Promulgated Regulations from Annex amendment	6	14
8	Review Operator Regulatory Manuals	30	23
9	Training and Sensitization to industry on regulations & guidance materials	4	5
10	Implementation of Corrective Action Plans emanating from ICAO - Universal Safety Oversight Audit Program (USOAP) Audit	2	1
11	Review and Customize Technical Guidance Materials	1	1
12	Data Sorting, scanning, filling and uploading on SOFIA software		7
13	Drone Authorization permit	31	25
14	Drone Workshop	1	1
15	Drone Guidance to Applicants	112	123
16	Drone registrations	7	5
17	Drone Incidents and Investigations	2	0
18	Paraglide approvals and Parachute	3	2
19	Inspector's training	8	3
20	Drone Technical Meeting	1	1
21	Simulator Approval	9	7
22	DGM, SMS, TANS Course Approval	2	0
23	Phase Certification		3
24	Ground Trainer observation and approval	5	4
25	Operational Technical Meeting	5	3
<b>Total</b>		<b>335</b>	<b>333</b>

The section is responsible for oversight of licenses, certificates and authorizations for license holders and Approved Training Organizations (ATO) to enhance compliance of TCARs. The overall performance of activities for the year ended 30 June 2023 are as follows:

### i. Technical Examination

A total of 2,555 examinations were booked during the year ended 30 June 2023 compared to 1,515 examinations booked in the year ended 30 June 2022. These included written examinations together with various flying tests for granting, renewal, conversion, extension of licenses and certificates as shown in Table 6.

**Table 6: Technical Examinations**

No.	Description	2022/23	2021/22
1.	Airline Transport Pilot License	86	83
2.	Commercial Pilot License	347	50
3.	Private Pilot License	431	250
4.	Validation Certificate	29	19
5.	Flight Operations Officer's License	752	460
6.	Cabin Crew Certificates	150	281
7.	General Flying Test	373	218
8.	Technical Type Rating	63	73
9.	ATCL Rating board exams	75	63
10.	Remote Pilots License	82	18
11.	Aircraft Maintenance Engineering	167	-
<b>Total</b>		<b>2,555</b>	<b>1,515</b>

### ii. Issued Licenses and Certificates

A total of 484 licenses including certificates were issued during the year ended 30 June 2023 compared to 526 licenses issued in the year ended 30 June 2022 as shown in Table 7 below:

**Table 7: Issued Licenses and Certificates**

No.	Description	2022/23	2021/22
1.	Airline Transport Pilot License	12	7
2.	Commercial Pilot License	64	46
3.	Private Pilot License	16	4
4.	Student Pilot License	25	28
5.	Aircraft maintenance Engineer's License	9	1
6.	Flight Engineer	-	9
7.	Remote Pilots license	23	27
8.	Flight Operations Officer's License	12	20
9.	Validation Certificates	29	19
10.	Cabin Crew Certificates	107	106
11.	Instructors License	0	0
12.	ATC License	0	33
13.	Aviation Security (AVSEC) Screener Certificates	187	226
<b>Total</b>		<b>484</b>	<b>526</b>

### iii. Renewals

A total of 1,511 licenses including certificates and ratings were renewed during the year ended 30 June 2023 compared to 1,289 licenses including certificates and ratings renewed during the year ended 30 June 2022 as shown in Table 8.

**Table 8: Licenses Renewal**

No.	Description	2022/23	2021/22
1.	Airline Transport Pilot License	156	213
2.	Commercial Pilot License	342	364
3.	Private Pilot License	46	36
4.	Student Pilot License	9	0
5.	Aircraft maintenance Engineer's License	34	58
6.	Flight Operations Officer's License	92	126
7.	Cabin Crew Certificates	232	236
8.	Flight Instructor License	2	34
9.	Air Traffic Control License	35	79
10.	Aviation Security (AVSEC) Screener Certificate	563	143
<b>Total</b>		<b>1,511</b>	<b>1,289</b>

#### iv. Endorsements

A total of 358 endorsements were made on various licenses and certificates during the year ended 30 June 2023 compared to a total of 368 endorsements in the year ended 30 June 2022 as shown in table 9.

**Table 9: Endorsements**

No.	Description	2022/23	2021/22
1.	Instrument Rating	214	148
2.	Technical Type Rating	63	73
3.	Instructor's Rating	2	9
4.	English Language Proficiency	79	138
<b>Total</b>		<b>358</b>	<b>368</b>

#### v. Sale of Documents

A total of 178 documents were sold during the year ended 30 June 2023 compared to 168 documents sold during the in the year ended 30 June 2022.

#### 2.8.4 Aerodromes and Ground Aids (AGA)

The Section is responsible for oversight and development of aerodrome standards and technical guidance materials, certification, licensing and registration approval of aerodromes, continuous surveillance of aerodromes, aerodrome safeguarding including removal and control of obstacles, evaluation of aerodrome designs, conducting sensitization workshops and seminars and resolution of safety issues.

The Authority intends to achieve 100% compliance to aerodrome certification, licensing, registration and approval requirements by the end of financial year 2024/25. The section has continued to update Inventory of aerodrome certified, licensed and registration approval. Tables.10, 11, 12 and 13 show details of accomplished activities:

**Table 10: Aerodrome Certification**

No.	Aerodrome ID	Description
1.	Julius Nyerere International Airport	Certified until 30 December 2023
2.	Aman Abeid Karume International Airport	Certified until 30 December 2023
3.	Kilimanjaro International Airport	Certified until 30 December 2023

**Table 11: Renewal of Aerodrome Licenses**

No.	Aerodrome Group/activity	2022/23	2021/22
1.	TAA aerodromes	10	20
2.	Other aerodromes	15	55
3.	Approval to construct Aerodromes/helipads	4	7
	Total	29	82

**Table 12: Continuous Surveillance of Aerodromes**

No.	Aerodrome Group/activity	2022/23	2021/22
1.	CAM Inspections	0	30
2.	TAA, ZAA, KADCO, Tanzania National Parks Authority (TANAPA) and other private aerodromes	75	107
3.	Review of operators Aerodrome manuals (Aerodrome Manual, SMS Manual and Aerodrome Emergency Planning Manual)	40	15
	Total	115	152

**Table 13: Development and Review of Regulations and Technical Guidance Material**

No.	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	Draft regulations finalized and submitted to the Ministry for Approval
2	Review of Advisory Circulars	Developed new advisory circulars
3	Review of Orders	To be revised after approval of new Regulations
4	Review of Industry guideline manuals	Reviewed

### 2.8.5 Aviation Security

The Aviation Security Section (AVSEC) is responsible for ensuring safe and secure aviation systems. 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.

The Section reviewed four (Technical Guidance Materials (TGMs) as of June 2023. The reviewed Technical Guidance Materials were approved and distributed to relevant operators for inclusion of the reflected changes in their respective security programs. The approved documents include:

- a) National Civil Aviation Security Program (NCASP),
- b) National Civil Aviation Security Quality Control Program (NCASQCP),

- c) National Civil Aviation Security Training Program (NCASTP)
- d) Aviation Security Inspectors Manual (ASIM)

The section continued to enforce safety and security compliance to Universal Security Audit Program (USAP) CMA audit findings. Tables 14, 15 and 16 show details of accomplished activities:

**Table 14: Reviewed Aviation Security Programs**

No.	Operators	2022/23	2021/22
1.	Airport Security Program	19	6
2.	Airline Security program	27	14
3.	Regulated agent/ground handling Security Program	11	8
4.	Catering Security Program	2	2
5.	Training Program	2	0
<b>Total</b>		<b>61</b>	<b>30</b>

**Table 15: Oversight Activities**

No.	Oversight Activities	2022/23	2021/22
1.	Audits	11	14
2.	Inspections	22	17
3.	Tests	14	7
4.	Follow up	07	5
<b>Total</b>		<b>54</b>	<b>43</b>

**Table 16: Certified/Recertified Screeners**

No.	Recertified Screeners	2022/23	2021/22
1.	Tanzania Airports Authority -Regional Airports	23	62
2.	Julius Nyerere International Airport	246	42
3.	Zanzibar Airport Authority	236	48
4.	Kilimanjaro Airports Development Company	109	44
5.	Air Tanzania Company Limited	14	0
6.	Precision Air	4	8
7.	NAS Dar Airco	23	0
8.	Swissport	34	1
9.	United Aviation Services	4	1
10.	Everret	0	4
11.	Geita Gold Mining	0	6
12.	Zanzibar Aviation Services and Travel Trade	0	9
13.	Alliance Cargo	02	0
14.	Celebi	03	0
15.	Dnata	52	0
<b>Total</b>		<b>750</b>	<b>225</b>

The section facilitated four National Civil Aviation Security Committee (NCASC) Meetings.

## 2.8.6 Air Navigation Service Inspections (ANS)

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. Tables 17 – 25 show details of accomplished activities:

**Table 17: Inspections and Surveillance**

No	Type of Inspections and Surveillances	Years			
		2022/23		2021/22	
		Planned	Actual	Planned	Actual
1.	Routine audits	96	96	48	98
2.	Ad-hoc audits	40	40	40	35
	<b>Total</b>	<b>136</b>	<b>136</b>	<b>88</b>	<b>133</b>

**Table 18: Safety Audits of CNS**

No.	Activity	Stations	2022/23	2021/22
1	Routine audits	Julius Nyerere International Airport, Abeid Aman Karume International Airport, Kilimanjaro International Airport, Mwanza Airport, Arusha Airport, Songwe Airport, Dodoma Airport, Bukoba Airport, Musoma Airport, Iringa Airport, Mtwara Airport, Songea Airport, Tabora Airport, Kigoma Airport, Mchauru and Tanga Airport,	16	16
2	Ad hoc audits	Julius Nyerere International Airport, Abeid Aman Karume International Airport, Kilimanjaro International Airport, Mwanza airport, Arusha Airport, Songwe., and Dodoma Airport and Iringa	8	8
3	Safety assessment	Dodoma Airport, Iringa Airport, and Mtwara Airport	3	2
		<b>Total</b>	<b>27</b>	<b>26</b>

**Table 19: Safety Audits of ATM**

No.	Activity	Stations	2022/23	2019/20
1	Routine audits	Julius Nyerere International Airport, Abeid Aman Karume International Airport, Kilimanjaro International Airport, Mwanza Airport, Arusha Airport, Songwe Airport, Dodoma Airport, Bukoba Airport, Musoma Airport, Iringa Airport, Mtwara Airport, Songea Airport, Tabora Airport, Kigoma Airport, Mchauru and Tanga Airport,	16	16
2	Ad hoc audits	Julius Nyerere International Airport, Abeid Aman Karume International Airport, Kilimanjaro International Airport, Mwanza airport, Arusha Airport, Songwe., and Dodoma Airport and Iringa	1	8
3	Safety assessment	Songea Airport, Mtwara Airport	2	2
		<b>Total</b>	<b>19</b>	<b>26</b>

**Table 20: Safety Audits of AIM**

No.	Activity	Stations	2022/23	2021/22
1	Routine audits	Julius Nyerere International Airport, Abeid Aman Karume International Airport, Kilimanjaro International Airport, Mwanza Airport, Arusha Airport, Songwe Airport, Dodoma Airport, Bukoba Airport, Musoma Airport, Iringa Airport, Mtwara Airport, Songea Airport, Tabora Airport, Kigoma Airport, Mchauru and Tanga Airport,	16	16
2	Ad hoc audits	Julius Nyerere International Airport, Abeid Aman Karume International Airport, Kilimanjaro International Airport, Arusha, Dodoma Airport	5	8
3	Safety assessment	Songwe and Dodoma Airport	2	2
4	Instrument Procedure designers' audits	Air Navigation Services - Head Office	1	2
<b>Total</b>			<b>24</b>	<b>28</b>

**Table 21: Safety Audits of MET**

No.	Activity	Stations	2022/23	2021/22
1	Routine audits	Julius Nyerere International Airport, Abeid Aman Karume International Airport, Kilimanjaro International Airport, Mwanza Airport, Arusha Airport, Songwe Airport, Dodoma Airport, Bukoba Airport, Musoma Airport, Iringa Airport, Mtwara Airport, Songea Airport, Tabora Airport, Kigoma Airport and Tanga Airport,	15	17
2	Ad hoc audits	Julius Nyerere International Airport, Abeid Aman Karume International Airport, Kilimanjaro International Airport, Mwanza airport, Arusha Airport, Songwe., and Dodoma Airport and Mtwara	8	6
<b>Total</b>			<b>23</b>	<b>23</b>

**Table 22: Safety Audits of SAR**

No.	Activity	Stations	2022/23	2021/22
1	Routine audits	Julius Nyerere International Airport, Abeid Aman Karume International Airport, Kilimanjaro International Airport, Mwanza Airport, Arusha Airport, Songwe Airport, Dodoma Airport, Bukoba Airport, Musoma Airport, Iringa Airport, Mtwara Airport, Songea Airport, Tabora Airport, Kigoma Airport, and Tanga Airport,	15	16

**Table 23: Safety Audits of SMS**

No.	Activity	Stations	2022/23	2021/22
1	Routine audits	Julius Nyerere International Airport, Abeid Aman Karume International Airport, Kilimanjaro International Airport, Mwanza Airport, Arusha Airport, Songwe Airport, Dodoma Airport, Bukoba Airport, Musoma Airport, Iringa Airport, Mtwara Airport, Songea Airport, Tabora Airport, Kigoma Airport, Mchauru and Tanga Airport,	16	16

**Table 24: Audits and Certificates Issued**

No.	Activity	Stations	2022/23	2021/22
1	Routine audits	Julius Nyerere International Airport, Abeid Aman Karume International Airport, Kilimanjaro International Airport, Mwanza Airport, Arusha Airport, Songwe Airport, Dodoma Airport, Bukoba Airport, Musoma Airport, Iringa Airport, Mtwara Airport, Songea Airport, Tabora Airport, Kigoma Airport, Mchauru and Tanga Airport,	16	16

**Table 25: Approval of Procedures and Facilities**

No	Planned	Actual	Stations
1	16 Air Navigation Facilities	1	Mchauru Airport.

## 2.9 DIRECTORATE ECONOMIC REGULATION

The Division is entrusted with mandate to ensure growth and availability of regulated services to all consumers of air services. It promotes effective competition and economic efficiency as well as protection of consumer interests and financial viability of suppliers of the services. Also, it coordinates air services agreement negotiations between the United Republic of Tanzania and other foreign states. The division also collects, analyses and disseminates industry statistics for public consumption. It has three sections: Air Transport Regulation, Business Analysis and Forecasting and Aeronautical Airport Services.

### 2.9.1 Air Transport Regulations

The section is responsible for air transport regulation including licencing Bilateral Air Service Agreements and advisory role on air transport to Government. During the year the following activities were performed:

#### a) Licensing of Air Services Operators

Two Licensing Board meetings were conducted during the year. The first meeting was conducted in November 2022 and the second was in June 2023. A total of 42 applications were considered as shown in Table 26.

**Table 26: Licensing of Air Services Operators**

No	Planned	Planned	Actual
1	Instrument flight procedures	3	4
2	Manual of operations	16	2
	<b>Total</b>	<b>19</b>	<b>6</b>

There was neither increase nor decrease for licensed operators. However, a promising business prospects were noted through increased number of new applications.

#### b) Bilateral Air Services Agreements (BASAs)

Tanzania participated in the ICAO Air Services Negotiation Event (ICAN2022) that was held in Abuja, Nigeria, from 5 to 9 December 2022. This event is a forum for ICAO member states where Bilateral Air Services Agreements (BASAs) are negotiated/reviewed or signed. Tanzania met with a total of ten countries and subsequently negotiated four new BASAs, reviewed existing BASAs with six countries. Tanzania did convene two meetings for BASA. One for negotiations with South Sudan and signed one BASA outside the ICAN forum.

After the ICAN 2022, the Government of the United Republic of Tanzania has entered (BASA) with the total of eighty (80) countries whereby 57 were initiated and 23 signed.

### **c) Coordination of Facilitation of Air Transport Committee Meetings**

During the year, the National Air Transport Facilitation (National FAL) Committee held two meetings. The first meeting was held in Mtwara and Arusha in November 2022 and May 2023 respectively.

### **d) Complaints and Disputes**

Tanzania Civil Aviation Authority Consumer Complaints Unit is a unit established under Section 59 (7) of The Civil Aviation Act, Cap 80 of 2020. The major objective of the Unit is to deal with all consumer complaints brought to the Authority 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. The main function of the Unit is to do the following: -

- i) receive, through the Director-General, and follow-up on complaints from consumers submitted to the Authority.
- ii) investigate all complaints.
- iii) attempt to resolve complaints amicably; and
- iv) present findings and recommendations for action to the Committee of the Board if a complaint cannot be resolved.

During the year ended 30 June 2023, the Authority through its Consumer Complaints Unit attended a total of nine complaints. Two complaints were resolved amicably, and the remaining four complaints were at various stages including amicable settlement and reference to the Regulatory Committee of the Board.

## **2.9.2 Business Analysis and Forecasting**

The section is responsible for Business Analysis to determine the performance of aviation industry. The following activities were performed during the year.

### **a) Statistical Reports**

During the year Civil Aviation Statistics Report for 2022 was issued and four Quarterly Statistics reports were prepared and came out on August 2022, November 2022, February 2023 and May 2023.

### **b) Traffic Performance**

During the year 2022/23, international aircraft movements reached 36,678 compared to 32,582 movements occurred in the previous year recording an increase of 12.6%. Domestic aircraft movements, on the other hand, have increased by 14.1% from 137,204 movements in 2021/22 to 156,562 movements in 2022/23. Corresponding domestic passengers recorded a 23.7% increase from 2,726,865 passengers in 2021/22 to 3,373,641 passengers in 2022/23. Overall, traffic performance of the industry recorded an increase of 13.8% in aircraft movements from 169,786 in 2021/22 to 193,240 movements in 2022/23.

International passengers uplifted increased to 2,389,646 passengers from 1,767,490 passengers recorded in the previous year, which is an increase of 35.2%. During the year, the effects of COVID – 19 started to decrease, travel restrictions were relaxed, and countries opened their skies leading to a substantial increase in air traffic. Overall, passenger traffic increased from 4,494,355 passengers in 2021/22 to 5,763,287 passengers in 2022/23 which is equivalent to 28.2% increase.

International cargo handled had a decrease of 2.8% from 28,046.0 tons in 2021/22 to 27,255 tons in 2022/23. Domestic cargo decreased from 5,864.4 tons in 2021/22 to 4,239.3 tons in 2022/23 which is equivalent to 27.7% decrease. Overall, cargo recorded a decrease of 7.1% from 33,910.3 tons in 2021/22 to 31,494.3 tons in 2022/23.

### c) Contribution of Aviation Activities to the Gross Domestic Product (GDP Study)

During the year 2022/23, the Authority continued with the study on aviation contribution to Tanzanian economy and the Authority is in the final stages of completing the report.

### 2.9.3 Aeronautical Airport Services

The section is responsible for regulation of aeronautical airport services including ground-handling services, fuel and oil handling, inflight catering services, terminal building services and facilities and facilitation issues at the airports. The section is also responsible for licensing of ground handling operators. The section is also responsible to undertake the advisory role to the management on matters related to aeronautical airport services. During the year the following activities were performed.

#### a) Licensing of Ground Handling Services Operators

A total of 12 applicants for ground handling services were considered in the years 2022/23 and 2021/22 respectively as shown in Table 27.

**Table 27: Licensing of Ground Handling Services Operators**

Item Description	2022/23		2021/22	
	Approved	Disapproved	Approved	Disapproved
New Applications	12	0	12	1
Applications for renewal variations	30	0	21	0
<b>Total</b>	<b>42</b>	<b>0</b>	<b>33</b>	<b>1</b>

The noted increase of ground handling services applicants from 8 to 11 (38%) is due to the relief from COVID-19 pandemic and the uplifting of restrictions related to the pandemic.

#### b) Inspections

As part of its functions, the section undertook to inspect various airports with respective aeronautical airport operators, mainly ground handling services providers operating at those airports, this is to ensure compliance to regulations and conditions of their licenses. The number of inspections undertaken in the financial year 2022/23 as compared to financial year 2021/22 are 21 and 15 respectively.

#### c) Facilitation of Air Transport

To ensure efficient and expeditious flow of passenger, baggage and cargo at airports, the Authority formed the National Air Transport Facilitation Committee (NATFC). The committee comprises of various aviation stakeholders at the airport who meet to consult on various matters. The NATFC (National-FAL) meets twice annually and for the financial year 2022/23 the committee met in Mtwara and Arusha while for financial year 2021/22 the committee met in Dodoma and Mwanza.

#### **d) Collaborative Arrangement for Prevention and Management of Public Health Events through Civil Aviation (CAPSCA)**

Collaborate with relevant stakeholders mainly Ministry of Health (Port Health), within the framework of CAPSCA. Other stakeholders are all entities working at the airports.

The Authority coordinates National level quarterly consultative meetings with stakeholders for updates on pandemics and provide awareness as appropriate. Screening is done at airports by Port Health officials.

Four quarter and one ad-hoc meetings were conducted in the 2022/23 financial year while mock assessment in compliance with the World Health Organization-International Health Regulations (WHO-IHR) 2005 were conducted at Julius Nyerere International Airport (JNIA), Abeid Amani Karume International Airport (AAKIA), Kilimanjaro International Airport (KIA), Mwanza Airport and Songwe Airport. The scores attained in these exercises are well above WHO 80% threshold for airport designation. JNIA-88%, AAKIA-89%, KIA-96%, Mwanza-84% and Songwe-78%.

### **2.10 DIRECTORATE OF AIR NAVIGATION SERVICES**

The authority through the directorate of Air Navigation Services is responsible for provision of air navigation services in the United Republic of Tanzania and upper airspace of Burundi. The authority manned 15 manned stations at Dar es Salaam, Zanzibar, Mwanza, Arusha, Pemba, Tabora, Kigoma, Dodoma, Iringa, Mbeya, Mtwara, Tanga, Songea, Kilimanjaro and Bukoba which started provision of Aeronautical Information Services (AIS).

#### **2.10.1 Air Traffic Control Services**

The section is responsible for provision of Air Traffic Services at fifteen TCAA manned stations and at Area Control Centre (ACC). The section is also responsible for coordination of Aeronautical Search and Rescue Services within Tanzania. During the year under review the section implemented the following activities:

a) Provision of air traffic control services at 15 stations continued as per hours promulgated in the Aeronautical Information Publication (AIP) except at Songwe airport whereby the provision of services has to be extended beyond 12 hours to accommodate ATCL night flights. Three stations, (JNIA, Kilimanjaro and Mwanza) are provided with Surveillance Services.

b) Provision of air traffic services continued to be provided by Dar es Salaam ACC over Dar es Salaam Flight Information Region and over the upper airspace of Burundi and Rwanda but on 1 December 2022, the provision of services over the upper airspace of Rwanda was handed over to a newly established Kigali Area control centre.

c) Four letters of procedures between Dar es Salaam Area Control Centre and Area Control Centers/approach control unit of adjacent flight information regions were reviewed and signed to enhance coordination in the provision of air traffic services. ACCs /Control units involved are Kigali, Entebbe, Bujumbura and Lusaka.

d) One Civil -Military Coordination Meeting was conducted at TCAA head office in Dar es Salaam with the objective of enhance safety and cooperation among the two main airspace users.

e) The section prepared a Search and Rescue Exercise aiming at improving coordination among Search and Rescue stakeholders and to sharpen skills of Search and Rescue personnel.

- f) Airspace and flight procedure design services conducted in 2022/23 are as follow: -
- i) Designed RNAV(GNSS) approach procedures and control zone for Mtwara Airport.
  - ii) Designed RNAV(GNSS) approach procedures and control zone for Songea Airport.
  - iii) Designed RNAV(GNSS) procedures for Bukoba Airport.
  - iv) Designed RNAV(GNSS) approach procedures and control zone for Pemba Airport.

### 2.10.2 Communication Navigation Surveillance

The section is responsible for maintenance of communications navigation surveillance of systems and equipment. During the year under review the following were carried out:

- a) Preventive and Corrective maintenance of CNS facilities at Pemba, Mtwara, Tabora, Mwanza, Iringa, JNIA, Kigoma, Songwe, KIA, Arusha, Tanga, Songea, AAKIA and Dodoma; and at Civil Aviation Training Centre in Dar es Salaam, Singo (Babati) and the VHF relay stations at Nyashana, Matogoro, Kaluwe, Changalawe, Lilungu, Gairo, Kaze hill, Moroninya, Mnyusi, and Lolkisale and Dar as per PM schedule.
- b) One Coordination meeting with TTCL and three meetings with Vodacom, Tigo and Airtel regarding network backup were conducted.
- c) Improvement of external and internal earthing/lightning/security system(s) for CNS facilities were done at Kigoma, KIA, Mtwara and Tabora were done.
- d) Rehabilitation and reallocation of Antenna at Mtwara and Songea Airport were done.
- e) Feasibility study for implementation of NAVAIDS facilities at JNIA, KIA, Songwe, Mwanza and Zanzibar were conducted.
- f) Designing, manufacturing, supply, installation, integration, training, testing, commissioning and technical support of voice recorders for Julius Nyerere International Airport, Dodoma, Songwe and Pemba airports were commissioned, and all systems are on operations.
- g) Supply, installation, integration, training, testing, commissioning and technical support of Digital Automatic Terminal Information Services (D-ATIS) for Kilimanjaro International Airport (KIA) and Arusha Airport was under implementation stage at the end of the year.

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

- a) Navigation Aids operated with serviceability level of 97%.
- b) Surveillance equipment operated at serviceability level of 98%.
- c) VHF Area cover operated at serviceability level of 97%.
- d) VHF Radio at stations operated at serviceability level of 98%.
- e) Air Traffic Services Direct Speech (ATS DS) link operated at serviceability level of 97%; and
- f) Aeronautical Fixed Telecommunications Network of the equipment was 96% for international circuits, and 97% for the domestic circuits.

### 2.10.3 Aeronautical Information Management

The domestic AFS messages handled were 6,628,235 in 2022/23 compared to 6,579,012 messages handled in the previous year 2021/22. The increase is attributed by increase in flight movements (as depicted in Flight Plan Management) which caused an increased number of messages.

**Table 28: AFS Messages handled (FY2021/22 – FY2022/23)**

Indicator	2021/22	2022/23
AFS messages	6,579,012	6,628,235

**i. Aerodrome Flight Information Services (AFIS)**

The provision of AFIS continued at Songea airport as per AIC Nr.7/2000. Aircraft operating at the airport continued to be facilitated with Meteorological information, status of unserviceability of the aerodrome or its equipment, conditions of the landing surface (in wet weather), information on essential local traffic on the maneuvering area or in flight in the vicinity of the aerodrome and messages between the ACC and arriving, departing or transit aircraft among others. In the period more than 413 flights movements were served.

**ii. Other sectional targets**

The targets achieved regarding AIM section were as follows:

- a) Collected and Verified Aerodrome Data for Iringa, Songea and Morogoro (Mtibwa, Kilombero, Kilosa and Ifakara) airports.
- b) Prepared and produced the following charts.
  - i) RNAV (GNSS) for Mtwara and Bukoba airports
  - ii) Ground Movement Charts for Bukoba and Tabora airports
  - iii) Visual Approach for Bukoba, Songwe and Tabora airports
  - iv) Aerodrome Chart for Bukoba, Songwe, Mtwara, Tabora airports and KIA.
  - v) Aerodrome obstacle chart for Bukoba airport
- c) Conducted Flight check for Bukoba airport.
- d) Updated all technical documents at 7 stations namely Mwanza, Iringa, Dodoma, Zanzibar, Arusha, KIA, and Songwe.
- e) Conducted proficiency checks 11 stations namely Mwanza, Iringa, Dodoma, Zanzibar, Songea, Tanga, Arusha, KIA, Songwe, Mtwara and Tabora.
- f) Conducted QMS Audit checks and findings follow-up at 13 stations namely Songea, Songwe, Arusha, KIA, Tanga, JNIA, Dodoma, Iringa, Kigoma, Zanzibar, Pemba, Mwanza and Tabora.
- g) Reviewed the following operational documents.
  - i) AIP with regard to amendment of Tanzania Civil Aviation Regulations.
  - ii) AIM Quality Manual and
  - iii) MANSOPS Part III to comply with Tanzania Civil Aviation Regulations (TCARs).
- h) Conducted stakeholders meeting on National Roadmap for Transition from AIS to AIM
- i) Developed and signed Letters of Agreements (LoAs) for exchange of Aeronautical Data/ Information with Kenya, Rwanda, Uganda, Zambia and Mozambique States.

### iii. Proficiency and Adequacy of staff

The section has a total of 87 staff. Out of them 28 AIM staff were trained in various technical disciplines related to AIM in this period compared to 28 who trained in financial year 2021/22 (Table 5). This is an increase of 12% of staff trained relative to the year that ended 30 June 2022.

In addition, 30 AIM staff attended seminars in QMS, NOTAM Management and Flight Planning which were organized and conducted by TCAA, the table below sets out various professional courses attended.

**Table 29: AIM staff trained in various professional courses.**

No	COURSE TITLE	2022/23	2021/22
1	Aeronautical Data Quality	0	2
2	Pre-Basic PANS OPS	9	5
3	AMHS Operations	0	3
4	NOTAM Management	5	5
5	Team Resource Management	4	4
6	Performance Based Navigation	0	2
7	Aeronautical Mobile Service	5	0
8	Aeronautical Mobile Service OJT	5	5
9	NOTAM OJT	0	2
	<b>TOTAL</b>	<b>28</b>	<b>28</b>

### iv. Project implementation

#### a) AIM System

To suite with the requirements for efficiency provision of International Air navigation services the AIM section and the Authority maintained the focus 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 AIXM Database shall be integrated with the electronic AIP (eAIP), electronic Charts, electronic Terrain and Obstacle Database (eTOD), Aerodrome Mapping, Instrument Flight Procedure Design System, Briefing/Digital NOTAM System, ATM Top Sky Solution and shall allow future expansion to System Wide Information Management (SWIM).

During the year, Design of AIM System Technical specifications by TCAA experts was done and submitted to ICAO TCB (Project Consultant) on 27 July 2022 for review and finalization. The final document of specifications was approved by the Director General on 15 September 2022 for tender processes.

The tender for designing, Supply, Installation, Testing, Integration and Commissioning of an AIM System was published through TANePS. Pre-tender and site visits for the project were conducted from in March 2023 at JNIA, AAKIA-Zanzibar, KIA, Arusha, Songwe and Dodoma stations.

#### b) Electronic Terrain and Obstacle data (e-TOD)

The Tanzania Civil Aviation (AIS) Regulation 2017 requires the AIS provider to ensure availability of e-TOD related to all obstacles around aerodromes which are being categorized as international

and domestic to facilitate safe and smooth operation of aircrafts. The e-TOD is used in a variety of critical aviation applications, they provide accurate position information and to ensure that the aircraft remains on course and generate terrain and obstacle alerts, which are displayed on the aircraft's navigation display. It is essential that the data be accurate, up-to-date, and easily accessible to pilots, air traffic controllers, and other aviation professionals.

To make sure e-TOD is available in Tanzania, the TCAA called for 'Tender No. AE/028/2021-2022/HQ/CS/02 for Provision of Consultancy Services for Survey on Electronic Terrain and Obstacle Data (e-TOD) in Area 2 and Area 3 at Julius Nyerere International Airport (JNIA), in which LandTek Limited from Tanzania in joint venture with SLC Geomatic Solutions Ltd from United Kingdom was awarded the contract.

#### **2.10.4 Safety Management**

The section is responsible for safety management of air navigation services operations. Its primary role is to ensure that risks associated with ANS operations are identified and managed in order to enhance safety levels. During this year the following activities were conducted:

##### **a) Safety assessment**

Safety assessment was conducted during introduction of new operational procedures and equipment or facilities to ensure that the change is managed effectively without contributing to aircraft incidents or accidents.

Safety assessment was conducted on the proposed introduction of Remote Piloted Aircraft Systems (RPAS) or drones' procedures in controlled airspace, Area Navigation (RNAV) procedures in class G A and RNAV procedure at Bukoba and Pemba Also, safety assessment was conducted on the implementation of VHF project.

##### **b) Safety training and education**

SMS sensitization seminar was conducted to SMS Station Coordinators from selected aerodromes, namely, Kigoma, Tabora, Pemba, Tanga, Mtwara, Songea, Iringa, Dodoma and Songwe to equip them with the knowledge to effectively manage SMS at their respective stations.

Twelve ANS staff attend Basic SMS Course at CATC, and one staff attended ICAO Safety Management for practitioners' course.

##### **c) Safety audits and inspections**

Safety audits and inspections were conducted at 14 manned aerodromes namely Kigoma, Tabora, Mwanza, Arusha, KIA, AAIA, JNIA, Pemba, Tanga, Songwe, Iringa, Dodoma, Songea and Mtwara aerodromes to assess compliance with safety standards and identification of areas for improvement.

##### **d) ATS incidents investigations**

The section continued to investigate and analyses incidents that has been reported to occur in the Dar es Salaam Flight information region to identify root causes and implement corrective actions.

#### **2.11 DIRECTORATE OF CORPORATE SERVICES**

The Directorate is responsible for organizational support services in Human Resource Management, Finance, Estate Management, and General Administrative Services. It enhances teamwork

among Directorates and Units. It ensures there are sufficient and efficient human and non-human resources to match with the Authority needs. Its sections are Finance, Human Resources and Administration, and Estate Management.

**a) Human Resources and Administration**

This unit is responsible for the management of human resources. During the year the following activities were conducted:

- i) A total of 207 Employees were provided with Awareness seminar at the Stations of HQ, JNIA, CATC, Zanzibar, Dodoma, Mwanza and KIA stations.
- ii) Employees who have been identified living with HIV/AIDS infections have been provided with support on monthly basis.
- iii) Employees were provided with Sensitization seminars to HQ staff on Corruption issues.
- iv) The Authority has been able to facilitate the provision of training, seminar, and workshops to 345 employees.
- v) A total of 18 employees were recruited during the year to address headcount deficit of aviation experts in various directorates and units.
- vi) Maintained employee relations at workplace, and during the period under review all employees were facilitated with meal, transport, and house and telephone allowances on monthly basis.
- vii) The Authority was able to conduct staff satisfaction survey to determine employee's satisfaction level.
- viii) Employees were facilitated to attend May Day celebrations which was nationally conducted in Morogoro. The participation included employees joining others under the Ministry of Works and Transport to form a Sport Team representing the Ministry.
- ix) TUGHE branch of TCAA was facilitated to conduct their Annual general meeting but also their leaders were able to attend a seminar on labor laws.
- x) Workers Council was able to be conducted twice in the period under review, were employees participated in airing out their views on how to achieve the set goals and targets.
- xi) The Authority was also able to conduct a farewell party to 14 retired staff.
- xii) Developed various Human Resource and Administration Policies and Procedures as follows:
  1. Staff Rules, 2022 was developed and approved by Permanent Secretary Public Service Management and Good Governance through letter with Reference No CB.228/257/01/R/26 dated 6 July 2022 to be affective from 1 August 2022.
  2. Staff Learning and Development Guidelines.
  3. Staff Recruitment and Selection Guidelines.
  4. Onboarding and Induction Guidelines.
  5. Succession Plan Guidelines and Tools.

6. Workload Analysis Manual.
7. Culture Change Programs Guideline; and
8. Human Resource Plan was developed and submitted to Presidents Office Public Service Management and Good Governance for its review and approval.

#### **b) Accounts and Finance Section**

The financial matters of the Authority are governed by the Public Finance Act, Cap 348 and international financial best practices. The Authority's Annual Plan and Budget are prepared in accordance with the Five Years Strategic Plan (FYSP) of 2022/23– 2025/26 of the Authority and is based on Medium Term Expenditure Framework (MTEF). The Finance and Accounts Section is responsible for ensuring the efficient financial management and financial controls necessary to support all Authority's operations. It prepares and issues Authority's financial statements, prepares and evaluates monthly management accounts to ensure compliance with applicable statutes, regulations, and international public sector accounting standards. It develops and maintains effective systems of internal and financial control, provides sound advice on the financial implications of the Authority's decisions, prepares timely cash planning and forecasting, develops financial, accounting policies and procedures. Additionally, the Section is responsible for treasury and cash management.

#### **c) Estate Management Section**

This section is responsible for Estate Management for the Authority. During the year under review, the Estate Management Section performed the following activities:

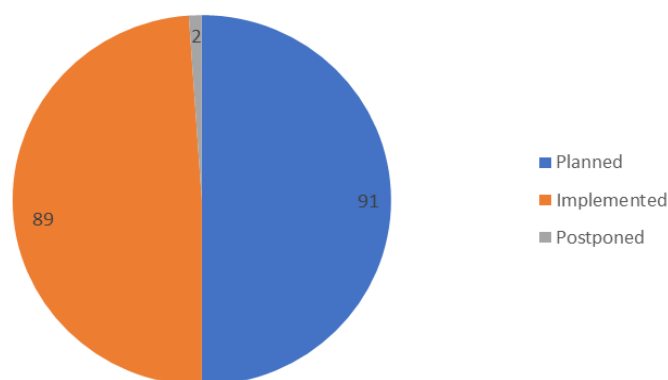
- i) Facilitated acquisition of various plots for the development of different infrastructures for the Authority at Medeli and Msalato in Dodoma.
- ii) Facilitated preparation of the feasibility study, preparation of detailed engineering design, drawings and cost estimates for development of Civil Aviation training Centre (CATC).
- iii) Implemented the project for replacement of false floor and windowpanes for air traffic control (ATC) tower at KIA Station.
- iv) Facilitated maintenance of building infrastructures such as improvement of electrical systems at Dodoma, Tabora, Pemba and Zanzibar Stations, Maintenance of lift at Aviation House and JNIA. Improvement of clean and waste-water systems at Aviation House.
- v) Implemented minor rehabilitations of office buildings at Dodoma, CATC – T1, Tabora ATC Tower and Arusha ATC Tower.
- vi) Facilitated preparation of specification requirements, drawings and bill of quantities for different projects such as replacement of false floor tiles at KIA and JNIA, Supply and Installation of air conditioners at JNIA ATC Tower, Replacement of window panels at KIA ATC Tower and supply/ installation of lift at AAKIAATC tower Zanzibar station.

### **2.12 PLANNING, MONITORING AND EVALUATION UNIT**

The unit is responsible for organizational support services to coordinate the planning of strategic activities, and to link the Authority with parent Ministry and stakeholders, advise the Director General on all matters related to corporate planning, develop and coordinate TCAA Strategic

Plan and ensure its effective implementation, liaise with Government Ministries and Departments, Treasury Registrar and other stakeholders on all issues concerning Planning, Budgeting, Reporting and Information sharing and prepare performance and various reports and coordinate their dissemination

### 2.13 PROCUREMENT MANAGEMENT UNIT



Procurement functions were undertaken in accordance with Public Procurement Act, Cap 410 [R. E 2022] and its regulations of 2013 as amended in 2016. The functions include capacity building of Procurement Management Unit (PMU) staff and Tender Board members by facilitating training on Public Procurement laws, preparation of Annual Procurement Plan, conducting tendering processes, coordination of contract management and facilitation of functions of the Tender Board.

During the year, the Authority planned to initiate procurement process for 91 tenders worth TZS 26.5 billion. As of 30 June 2023, 89 tenders reached at stage of contract award worth TZS 26.1 billion which is equivalent to 97.8% in terms of number of tenders and 98.6% in terms of value. Two tenders worth TZS 350 million were postponed which is equivalent to 1.19% in terms of number of tenders and 1.32% in terms of value. The analysis of the procurement implementation under the year under review is presented by the Figure 2 below.

#### Figure 2: Procurement implementation analysis

Among the 89 tenders implemented 18 tenderers worth TZS 17.6 billion were development projects while 71 tenderers worth TZS 8.8 billion were under recurrent budget. TCAA engaged both foreign and local suppliers for the tenders during the year.

**Table 30: Procurement implementation**

S/N	Description of the procurement Project	Name of the Supplier/Contractor/Service Provider	Country
1.	Designing, Supply, Installation, Testing, Integration, and Commissioning of an Aeronautical Information Management System	M/s Indra Avitec	Germany
2.	Designing, Supply, Installation, Testing, Integration, Training, Testing, Commissioning and Technical Support of Digital Automatic Terminal Information Service (D-ATIS)	M/s IntelcanTechnosystems Inc	Canada

3.	Provision of GeOTITAN Maintenance Service for TCAA.	M/sCGXAero	France
4.	Supply and Installation of D-ATIS for KIA and Arusha Airport for TCAA.	M/s Intelcan Technosystems Inc	Canada
5.	Supply of six Motor Vehicles	Government Procurement Services Agency	Tanzania
6.	Supply of Office Furniture and Appliances	M/s Jaffery Ind. Saini Limited	Tanzania
7.	Provision of consultancy services on survey for electronic terrain and obstacle data area 2 and area 3 at JNIA.	M/s LandTekLimitedJV with SLC Geomatic Solution- UK	Tanzania/UK
8.	Supply and Installation of Air Conditioners (HQ, KIA and CATC)	M/s M & S Limited	Tanzania
9.	Supply, installation, testing and installation commissioning of new tower elevator at Abeid Amani Karume International Airport (AAKIA)	M/s VISAM Co. Ltd	Tanzania
10.	Rehabilitation of Chang'ombe central workshop and stores	M/s Best One Limited	Tanzania
11.	Rehabilitation of Registry office (Current, Semi-Current and Confidential) at Aviation House	M/s Caliber First Group Ltd	Tanzania
12.	Replacement of false floor tiles at Julius Nyerere International Airport and Kilimanjaro International Airport	M/s Best One Limited	Tanzania
13.	Replacement of windowpanes for Control Tower at Kilimanjaro International Airport (KIA)	M/s Dar es Salaam Glass Works Limited	Tanzania
14.	Construction of optic fiber at Mtwara, Tanga, Mwanza, Songwe, KIA, AAKIA and JNIA	M/s Tanzania Telecommunication Corporation Limited	Tanzania
15.	Construction of shelters for VHF radio communication systems for TCAA	M/s Nelcotech Engineering Limited	Tanzania

### Procurement challenges

During the year under review the following were key challenges encountered.

- i) Procurement system (TANePS) breakdown which caused delays in tendering process,
- ii) Technological changes on ICT equipment and communication systems which resulted in market price increase leading to budget deficit.
- iii) Loss in exchange rates when dealing with foreign companies.

### 2.14 ICT AND STATISTICS UNIT

This Unit is responsible for handling all ICT and statistical matters of the Authority. It supports the Authority's functions to achieve its corporate objectives. 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 and maintaining an appropriate and secured ICT infrastructure and application systems in order to enhance information management.

During the year, the following has been achieved in the area of Network infrastructure, hardware acquisition, application systems and ICT Governance.

#### a) Network Infrastructure

- i) The Authority has upgraded internet link to all of its stations from 4 Mbps to 100 Mbps.
- ii) Upgraded data link from 512 Kbps to 1 Mbps to all stations: this greatly improved traffic flows and performance of CASIP, ERMS and e-Office in staff daily activities.
- iii) Established new connection to National Internet Data Centre (NIDC) using IP MPLS to replace slow and intermittent IP Sec connection. This has improved communication between systems hosted there that needs to share data with systems available inhouse
- iv) Network security has been enhanced by continue monitoring of configured SOPHOS firewall system that filters traffic and enables securely remote connectivity for authorized staff to access and work on Authority systems from outside office premises.

#### b) Application Systems

It is a strategic target that all business processes for the Authority be automated. Table 31 summarizes what has been achieved in 2022/23:

**Table 31: ICT Projects**

No	Application System	Description
1	Remote Piloted Aircraft Permit Management System	The system allows Authority to properly control importation and exportation of drones in Tanzania as well as to provide proper coordination and communication with other state Authorities for approval of registration and operation of drones in the United Republic of Tanzania.
2	AVSEC Personnel records management system	The system manages AVSEC Personnel register, Operator Auditing planning and follow-ups, Operator security inspection, security testing and security program approval. System also generates useful reports for Audit follow-ups and management of operator's security training programme.
3	e-GA Enterprise Resources Management Suite (ERMS)	The Authority has effectively continued to manage and monitor performance of ERMS
4	e-GA eoffice System	Authority has effectively continued to manage and monitor performance of e-Office system and all the modules to handle all incoming mails, internal memo and other received documents as well as routing of files to different action offices for comments and approvals has been going smoothly
5	Enhancement of Online Permit Management System	The system enables Flight Operators and Agents to request, pay and print approved permits (Landing and Over flight) online. The upgrade has allowed application and approval of diplomatic permit and charging of Air Navigation for the landing Aircraft.

### 2.15 CIVIL AVIATION TRAINING CENTRE

Civil Aviation Training Centre (CATC) is the training arm of the Tanzania Civil Aviation Authority (TCAA) established on 10 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. The main objective of CATC is to provide quality and cost-effective Aviation training to meet the current and future needs of the aviation industry in Tanzania and elsewhere.

### **a) Customer Base**

The Centre has the main customer base as follows: -

- i) 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 public.
- ii) Customers from outside the country are from Uganda, Botswana, Swaziland, Liberia, Ghana, Nigeria, Rwanda, Burundi, Somalia, Zambia, Namibia, Sierra Leone, Guinea Conakry, Kenya, Southern Sudan and South Africa.

### **b) CATC Accreditations and Certifications**

- i) ICAO Aviation Security Training Centre (ASTC-Dar es Salaam) among 9 ICAO certified training institutions in Africa and 35 institutions Worldwide.
- ii) ICAO Train air Plus full member-Gold
- iii) ISO 9001: 2015 certified.
- iv) Full Accredited by the National Accreditation Council of Technical Education
- v) Full Accredited by the National Council for Technical and Vocational Education and Training (NACTVET),
- vi) Approved Training Organization (ATO) by Tanzania Civil Aviation Authority (TCAA) based on ICAO 5 phases

### **c) Activities accomplished in financial year 2022/23**

- i) Supervision development of CATC feasibility study,
- ii) 92 courses were conducted with 1,926 participants of which 1,705 were Locals and 221 were foreigners.
- iii) Writing CATC proposal and submission to relevant Authorities,
- iv) development of two 2 new courses (Advanced Cargo operations and Basic Cargo Management),
- v) Two Memorandum of Understanding (MoU) regarding training of aviation experts were signed by CATC with Guinea Conakry and Rwanda,
- vi) Five (5) CATC Instructor were certified as ICAO instructors making a total of nine ICAO certified instructors in Tanzania,
- vii) 39 Instructors completed ICAO course and qualified for delivery of on-line training.

## **2.16 QUALITY ASSURANCE UNIT**

The Unit is responsible for ensuring that the Authority achieves and adheres to quality management system under ISO-9001:2015 standard/other quality management system and the coordination of all functions related to Risk Management. During the year the following audits were conducted:

### **a) Quality Management System**

The Authority continues to ensure 2021/22 - 2025/26 Strategic Plan is implemented while minimizing all factors that could affect the implementation of the objectives and quality service delivery. Implementation continues to instil confidence of the services provided to customers by building up the effective quality, risk and business continuity management systems. The mentioned management systems affect every aspect of the organization by ensuring different processes are efficient and effective to ensure customer satisfaction, reduction of impact on the ability of the Authority to achieve its objectives and resilience of the Authority to continue providing services during disruptive incidents for effective operation.

To ensure the compliance of the ISO 9001:2015, the Authority is being assessed annually in the following scope: -

- i) TCAA Regulatory (Safety Regulation, Economic Regulation & Corporate Services).
- ii) Provision of Air Navigation Services within Dar-es-salaam Flight Information Region (FIR) which includes Air Traffic Management (ATM), Communication Navigation Surveillance (CNS) & Aeronautical Information Management (AIM).
- iii) 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.

**Table 32: Quality Management System Audits ISO 9001:2015 (Internal)**

SN	Audit Scope	Planned Audits	Actual Audits
1	Safety regulation, Economic regulation & Corporate services.	2	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)	2	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.	2	2
<b>Total</b>		<b>6</b>	<b>6</b>

The Authority is in recertification cycle whereby full assessments will be carried out by our registrar ACM Limited from United Kingdom to ensure the compliance to ISO 9001:2015 to all scopes from October 2023.

In order to ensure quality services are improved, the Authority has developed the automated Customer Complaint and Customer Satisfaction Handling Systems to improve collection feedbacks from customer through Authority website.

## **b) Risk Management: Risk Treatment Quarterly Implementation Status Report**

### **i) Introduction**

The 2022/23 risk register was developed in November 2021 as the continuation of the adoption of risk management practices in the Authority. After the risk assessment exercise total of 79 risks were identified which consisted of 348 mitigations. During the budget session, the register was used as an input and all mitigations were allocated with resources with the aim of minimizing the likelihood or impact of the risks to the Authority objectives. After completion of the financial year, management has analyzed the performance of the register before commencing the implementation of the new register.

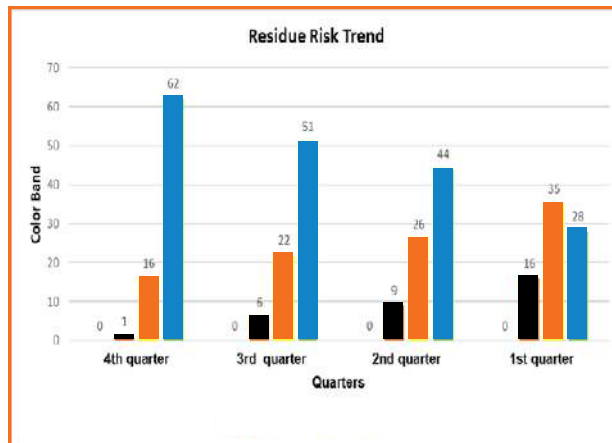
### **ii) Summary of risk implementation**

During the end of the fourth quarter, the residual risks remain as follows; 0 Red, 1 Brown, 16 Yellow and 62 Green compared to the third quarter as follows; 0 Red, 6 Brown, 22 Yellow and 51 Green as per table 33.

**Table 33: Residual risk assessment**

Colour	Residual Risk at the end of 4 <sup>th</sup> quarter	Residual Risk at the end of 3 <sup>rd</sup> quarter	Residual Risk at the end of 2 <sup>nd</sup> quarter	Residual Risk at the end of 1 <sup>st</sup> quarter	Inherent Risk at the beginning of 1 <sup>st</sup> quarter
Red	-	-	-	-	1(1.26%)
Brown	1(0.013)	6 (7.5%)	9(11.39%)	16 (20.25%)	26 (32.9)
Yellow	16(20.3)	22 (27.8%)	26(32.91%)	35 (44.3%)	52 (65.8)
Green	62(78.4)	51 (64.6%)	44 (55.69%)	28 (35.44%)	0 (0%)
<b>Total</b>	<b>79</b>	<b>79</b>	<b>79</b>	<b>79</b>	<b>79</b>

**Figure 3: Risk Ranks Trend Analysis**



## 2.17 LEGAL SERVICES UNIT

The unit is responsible for legal advisory and secretariat to the Board of Directors. It keeps custody of all the Authority's legal and statutory documents. During the year the following activities were performed:

- a) Review of three Regulations to address new ICAO Standards and recommended practices. These are:
  - i) The Civil Aviation (Meteorological Service for International Air Navigation) (Amendments) Regulations, 2023, GN. No. 352.
  - ii) The Civil Aviation (Aeronautical Radio Frequency Spectrum Utilization) (Amendments) Regulations, 2023, GN. No. 353.
  - iii) The Civil Aviation (Personnel Licensing) (Amendments) Regulations, 2023, GN. No. 354.
  - iv) The Civil Aviation (Security) (Amendments) Regulations, 2023, GN. No. 355.
  - v) The Civil Aviation (Approved Training Organization) (Amendments) Regulations, 2023, GN. No. 356;
  - vi) The Civil Aviation (Remotely Piloted Aircraft Systems) (Amendments) Regulations, 2023; GN. No. 365;
  - vii) The Civil Aviation (Air Operator Certification & Administration) (Amendments) Regulations, 2023, GN. No. 366;
  - viii) The Civil Aviation (Aircraft Registration and Marking) (Amendments) Regulations, 2023, GN. No. 367;
  - ix) The Civil Aviation (Airworthiness) (Amendments) Regulations, 2023 GN. 368;
  - x) The Civil Aviation (Construction of Visual and Instrument Flight Procedures) (Amendments) Regulations, 2023, GN. No. 369;
  - xi) The Civil Aviation (Rules of the Air) (Amendments) Regulations, 2023 GN. 370;
  - xii) The Civil Aviation (Surveillance & Collision Avoidance Systems) (Amendments) Regulations, 2023; GN. No. 371;

- xiii) The Civil Aviation (Approved Maintenance Organization) (Amendments) Regulations, 2023, GN. No. 372;
- xiv) The Civil Aviation (Radio Navigation Aids) (Amendments) Regulations, 2023, GN. No. 373; and
- xv) The Civil Aviation (Communication Procedures) (Amendments) Regulations, 2023, GN. No. 374.

b) Handling the following cases in collaboration with the Office of Solicitor General

- i) Case No. 89/2022 Martinair Holland N.V & KLM vs TCAA, TAA & AG
- ii) Case No. 63/2022 Transworld Aviation vs Board of Directors TCAA, TCAA & AG
- iii) Case No. 226/2022 Captain Agustino Shio vs TCAA, Director General TCAA, Captain Lulu Malima & AG
- iv) Case No. 1/2023 Transworld Aviation Ltd vs TCAA, AG
- v) Case No. 13/2023 ChilalaMafuru vs TCAA
- vi) Case No. 76/2023 Martinair Holland N.V. & KLM vs TCAA, TCAA & AG

c) Review of Cabinet Papers for the following:

- i) African Civil Aviation Commission Constitution, 2009
- ii) Aeronautical and Maritime Search and Rescue Bill

## 2.18 INTERNAL AUDIT UNIT

The Authority has established an Internal Monitoring System in line with relevant public sector legislation and procedures. The Internal Audit Function reports functionally to the Audit, Risk and ICT Committee, and administratively to the Director General. During the year under review the unit achieved its strategic objectives based on key performance indicators and approved by Audit committee of the Board. The achievement was recorded while observing Code of Ethics Conduct, standards, and definition of Internal Audit functions.

The Internal Audit unit carried out its functions that entail assuring risk management, control, and governance processes in line with the Internal Audit Charter, Annual Audit Plan, Internal audit guide for public sector and International Standards for Professional Practices of Internal Auditing (IPPF). The Internal Audit unit continued to provide assurance and consulting services to the Board and Management on the effectiveness of risk management, control and governance processes.

## 2.19 PUBLIC RELATIONS AND COMMUNICATIONS UNIT

The Public Relations and Communication Unit holds the pivotal role of managing both internal and external corporate communications, orchestrating social events, and upholding the Authority's public image. This unit serves as a vital bridge connecting the Authority, the media, and the broader public.

Throughout the financial year 2022/23, the Authority undertook numerous initiatives encompassing the realm of communication and public relations, which are detailed in this report.

For the Financial Year 2022/23 the Authority executed several activities related to Communication and Public Relations functions as set out below

### a) Feature Articles

In the fiscal year 2022/23, a notable surge in activity was observed, with 275 feature articles being published in local newspapers and the Authority's bi-annual magazine. This figure marks a substantial increase from the 153 articles published in the preceding financial year, 2021/22

**b) Media Coverage**

A total of 36 media events were meticulously organized, encompassing a diverse range of activities such as public hearings, women’s day celebrations, and events at the Civil Aviation Training Centre.

**c) Advertisements**

Over the course of the year, the Authority successfully rolled out 22 sets of diverse advertisements, showcasing a significant growth from the 12 batches of advertisements that had been disseminated in the fiscal year 2021/22.

**d) Participation in Domestic Exhibitions**

The Authority made its presence felt at the 46th Dar es Salaam International Trade Fair (Sabasaba) and marked a notable achievement by welcoming 2,700 visitors. This accomplishment reflects a substantial enhancement from the 2,000 visitors recorded during the 45th edition of the same exhibition in the preceding financial year, 2021/22. Additionally, the Unit played a pivotal role in the distribution of educational and informational materials related to the TCAA, making them accessible to both the government and the general public.

**e) Documentary Production**

A documentary endeavor undertaken by the Authority showcased its various stations. This documentary was subsequently broadcasted on TBC ONE station under the program titled “Kishindo Cha AwamuYa Sita.”

**f) Political and Charitable donations**

The Authority demonstrated its commitment to community social needs through political and charitable donations during the period ending on June 30 2023, as detailed in part 15 political and charitable donations of this report.

**g) Sensitization Program**

During the fiscal year 2022/23, a sensitization and marketing campaign for the Civil Aviation Training Centre (CATC) reached over 6,000 students and teachers from Government schools in Tanga and Pemba. The program targeted form 4 and 6 students. Participating schools included Mkwakwani, Galanos, and Technical Secondary in Tanga.

**2.20 OBJECTIVES AND STRATEGIES**

The Authority implements the following key objectives as per Strategic Plan 2022/23– 2025/26 as described under Table 34 below:

**Table 34: Objectives Implementation**

No.	Objectives	Strategies		
		Short-Term Strategies To be achieved by 30 June 2024	Medium-Term Strategies To be achieved by 30 June 2025	Long-Term Strategies To be achieved by 30 June 2026
A.	To improve health services and minimizing HIV/AIDS infections.	To provide sensitization on voluntary counselling and testing of HIV/AIDS. To continue providing care and support to staff living with HIV/AIDS. To continue providing care and support to staff living with HIV/AIDS.	To review HIV/AIDS policy	To provide sensitization on voluntary counselling and testing of HIV/AIDS. To continue providing care and support to staff living with HIV/AIDS
B.	Effective implementation of national anti-corruption strategy enhanced and sustained.	To promote transparency on TCAA services. To promote ethical behavior in TCAA.	To strengthen leadership, governance, internal control and risk management.	Enhance anticorruption awareness campaign to customers and employees To strengthen leadership, governance, internal control and risk management

C.	Safe and secure civil aviation system and environmental protection enhanced.	To enhance safety, security and facilitation.	To minimize the adverse environmental effects of civil aviation activities	
D.	Orderly development of air transport sub-sector sustained.	To advise the government on air transport policies. and the general public.	To promote competition and economic efficiency. To protect the interest of consumers, efficient suppliers, Investors	To enhance synergy between aviation and other related sectors of economy To enhance facilitation of air transport services
E.	Enhancement of capacity and efficiency of air navigation services.	Enhancing safety to prevent aircraft collision and reduce accidents and incidents To Ensure the efficient provision of air navigation services	Enhancing safety to prevent aircraft collision and reduce accidents and incidents	Enhancing safety to prevent aircraft collision and reduce accidents and incidents
F.	Strengthening of human resource and organisational capacity and operational efficiency.	Improving the working environment. Strengthening of the financial sustainability. Building human Resources capacity	Strengthening leadership, governance, internal control and risk management Strengthening the Authority's management systems and procedures. The reinforcement of legal and regulatory framework	Enhancing business processes and improving the working environment.

### 2.20.1 Key Achievements

Key achievements experienced by the Authority during the year and future strategies are as follows:

- a) Enforced compliance to International Civil Aviation Organization Standards (ICAO SARPs) by the aviation sector stakeholders.
- b) Reviewed various regulatory tools and developed other new regulatory tools such as Aerodromes, Security and Remotely Piloted Systems regulations;
- c) Launched and commenced implementation of a project on enhancement of Civil Aviation Safety Oversight;
- d) Commenced implementation of a project on VHF Area Cover for enhancement of radio communication between pilots and air traffic controllers;
- e) Completed feasibility study for construction of state of art Civil Aviation Training Centre;
- f) Enhanced Civil Aviation Training Centre through provision of staff capacity building, equipment and conducive working environment;
- g) Effective management of Authority resources coupled with sound financial and administrative services;
- h) Managed to monitor, evaluate and inspect planned activities;
- i) Strengthened capacity building for Authority staff for improvement staff performance;
- j) Maintained collaboration with other Government institutions (Tanzania Food & Drug Authority (TFDA), Tanzania Airports Authority (TAA), National Environment Management Council (NEMC), Tanzania Revenue Authority (TRA), Zanzibar Airports Authority (ZAA), Tanzania Police Force, Tanzania People's Defence Forces and others on matters that require Collaborative Decision Making (CDM).

### 2.20.2 Challenges

During the year under review, the Authority faced the following challenges:

S/N	CHALLENGE	MITIGATION
1	Inadequate compliance with the amended TCARs in safety and security oversight by the industry stakeholders due lack of safety culture	Developing and implementing programs to enhance safety and security culture and awareness among industry stakeholders
2	Shortage of financial resource that hindered timely completion of development projects	Exploring new revenue streams, alternative financial options, and enhancement of financial sustainability plan
3	Limited capacity by the Authority to attract and retain qualified human capital due to shortage of aviation experts in the labour market	The Authority continues to improve remuneration packages and training programs to attract and retain qualified human capital

4	Defaulting payments of air navigation charges by some of the public institutions and diplomatic communities	Implementation of new credit policy and automation of procedures for monitoring collections.
5	Transfer powers of the Board of Directors and Management on matters related to human resource management to the President's Office Public Service Management through Public Services Act (Chapter 298) and its adverse effect on Authority's operations	The Authority is currently engaging the TR office and PoPSM on the possibility of releasing some of the human resource Management function to the Authority (Board and Management) for a smooth implementation of TCAA strategic goals.

## 2.21 STAKEHOLDERS' RELATIONSHIP

The Authority believes that the stakeholders are reasons for existence of the Authority. Several measures have been taken to institute a responsible behavior towards members of the Authority and other stakeholders. These measures include, but not limited to, holding interactive meetings, seminars, conferences and workshops.

**Table 35: TCAA Stakeholders 'Relationship**

Stakeholders	Their Interests / Concerns	Value we create
Government Institutions	Increase of the revenue. Strong Organization. Contribution and Statutory deductions. Timely information. Effectiveness in regulation of the air transport sector.	15 % Contribution to GCF Sound policies and procedures. Compliance to statutory requirements Advising on the aviation matters.
Operators	Excellent offers. Fair enforcement of laws and regulations.	Regulatory and Air Navigation Services. Provision of laws and regulations on Civil Aviation.
Customers	Sustainable business. Transparency in procurement processes. Prompt payment of due accounts. Timely and fair Consumer protection.	Good, works and consultancy and non-Consultancy Services. Complaints handling (hearing and award),
International Regulators	Timely compliance with new standards.	Provide response on action to be taken (audit findings, New Standards etc.).
General Public	Quality services	Regulated services.
Investors	Timely and accurate information. Timely and reliable Air transport services. Transparency on services offered.	Provision of information on investment opportunities available. Provision of high-quality air transport services. Provision of information on the performance of the company. Provision of investment proposals.
Parliamentary Committees	Accurate and timely information and reports. Ensuring compliance with all relevant legal and regulatory requirements. Adhere to different National policies Implementation of Election Manifesto. Accurate and timely response to questions and answers.	Provision of reliable information and reports regarding Authority's performance. Ruling party manifesto implementation report.

## 2.22 OPERATING AND FINANCIAL REVIEW

Operating and financial review provides a comprehensive review of the Authority's performance and financial position for the year.

### a) Analysis of Financial Performance

The following is an analysis of financial performance for the year ended 30 June 2023: -

#### i) Revenue

During the year, the Authority recorded total revenue of TZS 84.44 billion as compared to TZS 62.13 billion in financial year (2021/22). The increase amounts to TZS 22.31 billion equivalent to 36%.

#### ii) Revenue from exchange transaction

During the year, the Authority recorded total revenue from exchange transactions of TZS 49.89 billion as compared to TZS 36.40 billion (2021/22) with an increase of TZS 13.50 billion which is equivalent to 37%.

#### iii) Aeronautical Revenue

A total of TZS 53.64 billion was earned during the year in comparison with TZS 41.55 billion of 2021/22 making an increase of TZS 12.09 billion which is equivalent to 29%. The increase in revenue were due to an increase of flight movements after opening airspace in all countries and Royal Tour has also contributed to increase tourists hence an increase in flights coming to Tanzania.

#### iv) Revenue from Training College (CATC)

A total of TZS 1.72 billion was collected during the year in comparison with TZS 1.09 billion of 2021/22 making an increase of TZS 0.63 billion which is equivalent to 58%. Some of the reasons for the increase in revenue were;

1. More students because of MOU with Rwanda, Guinea, Somalia, Uganda and Roberts FAR
2. New courses developed such as RPAS (Drones courses)
3. Competent instructors
4. Efforts in Marketing and promotion
5. Compliance (more people were enforced to comply with regulations by studying various courses)

#### v) Safety Regulation Costs Recovery

A total of TZS 1.38 billion was earned during the year in comparison with TZS 0.63 billion of 2021/22 making an increase of TZS 0.74 billion which is equivalent to 117% reasons being:

1. An increase of inspections done by the Authority which was possible when operators resumed operations after Covid 19.
2. An increase of personnel licenses due to more application requests from training organizations and aviation crew in general.

#### vi) Revenue from non-Exchange transactions

A non-exchange transaction is one in which one party receives something of value without directly giving value in exchange.

The Authority recognizes revenues from embarking passenger's safety fees, fines and penalties, and Economic and 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 Authority and the fair value of the asset can be measured reliably.

#### **vii) Safety regulation fees**

A total of TZS 2.33 billion was earned during the year in comparison with TZS 1.98 billion of 2021/22 making an increase of TZS 0.35 billion which is equivalent to 17.5%. This was mainly due to an increase of revenue generated from regulatory activities which resumed after Covid-19 relief.

#### **viii) Economic regulation fees**

A total of TZS 6.82 billion was collected during the year in comparison with TZS 4.85 billion of 2022/23 making a positive variance of TZS 1.97 billion which is equivalent to 41% increase. This was mainly due to an increase of revenue generated from regulatory activities which resumed after Covid-19 relief.

#### **ix) Embarking passengers' fees**

A total of TZS 20.43 billion was collected during the year in comparison with TZS 13.47 billion of 2021/22 making a positive variance of TZS 6.96 billion which is equivalent to 51.6%. This was mainly due to an increase of the embarking passengers.

#### **x) Expenditure**

During the year, the Authority recorded total expenditure of TZS 95.77 billion as compared to TZS 65.20 billion with an increase of TZS 30.57 billion which is equivalent to 47%

The increase in expenditure is mainly caused by the following areas:

##### **• Salaries, allowances, and other staff benefits**

A total of TZS 44.70 billion was incurred during the year in comparison with TZS 26.15 billion of 2021/22 making an increase of TZS 18.55 billion which is equivalent to 71%. This was mainly due to the review of salary and incentive scheme, recruitment and promotion of internal staff which led to an increase of salaries, recruitment, transfer, and subsistence costs.

##### **• Administrative and Operational expenses**

A total of TZS 24.00 billion was incurred during the year in comparison with TZS 18.52 billion of 2021/22 making an increase of TZS 5.48 billion which is equivalent to 30%. This was mainly due to the reclassification of chart of accounts to comply with government directives (GFS codes) and reclassification of assets to operational expenses.

##### **• Contribution to Government and Other bodies**

To comply with TR directives of contributing 15% of the gross revenue to GCF. In addition, the Authority continues to contribute membership fees to various local and international organization on behalf of the government.

#### **xi) Deficit/ Surplus**

During the financial year, the Authority reported a deficit of TZS 11.33 billion (2022: deficit of TZS 3.07 billion) among others this was attributed to an increase in expenses as disclosed above.

#### **b) Analysis of Financial Position**

#### **i) Cash and Cash Equivalent**

The Authority's cash and cash equivalents as at 30 June 2023 was TZS 13.43 billion (30 June 2022: TZS 4.35 billion), which is an increase of TZS 9.08 billion, equivalent to 209 %. This increase was because of the fund reserved for letter of credit margin for VHF project worth TZS 8.60 billion.

#### **ii) Receivable and prepayment**

This refers to the outstanding amounts that the Authority is owed by its operators, staff loans and advanced to suppliers.

At the end of the year ended 30 June 2023, the total receivables and prepayments of the Authority was TZS 21.86 billion as compared to the balance of TZS 19.15 billion at the end of financial year 2021/22 which is an increase of TZS 2.71 billion.

#### **iii) Inventory**

There was an inventory of TZS 0.63 billion (30 June 2022: TZS 1.18 billion), a decrease of TZS 0.55 billion. The decrease was due to the issuance of the slow-moving inventories during the year.

#### **iv) Property and Equipment**

The property and equipment as at 30 June 2023 stood at TZS 248.74 billion (30 June 2022: TZS 258.43 billion) the decrease of TZS 9.73 was attributed to the reclassification of assets to other assets and related depreciation charges for the year, there were also a Work-In Progress for TZS 1.90 billion (30 June 2022: TZS 0.50 billion), the increase is attributed by the ongoing project of VHF area cover and ATIS projects.

#### **c) Analysis of Cash Flows**

The Authority's cash flows can be analyzed from the cashflows statement under three areas of cashflows from operating activities, cashflows from investing activities and cashflows from financing activities. It should be noted that cash flow analysis does not consider any growth in the cash flow statement because the cash flow statement always shows what happened in the past. Therefore, the Authority's cash flows analysis is summarized below:

##### **i) Cash flows from Operating Activities**

The net cash flows from operating activities of TZS 14.16 billion (30 June 2022: TZS 6.03 billion), was derived as the difference between cash receipts amounting to TZS 93.89 billion (30 June 2022: TZS 65.16 billion) and payments that were made to suppliers and Staff.

##### **ii) Cash flows from Investing Activities**

The net cash outflow flows from Investing activities of TZS 5.08 billion (30 June 2022: TZS 2.93 billion), was derived from cash capital expenditures worth TZS 3.22 billion and WIP of TZS 1.86 billion.

#### **d) Budget Performance**

The Authority prepares its budget on the accrual basis, except for estimates such as depreciation and amortization. Therefore, the budget sets out three-year spending plans of the national and provincial governments. It aims to ensure that budgets reflect Government's social and economic priorities and give substance to Government's reconstruction and development commitments.

#### **e) Future Plans**

This will be obtained after the performance review of Strategic Plan

i) Financial Sustainability Strategy

ii) Building a modern CATC, TCAA aims at enhancing and expanding CATC capability to meet the training needs of the rapidly growing aviation industry in Tanzania, Africa and elsewhere in the world.

iii) The authority has signed a contract with Jotron as for Supply, Installation, Integration, Training, Testing, Commissioning and Technical Support of Very High Frequency (VHF) Radio Communication Systems for Tanzania Civil Aviation Authority.

iv) Office reallocation to Dodoma and

v) Construction of Liaison Office in Dodoma

**f) Capital Structure**

By the provisions contained in the Civil Aviation Act (Chapter 80 of the Laws [R.E. 2020]) (the “Act”), all movable and immovable properties which immediately before the commencement of the Act was 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 structure represents financial capital and human capital;

**g) Human Capital**

The Authority is made up of professionals who are highly skilled and knowledgeable in various fields of aviation, such as air traffic control, aviation safety, aircraft maintenance, and communication navigation and surveillance, to name a few as.

**h) Financial Capital**

The Authority’s financial capital consists of Accumulated surplus, Capital fund which have been used to finance acquisition of Air Navigation equipment such as RADAR, VHF Area cover, Instrument Landing systems, Automatic Dependent Surveillance–Broadcast, Doppler Very High Frequency Omni Range, Digital Automatic Terminal Information Service, Doppler Very High Frequency Omni Range and other assets.

**i) Treasury Policies and Objectives**

The Authority has made every effort to ensure that its financial decisions are accurate as they are aligned by the relevant government guidelines. The Authority operates under issued Government circulars, legislations, guidelines, and Board of Directors directives.

In compliance with the Treasury Registrar Act Cap 370, the Authority continued to contribute its dividend to the government consolidated fund.

**j) Liquidity of the Entity**

The authority during the financial year as at 30 June 2023 has shown the ability to meet short- and long-term financial obligations and convert its assets into cash without causing significant losses. The assessment was done through analyzing the Authority’s current assets and liabilities, cash flow and working capital.

During the year, current ratio 1.1 times, Acid Test ratio 1.12 times, liquidity gap of TZS 4.40 billion which proves that the Authority was able to fund its current liabilities when occurred.

## 2.23 RESOURCES

The Authority's key strengths which assist in the performance of its functions to achieve its objectives are pegged on a well-composed Board of Directors, competent Management, human resources, deployed ICT systems and documented internal Policies and Guidelines. These strengths continuously create value to the Authority. In addition, the Authority has intellectual resources, social and relationship resources, natural resources, and other resources. These are explained below: -

### a) Financial resources

The Corporation enhances its financial sufficiency by improving management of its resources through prioritization of initiatives, implementing initiatives within the available financial resources to generate adequate revenue for timely implementation of planned activities. The Authority's Sources of finance is derived from the mandate it has been given through Sect 68 of the establishment Act "Tanzania Civil aviation Authority consists of: -

- i) fees collected by the Authority including fees payable for the grant and renewal of licenses.
- ii) charges paid in respect of air navigation services and safety oversight.
- iii) levies collected from regulated suppliers.
- iv) all the payments or property due to the Authority in respect of any matter incidental to its functions; and
- v) any grants, loans, donations, bequests, or other contributions made to the Authority.

### b) Human resources

The Authority has skilled, committed, motivated and competent employees dedicated to the provision of quality services that meet and exceed customers' expectations. Management adheres to the principles of good governance and promotes good working environment and labor relations. In addition, the Authority has continually invested on human resource development focusing on training, staff wellness, staff recognition, competitive remuneration and career growth.

By 30 June 2023, the Authority had 14 stations located at Dar es Salaam (JNIA) Kilimanjaro (KIA), Mwanza, Arusha, Songwe, Iringa, Songea, Tabora, Kigoma, Dodoma, Mtwara, Tanga, Zanzibar (AAKIA) and Pemba and a total of employees 504 (female 156, Male 348). Factors that may affect the Authority in ensuring availability of competent human resources at an approved establishment include absence of employees', the process of getting approval from the Government on staff establishment, and budgetary limitations and control processes. Nevertheless, the Authority is taking close care of its human resources to ensure they are highly motivated to continuously working with the Authority and meet future demand.

### c) Social and Relationship resources,

The Authority social and relationship resources is composed of ethical and transparent relationship with its customers, regulated service providers, suppliers, regulatory bodies, Government, and the public who are internal and external stakeholders by establishing a harmonious relationship. The Authority's creates shared value strategy relating to social development initiatives such as education and leadership development, financial inclusion, and safety facilities which are delivered to the communities in the areas of operations.

In addition, the Authority had established and maintained good working relationships with local

entities within the country and maintained international networking with relevant organs including AATO, CASSOA, ESAF, IATA, CCC, SADC, EAC, CANSO, AFCAC, SASO, ICAO, TAISOA, TATCA and IFATCA.

Factors that may affect availability, quality and affordability of social and relationship resources include Corporation's failure to participate and contribute to local and international communities' activities, non-payment of contributions and subscriptions to respective organs in this area, and low level of transparency and engagement with stakeholders. Despite these, the Authority maintains its commitments and initiatives on social and relationship resources to continuously meeting existing and future demand.

#### **d) Natural resources**

The Authority's major natural resources are airspace (movement of aircraft), land (NAVAIDs). Various initiatives have been taken by the Authority to promote environment sustainability through internal engagements and external partnerships and commitments. Factors that may affect availability, quality and affordability of natural resources include natural calamities, pandemic, terrorist, human sabotage, political interference, laxity in compliance with legislation and minimum commitments from leaders. However, the Corporation values natural resources and will continuously take necessary steps to ensure protection and availability of such resources to meet the Corporation's future demand.

#### **e) Other resources**

In the discharge of its mandate and functions, the Authority is guided by the Tanzania Civil aviation Act cap 80 and its operating regulations, staff regulations, financial regulations, Standing Orders for the Public Service, Factors that may affect availability of other resources mentioned above include length of process to come with the relevant legislation for implementation, amendment by the Parliament of the legislation applicable to the Authority, and amendment or issuance of new Regulations by the Ministry responsible for Air transport. However, the Corporation will collaborate with the key stakeholders, including the Ministry of Works and Transport, to ensure availability and timely amendments, where necessary, of legislation for implementation to address the current and future needs of aviation sector.

## **2.24 UNCERTAINTIES AND OPPORTUNITIES**

### **a) Uncertainties**

The following assumptions has been taken by the Authority during assessments of the risks, uncertainties and opportunities which will prevail during the implementation of the Authority functions:

- i) Socio- economic factors or conditions like Inflation, Interest rates, Gross Domestic Product, per capital income, economic growth rate, and terms of international trade exchange rate will continue to remains table.
- ii) Political environment will remain stable and political commitment to support the aviation industry.
- iii) Legal factor has been stable, issues like Policies, Laws and Regulations will exist the same during the implementation of Authority functions and that make regulatory environment predictable.
- iv) The Authority will be able to match with the pace of technological changes especially in CNS systems.
- v) There will be insignificance changes in resources provision like competent, skilled and motivated staff and financial as per Authority plans.

## b) Opportunities

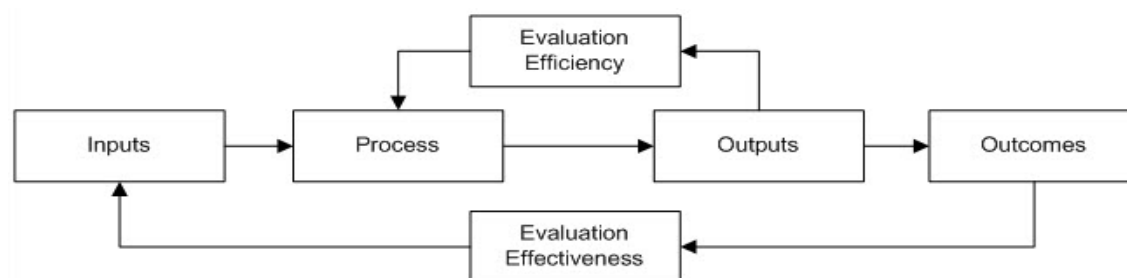
The Authority’s risk assessment process identified opportunities that would expectedly enhance the strategic plan execution as summarized below:

- i) Technological changes and ability of the Authority to embrace those technological changes especially in CNS systems. This might attract more air operators to use Tanzania airspace due to improvement of quality air navigation services that may lead to increase in revenue.
- ii) Change in economic and political policy may lead to conducive environment resulting in:
  1. increase investments, deploy new systems, more skills to staff and growth of business.
  2. increase employment opportunities and therefore increase people purchasing power that stimulate social economic movement.
  3. introduction of air transport low-cost carrier
  4. stimulate exportation of perishable goods and tourism.

## 2.25 AUTHORITY’S OPERATING MODEL

The Authority analysis on inputs, processes, outputs, and outcome has been listed in Section 4.

**Figure 4: Authority’s Operating Model**



## 2.26 KEY PERFORMANCE INDICATORS

**Table 26: Key Performance Indicators**

No.	Objectives	Key Performance Indicator (KPI)	Definition / Calculation	Purpose	Assumptions	Target Previous Year	Target Current Year	Target Future
A.	To improve health services and minimizing HIV/AIDS infections.	Number of staffs living with HIV/AIDS provided support.	Number of staffs provided support	To improve health services and minimizing HIV/AIDS infections at workplace	High level of voluntary test among staff	1	1	1
B.	Effective implementation of national anti-corruption strategy enhanced and sustained.	Percentage of customer perception on corruption to the Authority's services	Number of staffs trained	Minimizing corruption incidents at workplace	Staff understand negative impact of corruption	204	270	65%
C.	Safe and secure civil aviation system and environmental protection enhanced.	Number of Accident and Incident occurred	Total number of accident and incidents per 100,000 movements	Safe and secured air navigation services	Safety Oversight is effective	0.88	0.85	0.83
D.	Orderly development of air transport sub-sector sustained.	Number of licensed operators Number of consultations done Number of BASA signed	Percentage (%) of operating operators	To ensure that an orderly and sustainable air transport system is developed	Conducive environment for operation	100%	100%	100%
E.	Enhancement of capacity and efficiency of air navigation services.	Reduction of incident rate per aircraft movements Percentage of CNS/ATM system serviceability Percentage of accuracy and reliable information	Total number of incidents per 10,000 movements	Oversight enhances compliance and identifies preventive and corrective measures to mitigate risks in the system	Operations are efficiency and effective	1	0.5	0.25

F.	Strengthening of human resource and organisational capacity and operational efficiency.	Percentages (%) of resources provision	Percentages (%) of resources provided	To ensure resources are provided in order to achieve Authority's objectives	Human capital and financial sustainability	100%	100%	100%
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**NOTE:**

- a) The expected outcome, implementation status, budget, and actual amount for the year for the KPIs are explained in note 4, Service Performance Information.
- b) Financial statements information has not been adjusted for inclusion in the operating and financial review.
- c) There have been no changes to KPIs, and the calculation method used compared to previous financial years, including significant changes in the underlying accounting policies adopted in the financial statements.

**2.27 CORPORATE GOVERNANCE MATTERS**

**a) Corporate Governance Statement**

The Authority is committed to the principles of good corporate governance. The Board recognizes the importance of integrity, transparency, and accountability. In addition, the Board has an overall responsibility for ensuring that the performance and management of the functions and affairs of the Authority are carried out in an efficient, transparent, and ethical manner. Furthermore, the Board is also responsible for:

- i) setting the Authority's strategic objectives and Value,
- ii) reviewing management performance standards,
- iii) ensuring that the necessary resources are in place for the Authority to meet its objectives, providing public education on the functions and obligations of the Authority,
- iv) determining and setting priorities of the general performance and targets of the Authority,
- v) ensuring that measures for the development of civil aviation are in place and implementable, considering and advising the Minister on the development and maintenance of civil aviation policy framework and such other matters affecting civil aviation as it considers desirable in the interest of civil aviation in the United Republic,
- vi) performing such other functions not inconsistent with this Act as the Minister may direct.

Therefore, during the year under review, the Authority complied with all aspects of good corporate governance principles which include Board operations and control; rights of the Government and general public; stakeholder relations; ethics and social responsibility; accountability, risk management and internal control; and transparency and disclosure.

**b) Code of Conduct**

The Authority's Code of Conduct binds both Members of the Board of Directors and Staff, it explicitly requires that the Authority to have zero tolerance to fraud and corruption. The Authority has the Code of Ethics and Conduct, Ethics Committee and it provide awareness to staff on ethical conduct matters. In circumstances of breach of conduct respective persons are subjected to disciplinary processes as per the Public Service disciplinary procedures.

**c) Directors Interests**

During the year 2022/23, no conflict of interest existed between the Directors and the Authority. The details on related party transactions are disclosed in note 28 of these financial statements.

**d) 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.

**e) Membership of those charged with governance:**

The Board of Directors, which consists of the Chairman and six other members, is established under Section 32 of the Civil Aviation Act, Cap 80. The Chairman and Vice Chairman are 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.

Board Members are appointed by the Minister responsible for aviation following lists of short-listed candidates submitted by Nomination Committee. In order to maintain impartiality of the Authority and for the purpose of avoiding conflict of interest, a person shall not be qualified for appointment as a member of the Authority if owing to the nature of the office he holds is likely to exert influence on the Authority.

While the Board Chairman was appointed on 29 September 2019 and the Vice Chairman was appointed on 4 August 2021.

The Director General is also a Member of the Board, and the Board has appointed the Secretary of the Board as required by the Act. Table 37 below shows the Board Members who served the Authority during the financial year under review. The Board of Directors of TCAA, as the highest decision-making organ of the Authority, is established under Section 32 of the Civil Aviation Act (Chapter 80 of the Laws [R.E. 2020]) (the “Act”).

The Director of Legal Services serves as Secretary to the Board. During the financial year 2022/23, Ms. Maria M. Memba who is Director of Legal Services served as Secretary to the Board. A total of nine Board Meetings were conducted during the period under review whereby four were ordinary meetings and five were extra ordinary meetings.

**Table 37: Board Members and Board Secretary for the Year 2022/23**

SN	Name	Gender	Position	Nationality	Qualification	Age	Appointment/ Resignation	Meetings
1.	Prof. Longinus K. Rutasitara	M	Chairman	Tanzania	PhD in Economics	66	26 Sept. 2019	9
2.	Ms. Mtumwa K. Ameir	F	Vice Chair	Tanzanian	LL.B., LL.M.	49	4 August 2021	9
3.	Dr. Eng. Malima M. Bundara	M	Member	Tanzanian	PhD in Engineering	72	02 Feb. 2022	9
4.	Dr.Siasa I. Mzenzi	M	Member	Tanzanian	PhD in Accounting CPA (T)	45	02 Feb. 2022	9
5.	Ms. Rukia J. Adam	F	Member	Tanzanian	MBA, ACPA (T)	66	23 July 2020	9
6.	Mr. Yussuf M. Ali	M	Member	Tanzanian	MSc. Economic & Finance	50	23 July 2020	9

7.	Mr. Hamza S. Johari	M	Member	Tanzanian	LL.B., LL.M	53	22 Feb 2016	9
8.	Ms. Maria M. Memba	F	Secretary	Tanzanian	LL.B., LL.M	47	26 January 2021	9

Source: Board Chairman and Members Curriculum Vitae, Letters of appointment and Board attendance register.

**f) Committees of those charged with governance:**

To ensure a high standard of corporate governance throughout the Authority, the Board formed three Committees in compliance with Board Charter. The formed Committees are Audit, Risk and ICT Committee; Finance and Administration Committee; Regulatory Committee

Members of the Audit, Risk and ICT Committee shall not be Members of the Finance & Administration Committee.

To avoid conflict of interest, the Chairman of the Board shall not be a Member of any of the Committees but rather has to maintain his independence as the overseer of the Board's functions. Each committee Chairman shall report on the work of the committee and the issues which it has discussed at the following Board meeting.

Members of Management, employees of the Authority, other public employees and industry experts, conversant with a matter under consideration by a committee, may be co-opted to attend meetings and assist a committee by providing pertinent information as appropriate. The composition and details of the Board Committees and number of meetings attended by the Chairman and members of the committee during the financial ended 30 June 2023 are provided hereunder:

**g) Audit, Risk and ICT Committee**

The Audit, Risk and ICT Committee was reconstituted in December 2022 following Board Evaluations where it was found that some members of the Audit Committee were also Members of the Finance and Administration Committee.

The Committee is composed of a chairman and two members, who are also the Board Members. The responsibilities of the Committee are to assist the Board in its oversight responsibility with respect to internal audit functions, internal control systems, internal and external audit reports, financial statements, risk management policy and ICT matters.

The Committee meets once quarterly with additional meetings convened as and when necessary. During the financial year ended 30 June 2023, the Committee held six meetings, of which two were ordinary and two were extra-ordinary.

The Members of Committee who served during the financial year ended 30 June 2023 are shown in Table 38 below:

**Table 38: Board's Audit, Risk and ICT Committee Members in 2022/23**

SN	Name	Gender	Position	Nationality	Qualification	Age	Appointment/ Resignation	Meetings Attendances
1.	Dr.Siasa I. Mzenzi	M	Chairman	Tanzani an	PhD in Accounting CPA (T)	45	02 Feb 2022	6
2.	Dr. Eng. Malima M. Bundara *	M	Member	Tanzani an	PhD in Engineering	72	02 Feb. 2022	3
3.	Ms. Mtumwa K. Ameir**	F	Vice Chair	Tanzani an	LL.B., LL.M.	49	4 August 2021	3
4.	Ms. Rukia J. Adam	F	Member	Tanzani an	MBA, ACPA (T)	66	23 July 2020	6

\* Dr. Eng. Malima M. Bundara was previously a member of the Audit, Risk and ICT Committee but moved to Finance and Administration Committee during the Financial year.

\*\*Ms. Mtumwa K. Ameir was appointed as a new member to the Audit, Risk and ICT Committee during the Financial year.

The Committee meetings, during the financial year under review, discussed and deliberated on the Authority's Quarterly Performance Reports.

#### **h) Finance and Administration Committee**

The Finance and Administration Committee was reconstituted in December 2022 following Board Evaluations where it was found that some members of the Audit Committee were also Members of the Finance and Administration Committee.

The Committee is composed of a chairman and two members, who are also the Board Members. The responsibilities of the Committee are to assist the Board in in fulfilling its oversight responsibilities relating to Authority's corporate governance matters.

The Committee meets once quarterly with additional meetings convened as and when necessary. During the financial year ended 30 June 2023, the Committee held six meetings, of which two were ordinary and two were extra-ordinary.

The Members of the Committee who served during the financial year ended 30 June 2023 are shown in Table 39 below:

**Table 39: Board's Finance and Administration Committee Members in 2022/23**

SN	Name	Gender	Position	Nationality	Qualification	Age	Appointment/ Resignation	Meetings Attendances
1.	Dr. Eng. Malima M. Bundara	M	Chairman	Tanzanian	PhD in Engineering	72	02 Feb. 2022	6
2.	Mr. Yussuf M. Ali	M	Member	Tanzanian	MSc. Economic & Finance	50	23 July 2020	6
3.	Ms. Rukia J. Adam	F	Member	Tanzanian	MBA, ACPA (T)	66	23 July 2020	6
4.	Mr. Hamza S. Johari	M	Member	Tanzanian	LL.B., LL.M	53	22 Feb 2016	6

The Finance and Administration Committee Members meetings, during the financial year under review, discussed and deliberated on the Authority's Quarterly Performance Reports.

#### i) Regulatory Committee

The Regulatory Committee was reconstituted in December 2022 following Board Evaluations where it was found that some members of the Audit Committee were also Members of the Finance and Administration Committee which necessitated restructuring of all Committees.

The Committee is composed of a chairman and two members, who are also the Board Members. The responsibilities of the Committee are to assist the Board in fulfilling its oversight responsibilities relating to regulation of the aviation personnel, equipment, and facilities.

The Committee meets once quarterly with additional meetings convened as and when necessary. During the financial year ended 30 June 2023, the Committee held four ordinary. The Members of Committee who served during the financial year ended 30 June 2023 are shown in Table 40 below:

**Table 40: Board's Regulatory Committee Members in 2022/23**

SN	Name	Gender	Position	Nationality	Qualification	Age	Appointment/ Resignation	Meetings Attendances
1.	Mr. Yussuf M. Ali	M	Chairman	Tanzanian	MSc. Economic & Finance	50	23 July 2020	4
2.	Dr. Siasa I. Mzenzi	M	Member	Tanzanian	PhD in Accounting CPA (T)	45	02 Feb. 2022	4
3.	Mr. Hamza S. Johari	M	Member	Tanzanian	LL.B., LL.M	53	22 Feb 2016	4

The Committee meetings, during the financial year under review, discussed and deliberated on the Authority's Quarterly Performance Reports.

#### j) Committees Meetings

During the year under review, a total of 16 Committee meetings were conducted as shown in tables 41,42, and 43.

**Table 41: Board Committees**

S/N	Board Committee	No. of Meetings
1	Audit, Risk & ICT Committee	6
2	Finance and Administration Committee	6
3	Regulatory Committee	4
	<b>Total</b>	<b>16</b>

**Table 42: Ordinary Meetings of the Board of Directors and its Committees**

Details	No. of meetings required annually	No of meetings held
Board of Directors	4	4
Audit, Risk& ICT Committee	4	4
Finance and Administration Committee	4	4
Regulatory Committee	4	4
<b>Total</b>	<b>16</b>	<b>16</b>

**Table 43: Extra Ordinary Meeting of the Board of Directors and its Committees**

Details	No. of meetings held
Board of Directors	5
Audit, Risk & ICT Committee	2
Finance and Administration Committee	2
Regulatory Committee	0
<b>Total</b>	<b>9</b>

### k) Management Committees

#### i) Ethics Committee

The committee deals with staff ethical behavior and conduct in the Authority, and it consist of Members as indicated in the Table No. 44 below:

**Table 44: Ethics Committee**

SN	Name	Position	Qualification
1.	Mr. Burhan Majaliwa	Chairperson	MBA Leadership and Governance
2.	Mr. Yusuf Mwadini	Member	MSc Finance and Investment
3.	Mr. Elineema Philemon	Member	MBA-International Business
4.	Ms. Tamika Mwakabumbila	Member	Msc - Statistics
5.	Ms. Massa Mumburi	Secretary	LLM - Corporate and Commercial law
6.	Ms. Magret Semkiwa	Member	Bsc - Education

#### ii) Quality Committee

The committee deals with quality management system issues as per certification systems with accordance with ISO Standards. Committee members are indicated in table 45 below:

**Table 45: Quality Committee**

SN	Name	Position	Qualification
1.	Mr. Magesa Sarota	Chairperson	MBA - Marketing
2.	Ms. Tumaini Mgaya	Member	MSC - Air Transport
3.	Mr. Burhan Majaliwa	Member	MBA - Leadership and Governance
4.	Ms. Thamarath Abeid	Member	BSC- Education
5.	Ms. Eufrasia Bille	Member	BSC- Business Administration

### iii) Workers' Council

The Workers Council advises 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. Workers council memberships are as indicated in table 46 below:

**Table 46: Workers Council**

SN	Name	Position
1.	Mr. Hamza S. Johari	Chairperson
2.	Mr. Mweya D. Mweya	Secretary
3.	Ms. Massa K. Mumburi	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 Tanzania Federation of Trade Unions (TFTU)	Member
10.	1 Guest from Government Workers Council	Member

### iv) Tender Board

The Tender Board's role is to advise the Director General on procurement matters. Table No 47 shows the list of Tender Board Members.

**Table 47: Tender Board**

SN	Name	Position	Qualifications
1.	Mr. Daniel N. Malanga	Chairperson	Master's in business administration
2.	Mr. Yoswam M. Nyongera	Secretary	MBA - Procurement & Logistics Management, CSP (T)
3.	Ms. Zawadi J. Maalim	Member	Masters in project management
4.	Ms. Ludovick Ndumbaro	Member	Masters in business administration
5.	Ms. Mellania M. Kasese	Member	MSC - Development Policy
6.	Ms. Valerie Chilipweli	Member	Masters in business administration
7.	Ms. Massa Mumburi	Member	LLM - Corporate and Commercial Law
8.	Mr. Aristid Kanje	Member	MBA Corporate Management & BSc. With Education

### v) Gender Desk

The objective of the desk is to ensure all gender related issues are addressed in accordance with the Authority's procedures. Desk members are indicated in table 48 below:

**Table 48: Gender Desk**

SN	Name	Position	Qualification
1.	Ms. Mellania M. Kasese	Coordinator	MSC - Development Policy
2.	Mr. Wilfred Mwaituka	Member	Advanced Certificate for Secondary Education
3.	Ms. Zawadi J. Maalim	Member	Masters in project management

**vi) HIV/AIDS Committee**

The committee's role is advising on all matters relating to HIV/AIDS as per the National HIV/AIDS policy. HIV/AIDS committee members are indicated in table 49 below:

**Table 49: HIV/AIDS Committee**

SN	Name	Position	Qualification
1.	Ms. Zawadi Maalim	Chairperson	Masters in project management
2.	Ms. Valerie Chilipweli	Secretary	MBA - Human Resource Management
3.	Ms. Lydia Kenguru	Member	BA- Records Management
4.	Mr. James Mwalla	Member	Masters of International Business
5.	Mr. Daniel Makina	Member	BA- Law Enforcement
6.	Ms. Shani Msengwa	Member	Bsc Geology

**I) Environmental matters, including the impact of the operation of the entity on the environment.**
**i) Policy:**

The Authority has a policy to protect environment by regulating all aviation activities to reduce the impact of aviation activities to the environment. This includes:

1. To reduce aircraft emission by implementing the Carbon Offsetting Reduction Scheme for International Aviation (CORSIA). Under this scheme, which is globally implemented, airline operators are required to monitor, report and verify their annual carbon dioxide (CO<sub>2</sub>) emissions in tones (tones CO<sub>2</sub>). Two airlines which are involved in reporting their emission for international flight are Air Tanzania Company Limited (ATCL) and Precision Air Services PLC.
2. To participate in providing consultation during Environmental and Social Impact Assessment (ESIA) process to various proponents hired by operators to conduct ESIA on behalf of them.
3. To participate in national and international environmental matters such as attending ICAO seminars and workshop, AFCAC, ESAF Environmental Regional Seminars, and commemoration of Environmental day each year in June,
4. Ensuring compliance to existing emission standards for aircraft operations and internationally binding environmental standards for aircrafts which are outlined in Annex 16 to the Convention on International Aviation.

**ii) Implementation of the Policy:**

In achieving this target, the Authority performed the following.

1. During the period 2022/23 a total of 38,031 tons of CO<sub>2</sub> were reported. The authority is applying measures like operational improvements, aircraft technology and encouraging operators to use alternative fuels to reach ICAO aspirational goal of zero Carbon emission by 2050.

2. During the period of 2022/23, the Authority provided consultations to National Environmental Management Council (NEMC) Eastern Zone, Zanzibar Business and Academic Consultancy (ZABACO), PaulSam Geo-Engineering Company Limited, COLBA Consulting Ltd and City Engineering Company Ltd. The Authority also conducted two site inspections at Dolly Estate, Migandini Village and Singida Gold Mine in Mang'onji Village.

## **m) Employee's welfare**

### **i) Policies:**

#### **1. Human Resource Management Policy**

The Authority has Human Resource Management Policy envisioned to put in place principles, guidance, and direction for the Authority's management of human resources and shall be regarded as the foundation upon which the general practise of human resource management is built and observed. It provides fundamentals and standards for implementation and operationalization of various human resource management initiatives. This is realized through the provision of clear highlights on the development of human resource management strategy with different mechanisms and tools for efficient management of human resource in the Authority. The policy objective is to provide high level policy direction in human resource management in the Authority. It sets out guiding principles, instruments and tools for effective and efficient management of human resources in the Authority.

#### **2. Staff Health Policy**

The Authority acknowledges that effective and efficient implementation of its strategic objectives depends on healthy workforce. The increasing workload, change of lifestyle and emerging NCD's affect health of employees and consequently compromise productivity. The Policy has been prepared for the purpose of ensuring that employees and their immediate family members can access health services and wellbeing initiatives. Specific objectives of the Policy are to ensure that employees and their family members have the opportunity to access adequate and equitable health services and wellness initiatives; promote health through preventive and curative services to Authority's staff; promote health activities within the Authority in order to encourage behavior change and ensure that employees adopts life style that guarantees good health, wellness, personal development and environmental safety thus maintaining a healthy productive workforce; protect the rights of all parties, including those infected or affected by HIV and AIDS and NCD's; provide preventive health services by promoting optimal nutrition, physical exercise and control of infectious diseases; provide guideline to staff on strategy for combating NCD's; and maintain as far as practicable a work environment that is safe and risk free to the health of the Authority's employees. The Staff Health Policy applies to all employees and their immediate family members. The policy is established to improve provisions under Part VI of the Civil Aviation (Staff) Rules, 2011. The policy complies with Occupational Safety and Health Act 2003 and the Public Service Management Guideline on HIV/AIDS and NCD's (2014) which requires public institutions to have a workplace policy on Occupational Safety and Health and HIV/AIDS and NCDs.

#### **3. Staff Loan Scheme**

The Staff Loan Scheme is part of implementation of TCAA Human Resource Management Strategy that among others it aims at putting in place mechanism for attracting and retaining competent

human resource. The Scheme therefore aims at providing affordable housing, motor vehicle and personal loans. The provision of these loans will unhook employees from the trap of unfriendly and unaffordable loans offered by commercial banks and other financial institutions and at the same time act as an incentive and mechanism for attracting and retaining competent human resource. The objectives of the Scheme are to attract and retain competent and high-quality staff through provision of financial assistance in the form of loan that enables employees to acquire assets or meet key personal needs for self and their families; to prescribe duties and responsibilities of all parties involved in the implementation of the Scheme; to describe categories, procedures, and guidelines for operationalization of the Scheme; and to outline and describe the lending criteria.

#### 4. Diversity and Inclusion Guidelines

The Authority's aims to have a diverse, inclusive, and equitable workplace: where all staff, whatever their gender, race, ethnicity/national origin, age, education, disability or religious belief feel valued and respected. TCAA respect and value diverse life experiences and heritages and are committed to promoting and providing equal opportunity in employment and avoiding discrimination at recruitment and during employment. The policy provides a framework for TCAA's approach to managing diversity at workplace and is central to the maintenance of an inclusive work environment and culture that allows all employees to contribute to achievement of Authority's strategic goals at their full potential.

#### 5. Induction and onboarding Guidelines

The Authority recognize that establishment of staff induction and onboarding guidelines is vital for provision of clear procedures for carrying out inductions of new, appointed, promoted and re-categorized staff. It is through these guidelines that staff are provided with induction on the Authority's establishment, vision, mission, core values, organization policies, technical aspects, and general understanding of business acumen. Induction and orientation programs enable new incumbents to comprehend Authority's culture and sets clear expectations with regards to required performance standards, conduct and general demeanor. The programs also reduce start-up cost, build self-confidence, ensure operational efficiency, reduces staff turnover, and abbreviates start up learning curve.

#### 6. Learning and Development Guidelines

The purpose of this Staff and Learning Guidelines is to set out procedures for planning, budgeting and implementation of learning and development programs in the Authority. The guidelines emphasize on the importance of developing a pool of well-trained human resource to spearhead implementation of Authority's strategic objectives.

#### 7. Leadership Development Guidelines

Leadership development guidelines puts mechanisms that enables employees who holds leadership positions to continuously improve the skills, abilities and leadership confidence when discharging their duties. The program involves imparting employees in leadership skills not limited to mentoring and coaching, change management, staff disciplinary management, effective delegation, influence, career counselling, negotiation, and communication skills. The purpose of these guidelines is to put in place standards and procedures which governs implementation of leadership development initiatives. The guidelines shall be read together with staff learning and development guidelines.

#### 8. Recruitment and Selection Guidelines

The Authority recognizes that presence of competent and talented human resource is vital in

realizing its strategic objectives. The Authority's ability to attract competent and talented human capital depends amongst other factors the presence of standardized procedures to guide recruitment activities. Therefore, these guidelines have been developed for the purpose of setting standards and guiding principles for recruitment and selection process within the Authority.

#### 9. Culture Change Guidelines

The Authority recognizes that an organization with structured culture tends to be more successful as compared to those with unstructured culture. It is in this spirit; the Authority is committed to ensure culture change programs become mandatory and are budgeted through its Annual Training Plan. The culture change program is an important tool for promoting and equipping staff with positive attitude, team-spirit, and high level of customer care, excellence spirit, effective communication skills and patriotism. The guidelines, therefore, provide procedures in handling culture change initiatives in the Authority. The purpose of the guidelines is to provide mechanisms for governance of culture change programs organized by the Authority. The programs shall be organized in levels depending on culture change demands to all employees of the Authority. However, with the discretion of the Director General, employees from other Institutions may be invited to attend the programs.

#### 10. Succession planning Guidelines

Succession Planning is a component of Human Resource Planning that focuses in managing risk led by planned and unplanned human resource departures that deprives the organizations key skills, continuity, performance, and it compromises Authority's ability to effectively undertake its oversight function in aviation safety, security, and in provision of air navigation services.

The Succession Planning Guidelines is established to provide guidance during the implementation and execution of successions within the Authority. The Guidelines aims not only to manage talents but also it is a staff development initiative geared to achieve a systematic approach to succession planning.

### ii) Implementation of the Policies:

#### **Human Resource Management Policy**

The Authority operates insured (health benefit) plan for employees, their spouses and up to a maximum of four dependents by the National Health Insurance Fund (NHIF). Also the Authority covers additional medical expenses for services which are not provided by NHIF. The total contributions made by the Authority to NHIF during the year was TZS 0.839 billion (30 June 2022: TZS 0.493 billion) being 3% of the employees' basic salary. A total of TZS 0.95 billion was spent to staff for medical services which are not covered by NHIF.

The Authority also provided HIV/AIDS and non-communicable diseases awareness to its staff in which a total of 192 attended the awareness session costing TZS 0.2 billion. On the other hand, the Authority organized staff Bonanza and facilitated staff attended to SHIMIWI and Mei Mosi Sports costing TZS 0.42 billion

### n) Social and Community issues

#### **Internship Policy**

The Authority accepts the young graduates to undertake practical trainings within the Authority prior to their enrolment in the labor market. This initiative by the Authority is in line with the Country's aspiration to become middle income country by 2025 and attain sustainable development goals

(Goal #8) by 2030, whereby meeting of these targets is highly dependent upon presence of highly skilled workforce.

During the year the Authority had a total of 18 interns, their acceptance depends on operational needs and availability of finance to cater for their expenses. The internship duration shall be of three months renewable act one year.

#### o) Gender parity

The Authority is an equal opportunity employer and shall refrain from discrimination any staff based on race, color, religion, gender (including pregnancy) and national of origin. The Authority however understands that its only through total commitment, loyalty and dedication of its employees will be able to achieve its performance targets.

During the year the Authority head count stood at 510 as at June 2023 in which 161 were Female, while Male were 349 making a percentage of 32 Female against 68 of Male. Human capital functions relating to recruitments, promotions and monthly best were based on merits as indicated in the table here under:

**Table 50: Gender parity**

No.	Activity	Female	Male	Percentage (F/M)
1.	New Hire	7	11	39/61
2.	Promotion	8	34	19/81
3.	Monthly Best workers	3	9	25/75

**Table 51: Staff structure**

Description	Year ended 30 June, 2023			Year ended 30 June, 2022		
	Male	Female	Total	Male	Female	Total
Management Team	3	2	5	3	2	5
Chief/Principal Officers	174	60	234	181	63	244
Senior Officers	111	66	177	111	65	176
Middle level Officers	61	33	94	55	36	91
<b>Total</b>	<b>349</b>	<b>161</b>	<b>510</b>	<b>350</b>	<b>166</b>	<b>516</b>

#### p) Other Matters

##### Anticorruption Policy

The objective of the Policy is to ensure that employees are made aware of the negative consequences of corruptions practices to the Authority and to the country while undertaking their operational roles. It also aims to prevent corruption, mitigate the risks of bribery and corruption within the Authority and ensure compliance with anti-corruption laws in the United Republic of Tanzania.

### Implementation of the Policy:

The Authority conducted sensitization seminars to staff on Corruption issues and four Ethics committee meetings facilitated during the financial year 2022/23

## 2.28 POLITICAL AND CHARITABLE DONATIONS

The Authority made a number of donations during the year ended 30 June 2023. Donations were made to institutions and charitable organizations to acknowledge TCAA's responsibility to community social needs.

Donations are part of the Authority's Corporate and Social Responsibility Policy issued during the year 2022/23 whereby Political and Charitable donations are made according to the outlined guidelines.

During the year, the Authority didn't make any Political donations however, charitable donations made were TZS 0.29 billion to support a number of social and economic development initiatives implemented throughout the country. The list of beneficiaries on corporate social responsibilities funds for the financial year 2022/23 is provided under Table 52 below:

**Table 52: Charitable Donations**

No.	Institutions	Type of Donations	Location	Amount
1	Skuli ya Shidi Msingi	Charitable	Pemba	12,600,000.00
2	Tanzania Environmental Professionals	Charitable	Dar es Salaam	2,000,000.00
3	Association of Tanzania Employers	Charitable	Dar es Salaam	5,000,000.00
4	Tanzania Records and Archives Management	Charitable	Dodoma	1,600,000.00
5	Association of Tanzania Employers	Charitable	Dar es Salaam	3,000,000.00
6	Mtwara Airport Police Station	Charitable	Mtwara	5,000,000.00

## 2.29 PERSONS WITH SPECIAL NEEDS

### Policy:

The Authority is preparing a Diversity and Inclusion Policy. The policy aims to promote inclusion and equity for individuals with disabilities by aiding, support and accommodations to enable them to fully participate in the society. The policy has been designed in alignment with TCAA health policy of 2021, addition; the policy enables accessibility of the employment rights, education, disability related benefits but doesn't only focus on physical disability but also focuses on disability mental and welfare of a disabled person at workplace.

### Implementation of the Policy:

The Authority has entered into agreement with Institute of Social Works to provide psychological session to TCAA staff. The contract became effective on 6 December 2022 with the coverage of depression, relationships, and parental issues. Also, The Authority has employed five employees with disability.

## 2.30 PREJUDICIAL ISSUES

During the year, the Authority didn't face issues which were outside the control.

### **2.31 INTERNAL CONTROLS**

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

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

The efficiency of any internal control system is dependent upon 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 to the Board reasonable assurance that the procedures in place are operating effectively. The risk mitigations which are part of the internal control system have been explained in Section 4.

### **2.32 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 as at 30 June 2023 was TZS 34.96 billion (2021/22: TZS 20.01 billion) and total assets was TZS 291.37 billion (2021/22: TZS 288.44 billion). The Authority's state of affairs as at 30 June 2023 is shown in the accompanying statement of financial position. The Board considers the Authority to be solvent on the basis of the statement of financial position as at 30 June 2023.

### **2.33 RELATED PARTY TRANSACTIONS**

Details of transactions with related parties and outstanding balances as at the reporting date are disclosed in note 28 of the financial statements. All transactions with related parties were undertaken on arm's length basis.

### **2.34 STATEMENT OF COMPLIANCE**

The Report by Those Charged with Governance is prepared in compliance with the new Tanzania Financial Reporting Standard No. 1 (TFRS 1) as issued by the National Board of Accountants and Auditors (NBAA) and became effective from 1 January 2021.

### **2.35 THE AUDITORS**

Controller and Auditor General is the statutory auditor of the Tanzanian 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, Cap 418 (R.E. 2021). However, in accordance with section 33(1) of the same act, M/s Deloitte & Touche on behalf of National Audit Office of Tanzania (NAOT) carried out the audit of the Authority for the financial year ended 30 June 2023.

Name of the Auditor is Controller and Auditor General of the United Republic of Tanzania located at 4 Barabara ya Ukaguzi, P. O. Box P 950, Tambuka reli, 41104 Dodoma.

Delegated Auditor is M/S Deloitte & Touche with PF No 025 and Taxpayer Identification Number (TIN) 100-148-692 registered with the National Board of Accountants and Auditors of Tanzania (NBAA) located at 3rd Floor, ARIS House, Plot 152, Haile Selassie Road, Oysterbay, P.O. Box 1559, Dar es Salaam.

### **2.36 APPROVAL**

The report by those charged with governance has been approved by those charged with governance and signed on its behalf by:



Prof. Longinus Kyaruzi Rutasitara  
CHAIRPERSON



Mr. Hamza Saidi Johari  
DIRECTOR GENERAL

Date: 27-03-2024

### 3. 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 Kyaruzi Rutasitara  
CHAIRPERSON



Mr. Hamza Saidi Johari  
DIRECTOR GENERAL

Date: 27-03-2024

#### 4. DECLARATION OF THE HEAD OF FINANCE

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, CPA Sospeter Nashon, being the Finance Manager of Tanzania Civil Aviation Authority hereby acknowledge my responsibility of ensuring that financial statements for the year ended 30 June 2023 have been prepared in compliance with International Public Sector Accounting Standards (IPSAS) 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.



CPA Sospeter Nashon  
FINANCE MANAGER  
NBAA Membership No: ACPA 4595

Date: 27-03-2024

## 5. FINANCIAL STATEMENTS

### TANZANIA CIVIL AVIATION AUTHORITY

#### STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

	Note	2022/23 TZS '000	2021/22 TZS '000
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	5	13,428,236	4,349,694
Receivables	6	19,825,308	19,056,112
Inventories	7	628,427	1,183,458
Prepayments	8	2,033,690	91,205
Investment in Equity shares	9	31,758	29,682
<b>Total current assets</b>		<b>35,947,419</b>	<b>24,710,151</b>
<b>Non-current assets</b>			
Property, plant and equipment	10(a)	248,737,558	258,433,422
Capital work in progress	10(b)	1,862,970	495,300
Intangible assets	11	4,824,343	4,801,316
<b>Total non-current assets</b>		<b>255,424,871</b>	<b>263,730,038</b>
<b>TOTAL ASSETS</b>		<b>291,372,290</b>	<b>288,440,189</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Payables	12	33,502,214	19,115,029
Employee benefits	13(iii)	887,642	284,188
<b>Total current liabilities</b>		<b>34,389,856</b>	<b>19,399,217</b>
<b>Non - current liabilities</b>			
Employee benefits payable	13	567,430	620,480
<b>Total non-current liabilities</b>		<b>567,430</b>	<b>620,480</b>
<b>TOTAL LIABILITIES</b>		<b>34,957,286</b>	<b>20,019,697</b>
<b>NET ASSETS</b>		<b>256,415,004</b>	<b>268,420,492</b>
<b>EQUITY</b>			
Capital fund	14	6,694,229	6,694,229
Accumulated surplus		249,720,775	261,726,263
<b>TOTAL EQUITY</b>		<b>256,415,004</b>	<b>268,420,492</b>

Notes form part of the financial statements which were approved and authorized for audit by the Board of Directors on 26September 2023 and signed on its behalf by:



Prof. Longinus Kyaruzi Rutasitara  
CHAIRPERSON



Mr. Hamza Saidi Johari  
DIRECTOR GENERAL

Date: 27-03-2024

## STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2023

	Note	2022/23 TZS'000	2021/22 TZS'000
<b>REVENUE</b>			
Revenue from exchange transactions	15	49,899,238	36,401,047
Revenue from non-exchange transactions	16	29,579,556	20,304,956
Other receipts	17	4,957,739	5,428,558
		<b>84,436,533</b>	<b>62,134,561</b>
<b>EXPENSES</b>			
Salaries, allowances, and other staff benefits	18	(44,700,029)	(26,153,721)
Administrative expenses*	19	(23,995,159)	(18,524,275)
Board expenses	20	(252,011)	(265,122)
Contribution to Government and other bodies	21	(13,375,669)	(11,107,473)
Depreciation and amortization	22	(13,446,715)	(9,151,849)
<b>Total expenses</b>		<b>(95,769,583)</b>	<b>(65,202,440)</b>
<b>Deficit for the year</b>		<b>(11,333,050)</b>	<b>(3,067,879)</b>

Notes form part of the Financial Statements

\*Comparative administrative expenses line includes Regulatory expenses, Air Navigation, CATC and Technical Audit expenses that were presented separately in the prior year financial statements.



Prof. Longinus Kyaruzi Rutasitara  
CHAIRPERSON



Mr. Hamza Saidi Johari  
DIRECTOR GENERAL


Date: 27-03-2024

## STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2023

	Capital fund TZS'000	Accumulated surplus TZS'000	Total equity TZS'000
At 1 July 2022	6,694,229	261,726,263	268,420,492
Deficit for the year	-	(11,333,050)	(11,333,050)
Adjustment provision of available for sale assets	-	(672,438)	(672,438)
At 30 June 2023	<b>6,694,229</b>	<b>249,720,775</b>	<b>256,415,004</b>
At 1 July 2021	6,694,229	253,318,783	260,013,012
Opening balance adjustment on review of assets	-	11,478,112	11,478,112
Deficit for the year	-	(3,067,879)	(3,067,879)
Adjustment provision of available for sale assets	-	(2,753)	(2,753)
At 30 June 2022	<b>6,694,229</b>	<b>261,726,263</b>	<b>268,420,492</b>

Notes form part of the Financial Statements

Notes form part of the Financial Statements



Prof. Longinus Kyaruzi Rutasitara  
CHAIRPERSON



Mr. Hamza Saidi Johari  
DIRECTOR GENERAL

Date: 27-03-2024

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2023

	Notes	2022/23 TZS '000	2021/22 TZS '000
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>			
Exchange transactions	15	55,346,808	45,543,620
Non-exchange transactions	16	27,669,817	18,703,257
Other Income	17	10,872,586	918,019
<b>Total receipts</b>		<b>93,889,211</b>	<b>65,164,896</b>
<b>Payments</b>			
Employee cost	18	44,145,140	25,473,131
Suppliers	23	13,636,146	11,997,644
Other payments	24	21,946,544	21,662,754
<b>Total payments</b>		<b>79,727,830</b>	<b>59,133,529</b>
<b>Net cash flow from operating activities</b>		<b>14,161,381</b>	<b>6,031,367</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Payment to suppliers of Infrastructure and equipment	10(c)	(5,082,839)	(2,933,967)
<b>Net cash used in investing activities</b>		<b>(5,082,839)</b>	<b>(2,933,967)</b>
Increase in cash and cash equivalent		9,078,542	3,097,400
Cash and cash equivalent at the beginning of the year		4,349,694	1,252,294
<b>Cash and cash equivalent at the end of the year</b>	5	<b>13,428,236</b>	<b>4,349,694</b>

Notes form part of the financial statements.



Prof. Longinus Kyaruzi Rutasitara  
CHAIRPERSON



Mr. Hamza Saidi Johari  
DIRECTOR GENERAL

Date: 27-03-2024

## STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2023

	Original budget (A)	Adjustments (B)	Final Budget C = (A+B)	Actual (D)	Difference Actual Vs Budget (D-C)	Note
	TZS ,000	TZS ,000	TZS ,000	TZS ,000	TZS ,000	
<b>Revenue</b>						
Revenue from exchange transactions	50,473,275	79,537	50,552,812	49,899,238	(653,574)	i
Revenue from non-exchange transactions	32,612,632	2,222,360	34,834,992	29,579,555	(5,255,437)	ii
Other income	-	-	-	4,957,738	4,957,738	iii
<b>Total revenue</b>	<b>83,085,907</b>	<b>2,301,897</b>	<b>85,387,804</b>	<b>84,436,531</b>	<b>(951,273)</b>	
<b>Expenses</b>						
Salaries, allowances & other Staff benefits	42,182,964	5,171,840	47,354,804	44,700,029	2,345,225	iv
Administrative expenses	22,110,966	1,540,210	23,651,176	23,995,159	343,983	v
Board expenses	182,828	69,183	252,011	252,011	0	vi
Contribution to Government fund and other bodies	11,169,427	(5,024,564)	6,144,863	13,375,669	2,206,242	vii
Capital expenditure	7,439,722	520,664	7,960,386	3,344,405	(4,615,981)	viii
<b>Total current and capital expenditure</b>	<b>83,085,907</b>	<b>2,277,333</b>	<b>85,363,240</b>	<b>85,667,273</b>	<b>279,469</b>	
<b>Deficit from the budget</b>				<b>(1,230,740)</b>		

Notes form part of the Financial Statements



Prof. Longinus Kyaruzi Rutasitara  
CHAIRPERSON



Mr. Hamza Saidi Johari  
DIRECTOR GENERAL

Date: 27-03-2024

The Authority prepares its budget on the accrual basis, except for estimates such as depreciation and amortization. Therefore, the budget sets out three-year spending plans of the national and provincial governments. It aims to ensure that budgets reflect Government's social and economic priorities and give substance to Government's reconstruction and development commitments. Comments on significant variances are highlighted below.

Comments on the significant variances on final budget and actual for the year ended 30 June 2023

**i. Revenue from Exchange Transactions**

The deficit from budget of TZS 0.65 billion was mainly due to high expectation of increase in operations due to release of COVID 19 vaccine that was not realized due to slow recovery of aviation sector.

**ii. Revenue from Non-Exchange Transactions**

The deficit from budget of TZS 5.26 billion was mainly due to high expectation of increase in operations due to release of COVID 19 vaccine that was not realized due to slow recovery of aviation sector.

**iii. Salaries, Allowances & Other Staff Benefit**

The excess from budget of TZS2.35 billion was mainly due to new recruitments.

**iv. Administration Expenses**

The excess from budget of TZS 0.34 billion was mainly due to price increases of various items such as fuel.

**v. Contribution to Government Fund and other bodies**

The Authority contributes on behalf of the Government to various Organizations based on the agreement between member states and membership status. During the year, United Republic of Tanzania was not an active member of one of the international organizations named AFCAC.

**vi. Capital Expenditure**

The underspending of TZS 4.62 billion is due ongoing projects which are still work in progress.

## 6. NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

### 1. 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 (Chapter 80 of the Laws [R.E. 2020]) (the "Act"). 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. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

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

Sector Accounting Standards Board (IPSASB). The Report by Those Charged with Governance has been prepared in line with the requirements of the Tanzania Financial Reporting Standard (TFRS) No. 1 as issued by the National Board of Accountants and Auditors (NBAA).

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 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's budget period is July 2022 to June 2023 and the budget was approved by relevant approval authorities before the beginning of the financial year.

## **2.1 AUTHORISATION OF FINANCIAL STATEMENTS**

The Authority's financial statements for the year ended 30 June 2023 were adopted and authorized for issue by the Risk and Audit Committee of the Board on 31st August 2023.

## **3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The principal accounting policies applied in the preparation of Authority's financial statements are set out below. These policies have been consistently applied in all years, unless otherwise stated.

### **a) New and Amended standards adopted by the Authority during the year ended 30 June 2023**

There was no new or revised IPSASs that became effective during the year.

### **b) Relevant new and amended relevant standards and interpretations in issue but not yet effective in the year ended 30 June 2023**

The new standards that not yet effective for during this year hence have not been applied in preparing these financial statements are summarized below: -

#### **i) 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 was on January 1, 2023, with earlier adoption encouraged.

#### **ii) 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 effective date was on 1 January 2023, and other than disclosures is not expected to have significant impact to the Authority's financial statements when effective.

### **iii) IPSAS 43- Leases**

The IPSAB approved this standard with an effective date from January 1, 2025. It replaces IPSAS 13 and introduces the right of use model of lessees. 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 have a pervasive impact on the Authority's financial statements when effective.

### **iv) IPSAS 44-Non-Current Assets Held for Sale and Discontinued Operations**

This standard fills a gap in the IPSAS suite by providing guidance on how to account for public sector assets that are held for sale on commercial terms. The standard is important from a public interest perspective, as it ensures transparency and accountability when decisions to sell public sector assets have been taken. IPSAS 44 specifies the accounting for assets held for sale and the presentation and disclosure of discontinued operations. It requires assets that meet the criteria to be classified as held for sale to be:

- i) Measured at the lower of carrying amount and fair value less costs to sell and depreciation on such assets to cease; and
- ii) Presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.

The effective date of IPSAS 44 is 1 January 2025 with earlier application permitted. 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.

### **v) IPSAS 45- Property, Plant and Equipment**

Provides guidance on accounting for heritage assets, infrastructure assets and measurement of Property, Plant and Equipment. 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. The effective date of IPSAS 45 is 1 January 2025 with earlier application permitted.

### **vi) IPSAS 46-Measurement**

The objectives of this standard are: to (a) issue amended IPSASs with revised requirements

for measurement at initial recognition, subsequent measurement and measurement-related disclosure; (b) provide more detailed guidance on the implementation of replacement cost and cost of fulfilment and the circumstances under which these measurement bases will be used; and (c) address transaction costs, including the specific issue of the capitalizing or expensing of borrowing costs. The effective date of this standard is 1 January 2025 with no impact to the Authority when become effective.

#### **vii) IPSAS 47-Revenue**

The standard is effective for annual periods beginning on or after 1 January 2026. IPSAS 47 replaces the existing three revenue standards IPSAS 9, IPSAS 11 and IPSAS 23, and presents accounting models which will improve financial reporting and support effective public sector financial management.

The objective of this Standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from revenue transactions. To meet the objective, the Standard:

- i) Requires an entity to consider the terms of the transaction, and all relevant facts and circumstances, to determine the type of revenue transaction; and
- ii) Sets out the accounting requirements to account for the revenue transaction

The Authority is still assessing its impacts to the entity when it will be become effective.

#### **viii) IPSAS 48- Transfer Expenses**

Provides guidance on accounting of transfer expenses. A transfer expense is an expense arising from a transaction, other than taxes, in which an entity provides a good, service, or other asset to another entity, without directly receiving any good, service or other asset in return. The effective date of this standard is January 1, 2026.

The objective of this Standard is to establish the principles that a transfer provider (an entity) shall apply to report useful information to users of financial statements about the nature, amount, timing, and uncertainty of cash flows arising from transfer expenses. To meet the objective above, the Standard:

- i) Requires an entity to consider the terms of the transaction and all relevant facts and circumstances to determine the type of transfer expense transaction; and
- ii) Sets out the accounting requirements for the transfer expense transactions.

The Authority is still assessing its impacts to the entity when it will be become effective.

### **c) 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**

### **1. 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.

### **2. Sale of goods**

Revenue from the sale of Aeronautical Information Publication (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.

## **iii) Accounting for grants**

### **1. 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 recognized based on whether has conditions or does not have conditions. For grants without conditions attached, revenue is recognized immediately in the statement of financial performance. If conditions are attached, a liability is recognized as deferred revenue in the statement of financial position and is reduced and revenue recognized as the conditions are satisfied.

### **2. 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.

## **iv) Foreign currency translation**

### **1. 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.

### **2. 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 is

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%
Computer's 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**

##### **1. 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.

## 2. 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 capitalized development costs are not capitalized and expenditure is charged to Statement of Performance in the year in which the expenditure is incurred. Intangible assets are amortized 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.

### h) Impairment of non-financial 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.

Assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recovered.

In assessing whether there is any indication that an asset may be impaired, the Authority Management considers, as a minimum, the following indications:

- **External sources of information:** Cessation, or near cessation, of the demand or need for services provided by the asset; Significant long-term changes with an adverse effect on the entity have taken place during the period, or will take place in the near future, in the technological, legal, or government policy environment in which the entity operates;
- **Internal sources of information:** Evidence is available of physical damage of an asset; Significant long-term changes with an adverse effect on the entity have taken place during the period, or are expected to take place in the near future, in the extent to which, or manner in which, an asset is used or is expected to be used. These changes include the asset becoming idle, plans to discontinue or restructure the operation to which an asset belongs, or plans to dispose of an asset before the previously expected date; A decision to halt the construction of the asset before it is complete or in a usable condition; and Evidence is available from internal reporting that indicates that the service performance of an asset is, or will be, significantly worse than expected.

## Recognition

An impairment loss is recognized when the carrying amount of the assets exceeds its recoverable service amount. An asset's recoverable service amount is the higher of the non-cash generating asset's fair value less costs to sell and its value in use. In assessing value in use, the Authority has adopted the restoration cost approach as it has determined this to be appropriate because of the nature of the assets. Under this approach, the present value of the remaining service potential of

the asset is determined by subtracting the estimated restoration cost of the asset from the current cost of replacing the remaining service potential of the asset before impairment.

In determining fair value less costs to sell, the price of the assets in a binding sale agreement in an arm's-length transaction, adjusted for incremental costs that would be directly attributable to the disposal of the asset is used. If there is no binding agreement, but the asset is traded on an active market, fair value less cost to sell is the asset's market price less cost of disposal.

If there is no binding sale agreement or active market for an asset, the Authority determines fair value less cost to sell on the basis of the best available information.

The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the Statement of Financial Performance unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

The Authority tested for the impairment during the year and two Motor vehicles which had accidents were impaired with loss worth 0.03 billion (Note 9).

#### **i) Inventories**

Inventories consist of stationery and other consumables. They are measured at cost upon initial recognition. To the extent that inventories were received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventories are at their fair value at the date of acquisition).

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.

Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the Authority.

#### **j) Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Authority's financial assets include cash, trade and other receivables.

#### **Financial Assets and Liabilities**

Financial assets and liabilities are recognized in the Authority's financial position when the Authority becomes a party to the contractual provisions of the instrument.

#### **Classification of Financial Assets**

- Loans and receivables
- At fair value through surplus or deficit
- Available for Sale Investments

### **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. Loans and receivable include cash and bank and trade receivables.

### **Available for Sale Investments**

Available-for sale investments are those intended to be held for an indefinite period, 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.

### **Recognition**

Financial assets are classified as loans and receivable are recognized at effective interest method which 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.

### **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.

### **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.

Financial Liabilities

### **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.

### **Subsequent Measurement**

The measurement of financial liabilities depends on their classification.

### **Financial Liabilities at amortised cost**

This category includes derivative financial instruments entered 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.

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.

### **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.

## **k) Provisions, Contingent Liabilities and Contingent Assets**

### **Provisions**

Provisions are recognized when the Authority has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the Authority expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

### **Contingent Liabilities**

The Authority does not recognize a contingent liability but discloses details of any contingencies in the notes to the financial statements unless the possibility of an outflow of resources embodying economic benefit or service potential is remote.

### **Contingent Asset**

The Authority does not recognize a contingent asset but discloses details of possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Corporation in the notes to the financial statements.

### **l) 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.

### **m) Provisions**

Provisions are recognized 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 recognized as a borrowing cost.

### **n) Pensions and Other Post-Employment Benefits**

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

#### **1. 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.

#### **2. 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 recognizes 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.

### **3. Gratuity Benefits**

The Authority provides gratuity benefits to its contract employee's payable on expiry of the contract. The Authority contributes 25% of the basic salary towards that fund. Gratuity is charged to Statement of Performance during the period in which the employee renders related services.

#### **o) 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.

#### **p) 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.

#### **q) 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.

#### **r) 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 online 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.

## **s) 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.

### **1. 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.

#### **i. Operating Lease Commitments – Authority as Lessor**

The Authority has entered 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.

### **2. 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.

#### **i. 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

#### **ii. 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.

#### **iii. 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.

#### **iv. Impairment of financial assets**

Estimates are required to be made of what would be the impact of a loss event that has occurred after the initial recognition of a financial asset and which would affect the estimated future cash flows. The Authority assessed, at the reporting date, whether a financial asset or group of financial assets have been impaired based on objective evidence of impairment or a loss event as per IPSAS 29.

#### **v. Impairment of non-financial assets**

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The fair value less costs to sell calculation is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow model.

#### **vi. Going Concern**

The Authority's Management has assessed the Authority's ability to continue as a going concern and is satisfied that the Authority has the resources to continue in business for the foreseeable future. Furthermore, Management is not aware of any material uncertainties that may cast significant doubt upon the Authority's ability to continue as a going concern. Therefore, the financial statements are prepared on the going concern basis.

#### **vii. 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.

Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method. However, the Authority measures short-term payables at original invoice amount when the effect of discounting is immaterial.

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

### **4. FINANCIAL RISK MANAGEMENT**

The Corporation's activities are potentially exposed to a variety of financial risks, including credit risk, liquidity risk, market risks, operational risks and the effects of the changes in foreign currency exchange rates. The Corporation's overall risk management programme takes account of the unpredictability of foreign exchange rate trends and seeks to minimize potential adverse effects on its financial performance.

The most important types of risk are:

- a) Credit risk.
- b) Liquidity risk.
- c) Market risk (interest rate risk and exchange rate risk)

### (a) Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Credit risk mainly arise from receivables with customers and cash balances held at commercial banks.

The Authority's maximum exposure to Credit Risk as at 30th June 2023 is as shown below:

	2022/23 TZS'000	2021/22 TZS'000
<b>Financial Assets:</b>		
Cash and Cash Equivalents	13,428,236	4,349,694
Receivables	19,825,308	19,056,112
<b>Total Financial Assets</b>	<b>33,253,544</b>	<b>23,405,806</b>

### 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, considering 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 provides credit to its customers who operated on cash basis for more than six months 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 many 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 80% (2021: 86%) 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.

### (b) 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 2023 without taking account of the value of any collateral obtained was:

	2022/23 TZS '000	2021/22 TZS '000	2020/21 TZS '000
Cash and cash equivalents	13,428,235	4,349,694	1,252,294
Receivables	27,120,413	23,762,560	24,617,187
	<b>40,548,648</b>	<b>28,112,254</b>	<b>25,869,481</b>

The amount that best represents the Authority's maximum exposure to credit risk as at 30 June 2023 without taking account of the value of any collateral obtained was:

	Fully performing TZS '000	Impaired TZS '000
Receivables	27,120,413	7,295,104
Cash and bank balances	13,428,235	-
<b>Total credit exposure</b>	<b>40,548,648</b>	<b>7,295,104</b>

The amount that best represents the Authority's maximum exposure to credit risk as at 30 June 2022 without taking account of the value of any collateral obtained was:

	Fully performing TZS '000	Impaired TZS '000
Receivables	23,762,560	4,706,448
Cash and bank balances	4,349,694	-
<b>Total credit exposure</b>	<b>28,112,254</b>	<b>4,706,448</b>

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.

### (c) 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).

**(d) 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.

**(e) Interest risk management**

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

**(f) Financial instruments classifications**

**30 June 2022/2023**

	<b>Loans and receivable</b>	<b>At fair value through surplus or deficit</b>
Cash and cash equivalents	13,428,236	-
Receivables	19,825,308	-
Investment in Equity shares	-	31,758
	<b>33,253,544</b>	<b>31,758</b>

**30 June 2021/2022**

Cash and cash equivalents	4,349,694	-
Receivables	19,056,112	-
Investment in Equity shares	-	29,682
	<b>23,405,806</b>	<b>29,682</b>

**5. CASH AND CASH EQUIVALENTS**

	<b>2022/23 TZS'000</b>	<b>2021/22 TZS'000</b>
DG TCAA BOT Radar Account	2,315,941	40,143
DG TCAA TPB Radar Project Account	21,417	21,202
Expenditure A/C (NMB Bank House)-TZS	315,992	1,435
LC Margin Bank Account	8,573,268	544,704
Petty Cash	3,303	3,442
TCAA GePG Collection TZS DCB Ukonga	4,834	974
TCAA GePG Collection USD DCB Ukonga	273,171	178,880
TZS- Expenditure A/C (NMB Mtwara)	-	35
TZS Revenue A/C (BOT)	358,225	248,487
TZS-Expenditure A/C - AAKIA (NBC Zanzibar)	14,921	15,664
TZS-Expenditure A/C (NMB Dodoma)	-	1,121
TZS-Expenditure A/C (NMB Iringa)	-	895
TZS-Expenditure A/C (NMB Songea)	-	1,132
TZS-Expenditure A/C (NMB Tanga)	-	881
TZS-Expenditure A/C (NMB-Mbalizi, Mbeya)	-	38

TZS-Expenditure A/C CRDB Pugu Rd)-CATC	-	2,772
TZS-Expenditure A/C (NMB C/Tower, Arusha)	-	2,891
TZS-Expenditure A/C (NMB Kenyata Rd MZA)	-	1,469
TZS-Expenditure A/C (NMB,Kigoma)	-	6
TZS-Expenditure A/C (NMB,Kilimanjaro)	-	18
TZS-Expenditure A/C (NMB,Pemba)	-	10,339
TZS-Expenditure A/C (NMB,Tabora)	-	3,781
TZS-Expenditure AC (DCB Ukonga-HQ)	-	543
TZS-Revenue A/C (CRDB)	20,177	750
TZS-Revenue A/C (NMB Bank House - HQ)	-	38,080
USD Revenue A/C (BOT)	1,368,991	2,018,117
USD-Cash Receipt AC (DCB Ukonga-HQ)	-	90,889
USD-Expenditure A/C (NBC)	34,216	1,106,647
USD-Revenue A/C (CRDB)	123,551	10,003
USD-Revenue A/C (NBC)	229	229
USD-Revenue A/C (NMB)	-	4,127
	<b>13,428,236</b>	<b>4,349,694</b>

During the year the Authority closed upcountry stations' bank accounts due to the decision to centralize payments and collections.

## 6. RECEIVABLES

	2022/23 TZS '000	2021/22 TZS '000
Receivable from non-exchange transactions	5,996,385	2,676,110
Salary advance	55,235	-
Receivable from exchange transactions	21,068,792	21,086,450
	<b>27,120,412</b>	<b>23,762,560</b>
Less: Provision for bad debts	(7,295,104)	(4,706,448)
<b>Net receivables</b>	<b>19,825,308</b>	<b>19,056,112</b>

## 7. INVENTORIES

	2022/23 TZS '000	2021/22 TZS '000
Technical spare parts(stock)	415,217	989,214
Office sundries (Stock)	19,732	85,732
Stationery	193,478	108,512
	<b>628,427</b>	<b>1,183,458</b>

## 8. PREPAYMENTS

	2022/23 TZS '000	2021/22 TZS '000
Prepaid IP VPN rates	53,753	76,715
Prepayments to suppliers	1,979,937	14,490
	<b>2,033,690</b>	<b>91,205</b>

## 9. INVESTMENT IN EQUITY SHARES

	2022/23 TZS'000	2021/22 TZS'000
Investment in equity shares	31,758	29,682
	<b>31,758</b>	<b>29,682</b>

Investment in equity shares 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 4,000 per share (2022: TZS 3,720).

## 10. PROPERTY PLANT AND EQUIPMENT

Cost	Office building TZS '000	Technical 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	Office Partition TZS'000	Total TZS'000
At 1 July 2021	14,965,917	6,607,226	6,186,656	90,648,311	2,167,274	10,126,764	12,046,374	171,043,799	88,913	313,881,234
Opening balance adjustment	87,509	(135,195)	261,165	(997,266)	(1,111,245)	(150,700)	(757,738)	-	-	(2,803,470)
Additions	1,030	-	178,266	-	118,584	191,951	262,328	-	-	752,159
Disposal/retirement	-	-	(570,362)	(11,509)	(62,381)	(225,085)	(88,313)	-	-	(957,650)
At 30 June 2022	15,054,456	6,472,031	6,055,725	89,639,536	1,112,232	9,942,930	11,462,651	171,043,799	88,913	310,872,273
At 1 July 2022	15,054,455	6,472,031	6,055,725	89,639,536	1,112,232	9,942,930	11,462,652	171,043,799	88,913	310,872,273
Transfers	(425,887)	(1,994,709)	-	(3,307,813)	891,858	(1,107,402)	2,922,059	-	(88,913)	(3,110,807)
Disposal	-	-	-	(547,408)	(24,000)	(138,257)	(153,406)	-	-	(863,071)
Monetary Additions	-	-	783,392	735,607	103,141	342,069	422,482	7,967	-	2,394,658
Non-Monetary Additions	-	-	-	1,298,575	968,706	14,347	611,054	-	-	2,892,682
At 30 June 2023	14,628,568	4,477,322	6,839,117	87,818,497	3,051,937	9,053,687	15,264,841	171,051,766	-	312,185,735

Cost	Office building TZS '000	Technical 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	Office Partition TZS'000	Total TZS'000
At 1 July 2021	14,965,917	6,607,226	6,186,656	90,648,311	2,167,274	10,126,764	12,046,374	171,043,799	88,913	313,881,234
Opening balance adjustment	87,509	(135,195)	261,165	(997,266)	(1,111,245)	(150,700)	(757,738)	-	-	(2,803,470)
Additions	1,030	-	178,266	-	118,584	191,951	262,328	-	-	752,159
Disposal/retirement	-	-	(570,362)	(11,509)	(62,381)	(225,085)	(88,313)	-	-	(957,650)
At 30 June 2022	15,054,456	6,472,031	6,055,725	89,639,536	1,112,232	9,942,930	11,462,651	171,043,799	88,913	310,872,273
At 1 July 2022	15,054,455	6,472,031	6,055,725	89,639,536	1,112,232	9,942,930	11,462,652	171,043,799	88,913	310,872,273
Transfers	(425,887)	(1,994,709)	-	(3,307,813)	891,858	(1,107,402)	2,922,059	-	(88,913)	(3,110,807)
Disposal	-	-	-	(547,408)	(24,000)	(138,257)	(153,406)	-	-	(863,071)
Monetary Additions	-	-	783,392	735,607	103,141	342,069	422,482	7,967	-	2,394,658
Non-Monetary Additions	-	-	-	1,298,575	968,706	14,347	611,054	-	-	2,892,682
At 30 June 2023	14,628,568	4,477,322	6,839,117	87,818,497	3,051,937	9,053,687	15,264,841	171,051,766	-	312,185,735

	Office building	Technical Building	Motor vehicles	Telecom & Navaid	Furniture and fittings	Computer	Office Equipment	Land	Office Partition	Total
	TZS'000	TZS'000	TZS'000	TZS'000	TZS'000	TZS'000	TZS'000	TZS'000	TZS'000	TZS'000
<b>Depreciation:</b>										
At 1 July 2021	4,393,076	1,478,189	4,862,501	35,648,075	1,817,883	5,413,984	5,044,332	-	88,913	58,746,953
Opening balance adjustment	23,594	(71,286)	(1,366,766)	(9,051,382)	(1,265,223)	(1,116,583)	(1,229,158)	-	(22,975)	(14,099,779)
Eliminated on disposal/retirement	-	-	(570,362)	(11,437)	(62,044)	(225,085)	(81,761)	-	-	(950,689)
Charge for the year	247,417	113,696	630,254	4,652,341	129,483	1,181,106	1,782,325	-	5,744	8,742,366
										-
<b>At 30 June 2022</b>	<b>4,664,087</b>	<b>1,520,599</b>	<b>3,555,627</b>	<b>31,237,597</b>	<b>620,099</b>	<b>5,253,422</b>	<b>5,515,738</b>	<b>-</b>	<b>71,682</b>	<b>52,438,851</b>
At 1 July 2022	4,664,087	1,520,599	3,555,626	31,237,597	620,101	5,253,423	5,515,738	-	71,682	52,438,852
Transfers	(26,804)	(1,087,322)	-	(1,599,527)	423,930	(813,114)	1,678,197	-	(71,682)	(1,496,322)
Disposal	-	-	-	(276,072)	(20,161)	(112,055)	(129,362)	-	-	(537,650)
Charge for the year	199,826	80,881	698,021	8,888,623	274,594	1,156,747	1,718,039	-	-	13,016,732
Impairment Charge for the year	-	-	26,565	-	-	-	-	-	-	26,565
<b>At 30 June 2023</b>	<b>4,837,109</b>	<b>514,158</b>	<b>4,280,212</b>	<b>38,250,621</b>	<b>1,298,464</b>	<b>5,485,001</b>	<b>8,782,612</b>	<b>-</b>	<b>-</b>	<b>63,448,177</b>
<b>Net Book Value:</b>										
<b>At 30 June 2023</b>	<b>9,791,459</b>	<b>3,963,164</b>	<b>2,558,904</b>	<b>49,567,877</b>	<b>1,753,472</b>	<b>3,568,687</b>	<b>6,482,229</b>	<b>171,051,766</b>	<b>-</b>	<b>248,737,558</b>
<b>At 30 June 2022</b>	<b>10,390,369</b>	<b>4,951,432</b>	<b>2,500,098</b>	<b>58,401,939</b>	<b>492,133</b>	<b>4,689,508</b>	<b>5,946,913</b>	<b>171,043,799</b>	<b>17,231</b>	<b>258,433,422</b>

Disclosure Note: During the year the Authority made adjustment in property plant and equipment by transferring and recategorizing some of its non-current assets within and out of asset categories. These results in adjustment of TZS.10.25 billion in retained earnings at the beginning of the year as shown in Statement of changes in net assets.

## 10(b) CAPITAL WORK IN PROGRESS

### AS AT 30 JUNE 2023

Code	Project	Balance at 1 July 2022 TZS "000	Additions TZS "000	Transfer / Retirement TZS "000	Balance at 30 June 2023 TZS "000
31222107	VHF Radio Communication System	-	1,778,104	-	1,778,104
31222109	ATIS PROJECT	84,866	-	-	84,866
33181101	CATC Building project	49,151	-	(49,151)	-
00321903	Voice Recorder Project	361,283	949,746	(1,311,030)	-
		<b>495,300</b>	<b>2,688,181</b>	<b>(1,360,181)</b>	<b>1,862,970</b>

### AS AT 30 JUNE 2022

Code	Project	Balance at 1 July 2021 TZS "000	Additions TZS "000	Transfer / Retirement TZS "000	Balance at 30 June 2022 TZS "000
321401	RADAR Project	-	460,737	(460,737)	-
321406	VHF Main Project	-	20,070	(20,070)	-
321407	Dodoma Liaison Office Project	-	32,060	(32,060)	-
321409	GDP Project	-	55,508	(55,508)	-
321502	ATIS Project	-	92,693	(7,932)	84,761
321601	SMS Project	-	3,996	(3,996)	-
321701	CATC Building project	49,151	10,322	(10,322)	49,151
321902	ILS Project	-	188,333	(188,333)	-
321903	Voice Recorder Project	142,089	1,318,201	(1,098,902)	361,388
		<b>191,240</b>	<b>2,181,920</b>	<b>(1,877,860)</b>	<b>495,300</b>

## 10.(c) PAYMENTS MADE FOR ACQUISITION OF CAPITAL ASSETS

The Authority made below payment to suppliers of property, plant and equipment

	2022/23 TZS '000	2021/22 TZS '000
Office Building	-	1,030
Technical buildings	-	-
Motor Vehicles	783,392	178,266
Telecom & Nav aids	735,607	-
Furniture & fittings	103,141	118,584
Computer	342,069	191,951
Office Equipment	422,482	262,328
Land	7,967	-
Office Partition and structures	-	-
WIP	2,688,181	2,181,808
	<b>5,082,839</b>	<b>2,933,967</b>

## 11. INTANGIBLES

	2022/23 TZS '000	2021/22 TZS '000
<b>Cost</b>		
At 1 July	7,505,089	7,512,403
Additions	44,137	-
Transfer	740,216	-
Disposals	(1,143,879)	(7,314)
At 30 June	7,145,563	7,505,089
<b>Amortization</b>		
At 1 July	2,703,773	2,587,314
Adjustment	357,907	(285,710)
Disposal	(1,143,879)	(7,314)
Charge for the year	403,419	409,483
At 30 June	2,321,220	2,703,773
<b>Net book value</b>	<b>4,824,343</b>	<b>4,801,316</b>

## 12. PAYABLES

	2022/23 TZS '000	2021/22 TZS '000
Other payables*	22,057,179	14,103,713
CATC Student, CASSOA and Other Allowance Payable	480	-
Trade Payables	2,607,437	4,302,100
Unearned revenue**	224,797	709,216

Deferred grant***	8,612,321	-
	<b>33,502,214</b>	<b>19,115,029</b>

\* Other payables are comprised of liabilities the Authority incurs in relation to related parties' transactions mainly with Treasury Registrar.

\*\* Unearned revenue comprises of revenue received from licensing fees which is amortized throughout the life of the license.

\*\*\* Deferred grant comprises of unamortized amount of grant received from Government for supply, installation, integration, training, testing, commissioning and technical support of very high frequency (VHF) radio communication as per contract no TCAA/G/30/2021/22.

### 13. EMPLOYEE BENEFITS

#### (i) Retirement benefits

The Authority is contributing to pension scheme administered by the Public Service Social Security Fund (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 recognized as an expense in the period the employees render the related services.

#### (ii) Provision for Gratuity - Contract staff

The Authority is paying 25% gratuity allowance from basic salary to all contract staff. 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 Financial Performance and maintains gratuity payable account for future payment to contract staff. Gratuity is computed at 25% 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 20 years ranging between TZS 10,000,000 to TZS 15,000,000 payable upon retirement. These operated as defined benefit plans. As at 30 June 2023 the Authority had 510 employees. The Authority has therefore made a provision of TZS 567.4 million in reference to this liability compared with TZS 620.5 million in 2021/22.

Current liability

	2022/23 TZS '000	2021/22 TZS '000
NHIF - Payable	145,529	-
PSSSF Payable	485,097	-

Provision for Gratuity Payable	117,506	46,758
Long Term Service Award Payable (Current)	105,000	205,000
Investment Revaluation Reserve	34,510	32,430
	<b>887,642</b>	<b>284,188</b>
<b>Non-current liability</b>		
Long terms service award	<b>567,430</b>	<b>620,480</b>

#### 14. CAPITAL FUND

By the provisions contained in the Civil Aviation Act (Chapter 80 of the Laws [R.E. 2020]) (the "Act"), 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.

Long term loan and reserve	2022/23 TZS'000	2021/22 TZS'000
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
	<b>7,830,389</b>	<b>7,830,389</b>
<b>Capital fund</b>		
Total asset	16,923,471	16,923,471
Long term loan and reserve	(7,830,389)	(7,830,389)
	<b>9,093,082</b>	<b>9,093,082</b>
<b>Decrease in capital fund</b>		
Transfer of residential buildings to TBA	(2,339,831)	(2,339,831)
	<b>6,753,251</b>	<b>6,753,251</b>
Transfer of 5H ILS to TGFA	(37,593)	(37,593)
Transfer of PAPI to TAA	(21,429)	(21,429)
	<b>6,694,229</b>	<b>6,694,229</b>

#### 15. REVENUE FROM EXCHANGE TRANSACTIONS

	2022/23 TZS '000	2021/22 TZS '000
Aeronautical revenue	53,641,403	41,546,298
Revenue from training college	1,719,470	1,085,914
Safety regulation costs recovery	1,378,814	634,897
	<b>56,739,687</b>	<b>43,267,109</b>

Less: TMA Air navigation fare 20%	(6,840,449)	(6,866,062)
	<b>49,899,238</b>	<b>36,401,047</b>
<b>Cash receipt from exchange transactions</b>		
Revenue from Exchange Transaction	56,739,687	43,267,109
Less: Trade Debtors for the year 2022/23 :2021/22	(21,068,792)	(19,675,913)
Add: Trade Debtors for the year 2021/22 :2020/21	19,675,913	21,952,424
	<b>55,346,808</b>	<b>45,543,620</b>
<b>Aeronautical revenue</b>		
Air Navigation Charges	44,970,548	33,537,135
Air Craft Landing & Parking Charges	8,654,476	7,971,335
AIP Sales	16,379	38,882
	<b>53,641,403</b>	<b>41,547,352</b>
<b>Revenue from training college</b>		
CATC Course Fees	<b>1,719,471</b>	<b>1,085,914</b>
<b>Safety regulation cost recovery</b>		
Flight Safety Document	7,555	41,102
Airport Certification cost recovery	442,884	50,544
Flight Ops Certification cost recovery	291,457	71,346
Airworthiness Certification cost recovery	549,136	428,987
Personnel Certification cost recovery	87,782	41,864
	<b>1,378,814</b>	<b>633,843</b>

## 15. REVENUE FROM EXCHANGE TRANSACTIONS (CONTINUED)

	2022/23 TZS '000	2021/22 TZS '000
Aeronautical revenue	53,641,403	41,546,298
Revenue from training college	1,719,470	1,085,914
Safety regulation costs recovery	1,378,814	634,897
	<b>56,739,687</b>	<b>43,267,109</b>
Less: TMA Air navigation fare 20%	(6,840,449)	(6,866,062)
	<b>49,899,238</b>	<b>36,401,047</b>
<b>Cash receipt from exchange transactions</b>		
Revenue from Exchange Transaction	56,739,687	43,267,109
Less: Trade Debtors for the year 2022/23 :2021/22	(21,068,792)	(19,675,913)
Add: Trade Debtors for the year 2021/22 :2020/21	19,675,913	21,952,424
	<b>55,346,808</b>	<b>45,543,620</b>
<b>Aeronautical revenue</b>		
Air Navigation Charges	44,970,548	33,537,135
Air Craft Landing & Parking Charges	8,654,476	7,971,335

AIP Sales	16,379	38,882
	<b>53,641,403</b>	<b>41,547,352</b>
<b>Revenue from training college</b>		
CATC Course Fees	<b>1,719,471</b>	<b>1,085,914</b>
<b>Safety regulation cost recovery</b>		
Flight Safety Document	7,555	41,102
Airport Certification cost recovery	442,884	50,544
Flight Ops Certification cost recovery	291,457	71,346
Airworthiness Certification cost recovery	549,136	428,987
Personnel Certification cost recovery	87,782	41,864
	<b>1,378,814</b>	<b>633,843</b>

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.

## 16. REVENUE FROM NON-EXCHANGE TRANSACTIONS

	2022/23 TZS '000	2021/22 TZS '000
Safety regulation fees	2,330,896	1,984,362
Economic regulation fees	6,822,986	4,849,548
Embarking passengers' fees	20,425,673	13,471,046
	<b>29,579,555</b>	<b>20,304,956</b>
<b>Cash receipt from Non exchange transactions</b>		
Revenue from Non-Exchange Transaction	29,579,555	20,125,141
Less: Trade Debtors for the year		
2022/23 :2021/22	(5,996,385)	(4,086,647)
Add: Trade Debtors for the year		
2021/22 :2020/21	4,086,647	2,664,763
	<b>27,669,817</b>	<b>18,703,257</b>
<b>Safety regulation fees</b>		
Airworthiness Certification	812,377	763,479
Flight Operation Fees	327,460	292,779
Personnel Licensing Certification	581,505	433,789
Aviation Security Certification	59,301	46,205
Airport Certification	550,253	448,110
	<b>2,330,896</b>	<b>1,984,362</b>
<b>Embarking passengers' fees</b>		
Safety fees	<b>20,425,673</b>	<b>13,471,046</b>

### Economic regulation fees

Short Term Licensing	4,598,990	3,340,929
Administration Fees	1,575,948	860,985
Air Service Licensing	415,311	365,854
Ground handling Licensing	232,738	281,779
	<b>6,822,987</b>	<b>4,849,547</b>

Revenue from non-exchange transactions is 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.

## 17. OTHER REVENUE

	2022/23 TZS '000	2021/22 TZS '000
Fines and Penalties	45,937	43,406
English proficiency fee	-	5,851
Rent Recovery	11,960	-
Miscellaneous Income	183,883	129,537
Realized Exchange Gain/Loss**	575,688	49,840
Un-realized Exchange Gain/Loss	-	36,518
Sales of Fixed Assets - Furniture & Fittings	-	28,555
Sales of Fixed Assets – Computer	-	1,454
Recovery from doubtful debts	-	5,133,397
Other Revenue - Equipment Grants**	4,140,271	-
	<b>4,957,739</b>	<b>5,428,558</b>
<b>Other receipts</b>		
Other revenue for the year	4,957,738	5,428,558
Less: Non-cash items	(575,688)	(5,219,755)
Less: Non-cash grant	(4,140,271)	-
Add: Cash grant	10,350,774	-
Add: Unearned revenue	280,033	709,216
<b>Total receipts for the year</b>	<b>10,872,586</b>	<b>918,019</b>

## NOTES

\*Miscellaneous Income refers to revenue other than the main sources of TCAA revenue which includes dividends, sale of publication, and other income of the same nature.

\*\*Other Revenue - Equipment Grants comprises of VHF equipment granted by TANROADS amounting to 2.4 billion and amortization/ utilization of VHF fund amounting to TZS 1.7 billion.

Revenue has increased in general because of the government grant of 4.14 billion and positive recovery from COVID-19. This is due to the fact that Air transport service has resumed after most of countries opening up their Airspaces. Hence more Aircraft movements, issues of licenses, permits, inspections etc.

## 18. SALARIES, ALLOWANCES AND OTHER STAFF BENEFITS

	2022/23 TZS '000	2021/22 TZS '000
Acting Allowance	93,178	115,610
Aviation Allowance	2,380,332	-
Casual Labor & Wages	61,825	55,458
Death and condolence	2,200	56,830
Duty Millage Allowance	544	-
Electricity Allowance	173,050	101,060
Entertainment Allowance	14,569	7,923
Extra Duty Allowance	417,548	662,444
Furniture Allowance	57,000	46,000
Gratuity Allowance	133,091	67,538
House Telephone Allowance	-	87,230
House Water Allowance	2,300	2,100
Housing Allowance	1,923,536	180,900
Leave Passage	-	1,379,906
Long Service Award Expenses	46,950	508,973
Management allowance	23,000	32,631
Meal and Ration Allowance	1,185,202	695,950
NHIF Employer Contributions	838,699	493,433
On Call Allowance	335,770	173,406
Outfit Allowance	13,500	6,000
PSSSF Contribution	4,195,000	2,471,380
Recruitment Expenses	70,986	53,987
Retirement Benefits	120,770	61,877
Risk Allowance - Cashier	12,085	10,100
Salary expenses	29,056,672	17,371,150
SDL -Employer contribution	1,120,104	657,579
Special Allowance Pilot/AME	397,267	202,266
Staff Transfer Allowance	329,162	221,342
Staff Uniforms	15,750	2,000
Subsistence Allowance	77,118	207,164
Transport Allowance	1,463,177	149,731
WCF - Employer Contributions	139,644	67,973
	<b>44,700,029</b>	<b>26,149,941</b>
<b>Employee costs paid during the year:</b>		
Salaries, allowances and other staff costs	<b>44,700,029</b>	<b>26,153,721</b>
Less: Provision (Gratuity Expense and Long Services)	(70,986)	(67,538)

Less: Unpaid salaries and other benefits 2022/23: 2021/22	(485,097)	1,194
Add: Unpaid salaries and other benefits 2021/22:2020/21	1,194	(614,246)
	<b>44,145,140</b>	<b>25,473,131</b>

Salaries, Allowances & Other Staff Benefit are expenses incurred by the Authority to cover employee salary, allowances, benefits, and other regulatory activities done by employees.

During the year the Authority reclassified its Chart of Accounts to align with official Government finance statistics (GFS) codes which resulted to the following reclassifications;

v) regulatory expenses, air navigation expenses, CATC Running expenses, Technical Audit expenses were grouped into the category of Operational and Administrative expenses (Note 18-22,26-27)

vi) All individual board expenses were grouped into the category of Board Expense (Note 23)

## 19. ADMINISTRATIVE AND OPERATIONAL EXPENSES

	2022/23 TZS '000	2021/22 TZS '000
Disposal of Assets	19,692	20,204
Workers council	133,582	161,029
Air Travel Tickets - Domestic	897,898	664,118
Newspapers and Magazines	11,558	27,058
Conference Facility Domestic	41,026	31,782
Motor Vehicle - License & Parking	16,362	8,017
Facilitation Allowance	2,089,379	487,514
Donations (CSR)	19,300	20,997
Bad debts expense	2,588,656	-
Fumigation Expenses	18,198	12,364
Tuition fees - Foreign	574,293	156,200
Tender Board Meeting Expenses	80,122	161,159
Sundry Expenses	289,024	304,284
Audit Expenses	38,290	97,798
Motor Vehicle -Night security Charges	2,179	13,646
Repairs & Maintenance NAVAID (Flight calibrations, signaling and beacons)	1,457,705	298,042
Per Diem - Domestic	2,857,117	1,021,050
Survey Expenses	200	-
Medical Aid	94,628	62,573
Motor Vehicle Hire	79,865	298,416
Audit fees	226,150	219,037
Professional Membership Expenses	1,010	13,808
Security Services	425,062	401,310
Mobile Phones	606,983	334,919
CATC Promotion Tour	1,150	-
Website Design & Hosting Expenses	10,318	47,493

Printing Expenses	65,460	7,300
Per Diem Foreign	2,200,587	329,692
Technical Upkeep	6,833	198,655
Teaching Allowance	6,510	-
Leased (Circuits) Lines	356,166	-
Land Rent	2,321	1,055
<b>Subtotal</b>	<b>15,217,624</b>	<b>5,399,520</b>

#### 19. ADMINISTRATIVE AND OPERATIONAL EXPENSES(CONTINUED)

	2022/23 TZS '000	2021/22 TZS '000
Tuition fees - Domestic	210,563	137,426
Sitting Allowance	1,013,612	435,521
Aircraft Accident Investigation	143,342	-
Instructors' Allowance	417,280	-
Email and Internet Expense	240,583	257,331
Repairs & Maintenance Computer	40,817	172,730
Postage Charges	174,055	-
Water Charges	38,815	33,810
Advertisement & Publicity	26,687	35,971
Advertising and Publication - Licensing	62,118	500
Bank Charges and Commissions	391,303	65,266
Exhibition, Festival & Celebration	234,648	36,538
Court Martial and Legal Expenses	4,180	3,326
Stock Taking Exercise	9,270	30,951
SHIMIWI & Other sports	29,065	50,737
Repairs & Maintenance-Furniture & Fittings	62,569	62,945
Computer Supplies and Accessories	202,763	256,774
Routine Maintenance and Repair of Machinery, Equipment and Plant	258,059	261,159
Motor Vehicle Repair and Maintenance	396,318	506,168
Burial Expenses	59,596	-
Mobile Charges	4,320	-
Visa Application Fees	18,201	3,852
Education Allowances (Books)	2,800	-
Mayday Celebrations	42,300	42,106
Insurance - Buildings	-	23,966
Conference Facilities	71,346	-
Publications of Journals	2,600	-
Motor Vehicle- Cleaning	15,522	34,003
Government Hospitality	5,260	17,096
Office Consumables (Papers, pencils, pens and stationeries)	387,431	203,661
Posts & Telegraphs	997	-
Consultancy fees	67,250	656,071
Software User License - Expenses	179,093	170,674

HIV/AIDS Seminars	1,140	5,450
Electricity Charges	500,588	511,933
Subscription - Membership Fee	14,816	-
CATC RE-imburement	18,609	-
Professional Allowances	1,660	-
Familiarization Tour & Bench Marking	-	12,807
Generator fuel & Oil	2,500	71,866
Air Travel Tickets - Foreign	791,277	289,585
Food and Refreshment	577,732	260,054
Outsourcing costs (includes cleaning services)	288,261	216,321
Office Telephone Charges	160,042	152,142
<b>Subtotal</b>	<b>7,170,408</b>	<b>5,036,652</b>

#### 19. ADMINISTRATIVE AND OPERATIONAL EXPENSES(CONTINUED)

	2022/23 TZS '000	2021/22 TZS '000
Sewage Charges	1,135	-
Diesel	833,463	561,896
Ground Transport (Bus, Train, Water) - Domestic	95,331	-
Repair and Maintenance Building	527,041	123,162
Mechanical, electrical, and electronic spare parts	50,339	-
Internal Audit Expenses	80	5,139
Technical Materials	570	-
Responsibility Allowance	32,775	-
Courier Charges	23,420	4,388
Tires and Batteries	40,683	-
CATC Teaching Allowance	2,290	-
Regulatory Expenses	-	2,352,022
Air Navigation expenses	-	3,780,390
CATC Running expenses	-	1,187,769
Technical Audit expenses	-	73,337
<b>Grand total</b>	<b>23,995,159</b>	<b>18,524,275</b>

#### 20. BOARD EXPENSES

	2022/23 TZS '000	2021/22 TZS '000
Board Expenses**	252,011	265,122
	<b>252,011</b>	<b>265,122</b>

\*\* Board Expenses include Board fee, per diem, Air ticket cost, Airtime and Sitting allowances.

## 21. CONTRIBUTION TO GOVERNMENT AND OTHER BODIES

	2022/23 TZS '000	2021/22 TZS '000
Other Contributions	32,000	-
Other International Contributions	349,383	-
Contribution to CGF	11,099,972	8,428,220
Contribution to ICAO	145,149	1,294,825
Contribution to CCC	550,000	47,623
Contribution to CASSOA	1,030,990	793,632
Pilot & AME training	25,705	40,709
Contribution to AFCAC	249,445	
Contribution to Fair Competition Tribunal	50,000	40,000
Contribution to Fair Competition Commission	50,000	20,000
Contribution to CANSO	42,470	44,882
Contribution to AATO	-	22,858
Contribution to Professional Associations	-	33,719
Contribution to AFPP	-	91,560
	<b>13,375,669</b>	<b>11,107,473</b>

## 22. DEPRECIATION AND AMORTIZATION

	2022/23 TZS '000	2021/22 TZS '000
Depreciation - Motor Vehicles	724,586	630,254
Depreciation - Office Buildings	199,826	247,417
Depreciation - Technical building	80,881	113,696
Depreciation - Office Equipment	1,718,039	1,782,325
Depreciation - Furniture & Fittings	274,594	129,484
Depreciation - Telecom & Navigation Equipment	8,888,623	4,652,341
Depreciation - Computers and Related Equipment	1,156,747	1,181,105
Depreciation -Office partition and Structure	-	5,744
	<b>13,043,296</b>	<b>8,742,366</b>
<b>Amortization</b>		
Amortization - Computer Software Amortization	403,419	409,483
Total - Depreciation and Amortization	<b>13,446,715</b>	<b>9,151,849</b>

## 23. PAYMENT TO SUPPLIERS

	2022/23 TZS '000	2021/22 TZS '000
Air Travel Tickets - Domestic	897,898	952,483
Newspapers and Magazines	11,548	27,058

Conference Facility Domestic	41,026	31,782
Motor Vehicle - License & Parking	16,362	8,017
Fumigation Expenses	16,225	12,364
Tuition fees - Foreign	305,431	156,200
Motor Vehicle -Night security Charges	2,179	13,646
Motor Vehicle Hire	79,865	298,416
Audit fees	226,150	219,037
Professional Membership Expenses	1,010	-
Security Services	424,972	401,310
Printing Expenses	65,460	-
Technical Upkeep	6,834	43,144
Leased (Circuits) Lines	356,166	525,984
Land Rent	2,321	1,055
Tuition fees - Domestic	210,563	137,426
Email and Internet Expense	240,583	257,331
Repairs & Maintenance Computer	64,061	172,730
Postage Charges	1,020	17,912
Seminar and Workshop	174,055	647,806
Water Charges	38,815	33,810
Advertisement & Publicity	26,687	99,403
	<b>3,209,231</b>	<b>4,056,914</b>

### 23. PAYMENT TO SUPPLIERS(CONTINUED)

	<b>2022/23</b>	<b>2021/22</b>
	<b>TZS '000</b>	<b>TZS '000</b>
Advertising and Publication - Licensing	62,118	46,974
Exhibition, Festival & Celebration	234,648	39,971
Repairs & Maintenance-Furniture & Fittings	62,569	62,945
Motor Vehicle Repair and Maintenance	396,318	506,168
Computer Supplies and Accessories	254,676	256,774
Conference Facilities	71,346	-
Food and Refreshment	577,991	260,054
Publications of Journals	2,600	-
Sundry Expenses	261,539	304,284
Motor Vehicle- Cleaning	15,522	34,003
Bank Charges and Commissions	391,039	65,335
Visa Application Fees	18,293	3,852
Posts & Telegraphs	997	-
Consultancy fees	67,250	656,071
Software User License - Expenses	179,093	170,674
Office Consumables		
(Papers, pencils, pens and stationeries)	388,220	200,576
Electricity Charges	500,588	511,933
Subscription - Membership Fee	14,816	13,808
Generator fuel & Oil	2,500	71,866
Air Travel Tickets - Foreign	764,678	442,750

Outsourcing costs (includes cleaning services)	288,261	216,321
Repairs & Maintenance NAVAID	1,509,831	2,313,893
Office Telephone Charges	160,042	152,142
Sewage Charges	1,135	1,549
Diesel	831,423	773,369
Routine Maintenance and Repair of Machinery, Equipment	264,252	261,159
Repair and Maintenance Building	1,759,217	123,162
Mechanical, electrical, and electronic spare parts	50,339	40,599
Technical Materials	570	198,655
Courier Charges	23,420	4,388
Tires and Batteries	40,683	-
<b>Sub Total</b>	<b>12,405,205</b>	<b>11,790,189</b>
Less: Trade Payable 2022/23 & 2021/22	(2,607,437)	(1,804,690)
Add: Trade Payable 2021/22 & 2020/21	1,804,690	1,997,655
Add: Prepayment to suppliers	2,033,690	14,490
<b>Total payment</b>	<b>13,636,146</b>	<b>11,997,644</b>

## 24. OTHER PAYMENTS

	2022/23 TZS '000	2021/22 TZS '000
Other Contributions	32,000	33,719
Other International Contributions	349,383	363,863
Contribution to CGF	11,099,972	8,428,219
Contribution to ICAO	145,149	1,294,825
Contribution to CCC	550,000	47,623
Contribution to CASSOA	1,030,989	793,632
Pilot & AME training	25,705	40,709
Contribution to Fair Competition Tribunal	50,000	40,000
Contribution to CANSO	42,470	44,882
Board Expenses	252,011	245,583
CATC Teaching Allowance	2,290	24,220
Workers council	133,582	161,029
Audit Expenses	38,290	97,798
Survey Expenses	200	155,677
Medical Aid	94,612	-
Mobile Phones	606,983	334,919
CATC Promotion Tour	1,150	250
Website Design & Hosting Expenses	10,318	-
Per Diem Foreign	2,091,459	1,312,400
Teaching Allowance	6,510	-
Aircraft Accident Investigation	143,342	48,042
Instructors' Allowance	417,280	-
Donations (CSR)	24,200	-

Contribution - Fair Competition Commission	50,000	20,000
Sitting Allowance	1,014,092	1,243,612
Court Martial and Legal Expenses	4,180	-
Stock Taking Exercise	9,270	30,951
SHIMIWI & Other sports	29,065	50,467
Burial Expenses	59,596	-
Mobile Charges	4,320	-
Education Allowances (Books)	2,800	-
Mayday Celebrations	42,300	35,181
Government Hospitality	5,260	-
HIV/AIDS Seminars	1,140	5,450
CATC RE-imburement	18,609	1,044,737
Professional Allowances	1,660	-
Facilitation Allowance	2,090,819	167,470
Ground Transport (Bus, Train, Water) - Domestic	95,331	-
Internal Audit Expenses	80	5,139
Per Diem - Domestic	2,878,305	1,842,756
Responsibility Allowance	32,775	-
Tender Board Meeting Expenses	80,122	161,159
Met charges	5,180,428	4,634,902
	<b>28,748,047</b>	<b>22,709,214</b>
<b>Sub Total</b>	<b>28,748,047</b>	<b>22,709,214</b>
Less: Other Payable 2022/22 & 2021/22	(22,057,659)	(15,256,156)
Add: Other Payable 2021/22 & 2020/21	15,256,156	14,209,696
<b>Total other payment</b>	<b>21,946,544</b>	<b>21,662,754</b>

## 25. RELATED PARTY TRANSACTION 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:

List of transactions/ balances with other government entities for the year ended 30th June 2023

## a) Revenue and receivables

S/N	Goods/Services provided	Name of entity received goods/services	Amount received (TZS '000)	Receivable balance (TZS '000)
1	Safety fees and Air Navigation	Air Tanzania Company Limited	5,983,488	4,679,978
2	Landing and parking	Kilimanjaro Airport Development Company	3,834,568	2,022,350
3	Air Navigation	Ministry of Natural Resources and Tourism	12,346	53,330
4	Air Navigation	Ngorongoro conservation Area	3,457	3,078
5	Landing and parking	Tanzania National Parks	1,987,567	160,870
6	Landing and parking	Tanzania Airports Authority	2,235,678	3,507,910
7	Air Navigation	Tanzania Wild Life Research Institute	876,543	13,754
8	Air Navigation	Tanzania Wildlife Management Authority	123,457	6,796
9	Consultation fees	Tanzania Building Agency	119,876	116
10	Landing and parking	Zanzibar Airport Authority	934,568	22,935
11	Air Navigation	TPDF Airwing	8,926	15,980
12	Air Navigation	TGFA	123,458	8,534
13	Mast evaluation	TANESCO	987,654	923
14	DOCUMENT EVALUATION PHASE III	National Institute of Transport	6,946	722
15	Tuition fees	Wizara ya Kilimo	655	946
16	Tuition fees	Wizara Ya Maendeleo Ya Mifugo Na Uvuvi	-	206
17	Tuition fees	Tanzania Forestry Agency	-	2,800
	<b>Total</b>		<b>17,239,187</b>	<b>10,501,228</b>

## b) Expenses and payables

S/N	Goods/Services received	Name of the entity provided the services	Amount paid (TZS)	Payable balance (TZS)
1	Security costs	Suma Jkt Guard Ltd	352,785	33,869
2	Security costs	Tanzania Police Force	419	-
3	Provision of Mail Services, Authority website domain hosting, e-Office and ERMS.	E-Government Authority	33,617	-
4	Electricity charges	Tanzania Airports Authority	207,135	17,261
5	Electricity charges	TANESCO	254,909	21,242
6	Electricity charges	Zanzibar Electricity Corporation	12,000	1,030
7	Water charges	Tanga Urban Water Supply and Sanitation Authority	119	-
8	Water charges	Tanzania Airports Authority	2,105	234
9	Water charges	Songea Urban Water Supply and Sanitation Authority	969	-
10	Water charges	Tanga Urban Water Supply and Sanitation Authority	119	-
11	Water charges	Tuwasa Tabora	478	-
12	Water charges	Water Institute	1,519	-
13	Sewage services	Dar Es Salaam Water Supply and Sanitation Authority	545	-
14	Diesel	Chief Executive Officer Government Procurement Services Agency	651,631	-
15	Conference Facilities	Tanzania Agriculture Research Institute	7,350	-
16	Conference Facilities	Apc Investment Centre	9,390	-
17	Conference Facilities	Tanzania Airports Authority	400	-
18	Conference Facilities	Tanzania Agriculture Research Institute	1,200	-
19	Land rent	Ministry Of Lands, Housing and Human Settlements Development-cost for land rent for NDB plot to be paid through control number 991176947042 to enable change of use for the plot as requested to Dodoma City Council	2,321	-
20	Professional Membership Expenses	TAPSEA	350	-
21	Posts & Telegraph	TPC	697	-
22	Advertising and Publication - Licensing	TBC	9,612	-
23	Advertising and Publication - Licensing	TSN	20,768	-
24	Courier Charges	TPC	17,613	-
25	Leased (Circuits) Lines	TTCL	356,166	29,681
26	Office Telephone Charges	TTCL	153,191	12,766
			<b>2,097,408</b>	<b>116,083</b>

### c) Compensation to the members of the board of directors and key management personnel

The remuneration of six key management staff and board members during the year was as follows:

	2022/23 TZS '000	2021/22 TZS '000
Key management Compensation		
Salaries	723,420	555,349
Allowances	166,500	124,558
<b>Total</b>	<b>889,920</b>	<b>679,907</b>

#### NOTES

(1) 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.

(2) The meeting costs above include Management and other member present in the meeting.

#### 26. CAPITAL COMMITMENTS

	2022/23 TZS'000	2021/22 TZS'000
Approved but not contracted for	15,793,499	2,460,544
Approved and contracted for	-	17,390,246
	<b>15,793,499</b>	<b>19,850,790</b>

#### 27. CONTINGENT LIABILITIES

The Authority had no contingent liability at financial year end.

#### 28. 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, (Chapter 80 of the Laws [R.E. 2020]) (the "Act").

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

#### 29. EVENTS AFTER THE REPORTING DATE

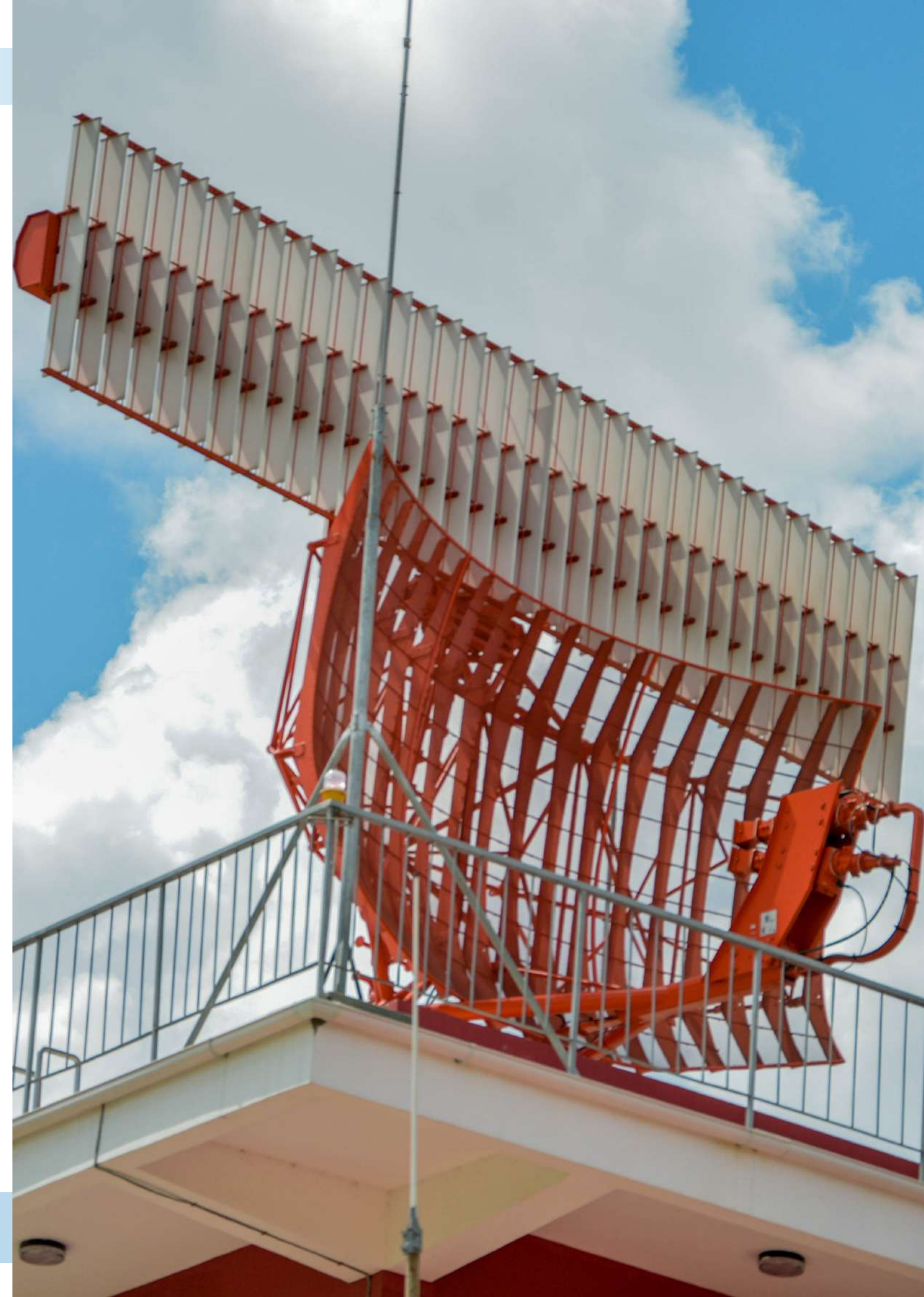
The united Republic of Tanzania was audited under the USAP – CMA from 15 to 26 May 2023, in accordance with a Memorandum of Understanding (MoU) between Tanzania and ICAO, which was signed by Tanzania on 15 December 2014. On July 2023, The USAP-CMA audit revealed that Tanzania's Sustainability Indicator is 86.98 per cent and Compliance Indicator for Annex 17 Standards is 81.22 per cent.

#### 30. REPORTING CURRENCY

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

### **31. DATE OF AUTHORISATION FOR ISSUE**

These financial statements are authorized for audit by Tanzania Civil Aviation Authority on there is no anybody with the power to amend them once they are issued.





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