

BANK OF TANZANIA



ANNUAL REPORT

2012/13



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ABBREVIATIONS AND SYMBOLS

AFRITAC	Africa Regional Technical Assistance Centre
AIC	Administration and Internal Control
AML	Anti Money Laundering
APP	Annual Procurement Plan
ATM	Automatic Teller Machine
ADF	African Development Fund
BOU	Bank of Uganda
CBK	Central Bank of Kenya
CBS	Central Banking System
CPI's	Compliance Performance Indicators
DFI	Development Finance Institution
DOD	Disbursed Outstanding Debt
DSE	Dar es Salaam Stock Exchange
EAC	East African Community
ECGS	Export Credit Guarantee Scheme
EFP	Economic and Financial Policies
EFT	Electronic Fund Transfer
ESAAMLG	Eastern and Southern Africa Anti-Money Laundering Group
FDI	Foreign Direct Investment
FEMO	Foreign Exchange Market Operations
FISIM	Financial Intermediation Services Indirectly Measured
FSD	Financial Stability and Deepening
GDP	Gross Domestic Product
GNDI	Gross National Disposable Income
GPSA	Government Procurement Services Arrangement
HIPC	Highly Indebted Poor Countries
IDA	International Development Association
IFMS	Integrated Financial Management Systems
IMF	International Monetary Fund
IPTL	Independent Power Tanzania Limited
ISIC	International Standard Industrial Classification
LGA	Local Government Authority
MAC	Monetary Affairs Committee
MDRI	Multilateral Debt Relief Initiative
MEFMI	Macroeconomic and Financial Management Institute of Eastern and Southern Africa
MFI	Micro Finance Institutions
MPI	Manufacturing Production Index
NBC	National Bank of Commerce
NFIWG	National Financial Inclusion Working Group
NMB	National Microfinance Bank
NPS	National Payments System
NSGRP	National Strategy for Growth and Reduction of Poverty
OCGS	Office of Chief Government Statistician
OMO	Open Market Operations
REPOs	Repurchase Agreements



RGZ	Revolutionary Government of Zanzibar
SACCOS	Savings and Credit Cooperative Societies
SADC	Southern African Development Community
SGFSR	Second Generation Financial Sector Reform
SME	Small and Medium Scale Enterprises
SME-CGS	Small and Medium Scale Enterprises Credit Guarantee Scheme
TANESCO	Tanzania Electricity Supply Company
TISS	Tanzania Interbank Settlement System
TMRC	Tanzania Mortgage Refinance Company Ltd.
TNNSS	Tanzania National Net Settlement Service
TPB	Tanzania Postal Bank
TUICO	Tanzania Union Of Industrial and Commercial Workers
URT	United Republic of Tanzania
VAT	Value Added Tax
ZIPA	Zanzibar Investment Promotion Authority
ZSSF	Zanzibar Social Security Fund



Date: 31/12/2013

Hon. Dr. William Mgimwa (MP)
Minister for Finance
United Republic of Tanzania
DAR ES SALAAM

Honourable Minister,

LETTER OF TRANSMITTAL

In accordance with Section 21 (1) of the Bank of Tanzania Act 2006, I hereby submit:

- (a) A report of the Bank's operations and principal functions, in particular, the implementation of monetary policy and other activities during the year, and
- (b) The balance sheet as at 30th June 2013, the Profit and Loss Accounts for the year ended 30th June 2013 and associated financial statements as well as detailed notes to the accounts for the year and the previous year's comparative data certified by external auditors along with the auditors' opinion.

Yours Sincerely,

Prof. Benno Ndulu
Governor
Bank of Tanzania



BOARD OF DIRECTORS



*Prof. Benno J. Ndulu
Governor and Chairman*



*Dr. Natu E. Mwamba
Deputy Governor, Economic
and Financial Policies (EFP),*



*Mr. Lila H. Mkila
Deputy Governor, Financial
Stability and Deepening (FSD)*



*Mr. Juma H. Reli
Deputy Governor,
Administration and Internal
Controls (AIC)*



*Mr. Bedason A. Shallanda
Representative from the
Ministry of Finance
(URT)*



*Prof. Haidari K. Amani
Director*



*Mr. Khamis M. Omar
Principal Secretary to the
Treasury (SMZ)*



*Mrs. Esther P. Mkwizu
Director*



*Mr. Yona S. Kilagane
Director*



*Mr. Yusto E. Tongola
Secretary to the Bank*



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BANK OF TANZANIA MISSION

The Bank's mission is:

“To maintain price stability that is conducive to the attainment of financial and macroeconomic stability for balanced and sustainable growth of the national economy of Tanzania”.

BANK OF TANZANIA INFLATION CONTROL STRATEGY

- The primary objective of the Bank of Tanzania is price stability. The Bank therefore, has the responsibility of establishing monetary conditions that are consistent with low and stable inflation.
- Inflation control is not an end in itself, but rather, the means by which monetary policy contributes to overall economic performance.
- Low inflation allows the economy to function more efficiently, thereby contributing to a better overall economic performance.
- The Bank of Tanzania controls inflation by managing the growth of money supply. The Bank targets broad money (M2), which is defined as currency in circulation outside banks, and total deposits held by commercial banks, excluding foreign currency deposits. M2 is chosen because it is the monetary aggregate that is estimated to have closest relationship with the rate of inflation.
- To influence the growth of M2, the Bank controls reserve money (base money or high powered money), which is directly related to money supply through the money multiplier. Reserve money is defined as the liabilities of a central bank, which include currency held outside the central bank and deposits of other depository corporations with the central bank.

MONETARY POLICY INSTRUMENTS

The Bank of Tanzania uses indirect instruments of monetary policy to influence the level of money supply.

- The main instrument is Open Market Operations (OMO), which involves sale or purchase of securities (Treasury bills and bonds) by the Bank to withdraw or inject liquidity into the financial system in order to influence reserve money.
- Other instruments include Foreign Exchange Market Operations (FEMO), standing facilities (Lombard and discount window), repurchase agreement transactions, statutory reserve requirements and moral suasion.



MONETARY POLICY IMPLEMENTATION BY THE BANK OF TANZANIA

- At the beginning of every fiscal year, the Bank of Tanzania sets annual monetary policy targets in its Monetary Policy Statement (MPS), in accordance with the broader macroeconomic policy objectives of the Government.
- The Statement is approved by the Board of Directors of the Bank and submitted to the Minister for Finance, who in turn submits it to the Parliament.
- The same procedure is followed in the mid-year review of Monetary Policy Statement, which shows progress in the implementation of the monetary policy and the outlook for the remaining period.
- The Monetary Policy Committee (MPC) of the Board of Directors of the Bank, which is chaired by the Governor, is responsible for setting the monetary policy direction bi-monthly, consistent with the ultimate objective of maintaining domestic price stability.
- At the Bank, the Liquidity management committee, chaired by the Governor, meets weekly to evaluate weekly progress on monetary policy implementation and decide on appropriate measures.
- At the Bank, the Surveillance Committee, also chaired by the Governor, meets daily to evaluate progress in monetary policy implementation and approve appropriate measures for liquidity management.
- A Technical Committee reviews liquidity developments on daily basis and advises Surveillance Committee on appropriate daily measures for liquidity management.



EXECUTIVE SUMMARY

Tanzania recorded a **real GDP growth** rate of 6.9 percent in 2012 compared with 6.4 percent recorded in 2011 and projection of 6.8 percent. Growth was particularly strong in agriculture, communication, financial intermediation, manufacturing, mining and quarrying, construction, electricity and gas. **Average annual headline inflation** eased to 11.5 percent, from 17.8 percent recorded in 2011/12 following improved food supply, fiscal consolidation and prudent monetary policy.

During 2012/13, Domestic revenue collected by the Central Government, was 17.1 percent of GDP compared with the target of 18.0 percent. Tax revenue was 97.1 percent of the target, while non tax revenue was 71.2 percent of the target. The performance in tax revenue collection was associated with measures taken by the Tanzania Revenue Authority to improve revenue collections. These measures included strengthened use of Electronic Fiscal Devices (EFDs) in business transactions, Block Management System and tax audit. The underperformance of non-tax revenues was mainly associated with limited capacity in collection particularly in government departments. Total expenditure was 93.7 percent of the budget estimates and 26.8 percent of GDP. Recurrent expenditure was 98.0 percent of the estimates while development expenditure was 84.9 percent of the estimates.

In the year ending June 2013, the Bank of Tanzania continued to pursue a tight monetary policy adopted since the last quarter of 2011 to anchor inflation expectations. Consistent with tight monetary policy stance, extended broad money supply (M3) grew by 15.6 percent, compared with the projected growth of 18.0 percent. This performance was largely explained by contraction of Net Foreign Assets (NFA) of commercial banks and slow down in the growth of credit to the private sector. During the same

period, credit to the private sector grew by 17.1 percent compared with the projected growth of 20.0 percent. Money market interest rates increased reflecting the tight monetary policy pursued by the Bank. The Bank continued to participate in the Inter-bank Foreign Exchange Market (IFEM) primarily to complement other instruments in managing liquidity in the economy and smoothening out short term volatility in the exchange rate.

The exchange rate between Tanzania Shilling against US dollar remained fairly stable during 2012/13. The weighted average nominal exchange rate closed at TZS 1,609.29 per USD at the end of June 2013, compared to TZS 1,584.13 per USD at the end of the June 2012.

Tanzania recorded a surplus of USD 449.1 million in the **overall balance of payments** which was more than twice the amount recorded in 2011/12. The increase in the surplus was largely associated with higher receipts from travel, transportation, foreign direct investment (FDI) and other investments. The current account deficit in 2012/13 was 3.4 percent lower than the deficit that was recorded in the preceding year. The stock of **gross official reserves** held by the Bank of Tanzania amounted to USD 4,359.9 million as at the end of June 2013, which was sufficient to cover about 4.3 months of projected import of goods and services, excluding those financed by foreign direct investments.

As at the end of June 2013, Tanzania's **external debt stock** stood at USD 12,089.2 million compared to USD 10,354.6 million recorded in the corresponding period in 2012. The increase was on account of new disbursements and accumulation of interest arrears. External debt stock as a percent of GDP increased to 42.5 percent, while that of public and private



debt to GDP was 35.0 percent and 7.5 percent respectively. **Domestic debt stock** increased by TZS 1,466.3 billion to TZS 5,640.5 billion at the end of June 2013 the increase was on account of large issuance of Government securities compared to maturing obligations and securitization of an accumulation of past net domestic financing held at Bank of Tanzania. The domestic debt stock was equivalent to 12.4 percent of GDP and 22.5 percent of national debt stock.

During the year ending June 2013, the **banking sector** remained sound and stable with adequate capital and liquidity levels being above regulatory requirements. The ratio of core capital to total risk weighted assets and off balance sheet items was 17.6 percent while total capital to total risk weighted assets and off-balance sheet exposures was 18.1 percent. Both ratios were above the minimum requirements of 10 and 12 percent, respectively. The quality of assets of the banking sector improved as reflected by the ratio of non-performing loans (NPL) net of provisions to total capital, which decreased to 17.08 percent, from 21.6 percent recorded in the corresponding period in 2012.

The Bank continued to operate and oversee the **National Payment Systems (NPS)** aimed at maintaining safety and efficiency in payments, clearing and settlement systems. In order to enhance efficiency of Government revenue collections, Tanzania Inter-bank Settlement Systems (TISS) and Tanzania Revenue Authority (TRA) revenue systems were interfaced to facilitate real time interchange of messages between the two systems. Also, as part of the initiatives to increase financial services accessibility, the legal framework for Mobile Financial Services (MFS) was enhanced by reviewing the Electronic Payment Schemes Guidelines as well as developing the Mobile Payments Regulations.

Zanzibar's **real Gross Domestic Product (GDP)** grew by 7.0 percent in 2012, up from 6.7 percent attained in 2011. This outturn was mainly associated with increased growth in the industrial

and services sectors. During 2012/13, **average annual headline** inflation rate decelerated from a double digit of 15.5 percent recorded in 2011/12, to single digit inflation rate 4.7 percent, mainly driven by a decline in prices of food items.

During 2012/13, **budgetary operations** on cheques issued basis recorded a deficit of TZS 58.6 billion after grants, compared with a deficit of TZS 82.7 billion registered in 2011/12. Total resources amounted to TZS 398.0 billion, out of which TZS 266.2 billion or 66.9 percent was from domestic sources, and the balance was grants. Total expenditure amounted to TZS 514.3 billion, which was 21.1 percent below the annual estimate of TZS 651.9 billion, mainly on account of low outturn of donor funds particularly for development projects. During the year ending June 2013, **current account balance** recorded a deficit of USD 34.4 million compared with a surplus of USD 68.9 million recorded in the preceding year. The deterioration was on account of decrease in cloves and tourism related receipts, coupled with low official current transfers.

During 2012 the **global economy** slowed down to 3.1 percent from 3.9 percent recorded in 2011, mainly due to a deeper recession in the Euro area, subdued demand growth and global financial stability concerns. Global inflation declined to 3.8 percent from 4.0 percent recorded in 2011. The decline in inflation reflects a modest growth in global demand and economic activities.

The average real GDP growth in the **SADC** region was 4.3 percent in 2012 compared with 5.1 percent recorded in 2011. Main drivers of growth in most countries were Foreign Direct Investment inflows, infrastructure investment, agriculture, construction, and oil and gas extraction. During 2012, the average inflation rate remained unchanged at 7.9 percent. Energy and food prices continued to be the main drivers of inflation in the region.

The average real GDP growth in the **East African Community (EAC)** region went down to 5.2 percent in 2012, compared with 6.0 percent



recorded in 2011. With the exception of Kenya and Tanzania, other EAC partner states recorded a decline in output growth. The average inflation rate eased to 12.0 percent in 2012 from 12.2

percent recorded in 2011. With exception of Kenya and Uganda inflation rate in other EAC partner states increased. Food and energy prices remained the main drivers of inflation.



PART I

AN OVERVIEW OF ECONOMIC DEVELOPMENTS



CHAPTER ONE OUTPUT AND PRICES

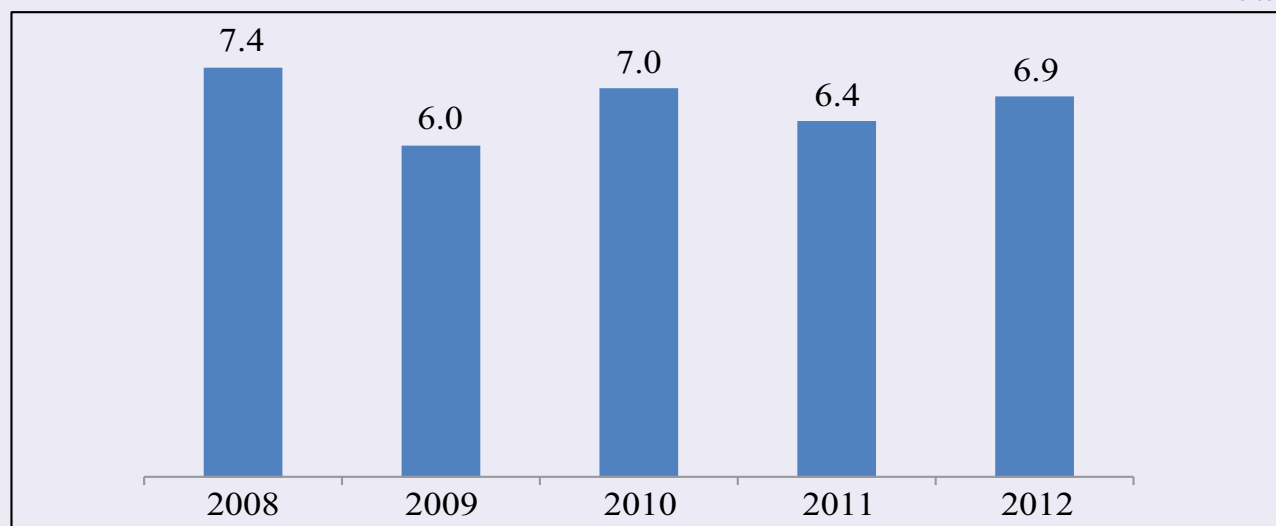
Gross Domestic Product

Real Gross Domestic Product (GDP) during 2012 was 6.9 percent compared to 6.4 percent recorded in 2011, and slightly above the projected growth of 6.8 percent (**Chart 1.1**). The increase in GDP was mainly attributable to good

performance in agriculture, communication, financial intermediation, manufacturing, mining and quarrying, and construction. **Chart 1.2** depicts real GDP growth and contribution by various economic activities.

Chart 1.1: Real GDP Growth

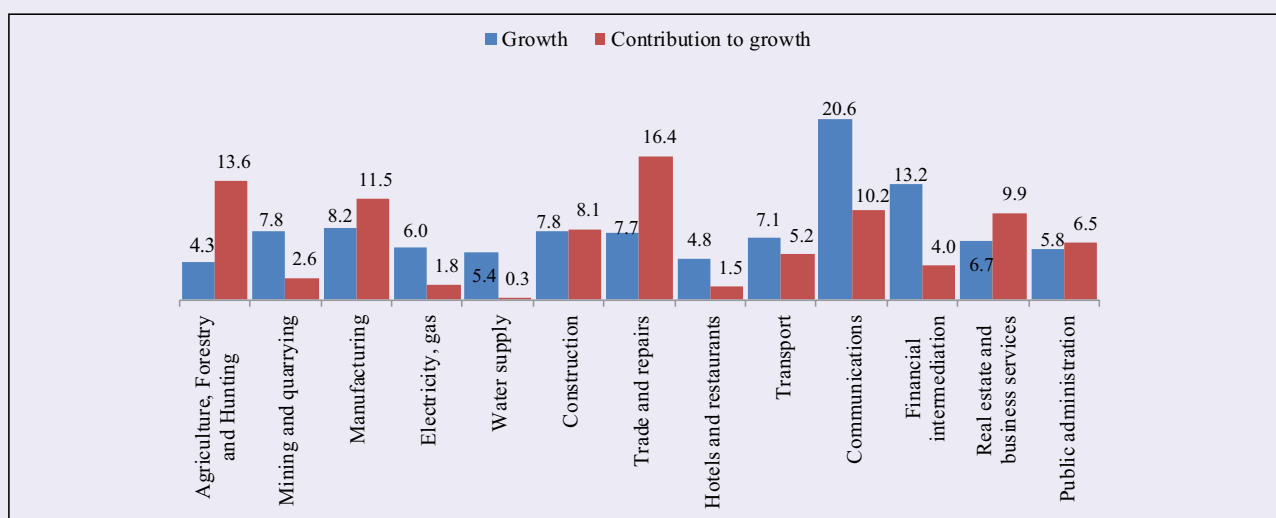
Percent



Source: National Bureau of Statistics

Chart 1.2: Real GDP Growth and Contribution by Activity

Percent



Source: National Bureau of Statistics and Bank of Tanzania

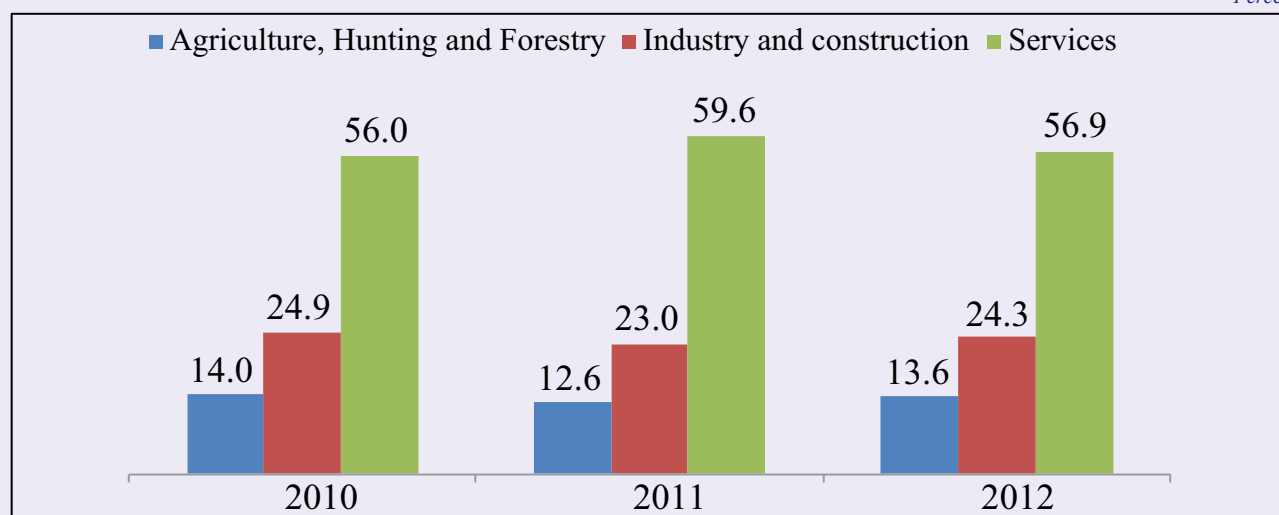


In terms of contribution to the growth, services sector accounted for 56.9 percent of overall GDP growth, following a strong demand on trade and repairs, and communication services.

Industry and construction was the second largest contributor to the growth (24.3 percent) owing to increased production of manufactured products and the flourishing construction.

Chart 1.3: Growth Contribution to GDP by Main Sectors 2010-2012

Percent



Source: National Bureau of Statistics and Bank of Tanzania

**Table 1.1: Growth and Contribution of Gross Domestic Product by Activity, at Constant 2001 Prices**

Economic Activity	2006	2007	2008	2009	2010	2011r	2012p
Real Growth by Economic Activities							
Agriculture and Fishing	3.8	4.0	4.6	3.2	4.2	3.6	4.3
Fishing	5.0	4.5	5.0	2.7	1.5	1.2	2.9
Industry and construction	8.5	9.5	8.6	7.0	8.2	6.9	7.8
Mining and quarrying	15.6	10.7	2.5	1.2	2.7	2.2	7.8
Manufacturing	8.5	8.7	9.9	8.0	7.9	7.8	8.2
Electricity, gas	-1.9	10.9	5.4	8.4	10.2	1.5	6.0
Water supply	6.2	6.5	6.6	5.6	6.3	4.0	5.4
Construction	9.5	9.7	10.5	7.5	10.2	9.0	7.8
Services	7.8	8.1	8.5	7.2	8.2	7.9	8.0
Trade and repairs	9.5	9.8	10.0	7.5	8.2	8.1	7.7
Hotels and restaurants	4.3	4.4	4.5	4.4	6.1	4.6	4.8
Transport	5.3	6.5	6.9	6.0	7.0	6.7	7.1
Communications	19.2	20.1	20.5	21.9	22.1	19.0	20.6
Gross value added excluding adjustments	6.8	7.3	7.5	6.1	7.1	6.5	7.0
<i>less</i> FISIM	14.9	15.3	11.0	8.7	9.1	11.2	12.7
Other Services*	7.1	7.0	7.4	6.1	7.0	6.9	6.8
Gross value added at basic prices	6.7	7.2	7.4	6.0	7.1	6.4	6.9
<i>Add</i> Taxes on products	6.8	6.9	7.8	5.8	6.7	6.5	7.3
Gross domestic product at market prices	6.7	7.1	7.4	6.0	7.0	6.4	6.9
As Percent of GDP							
Agriculture and Fishing	25.4	24.6	24	23.3	22.7	22.1	21.6
Fishing	1.6	1.6	1.5	1.5	1.4	1.3	1.3
Industry and construction	20.5	20.9	21.2	21.4	21.6	21.7	21.8
Mining and quarrying	2.6	2.7	2.6	2.5	2.4	2.3	2.3
Manufacturing	9	9.2	9.4	9.5	9.6	9.7	9.9
Electricity, gas	2	2.1	2	2.1	2.1	2	2.0
Water supply	0.4	0.4	0.4	0.4	0.4	0.4	0.4
Construction	6.4	6.5	6.7	6.8	7	7.2	7.3
Services	46.9	47.3	47.8	48.3	48.8	49.5	49.9
Trade and repairs	13.5	13.8	14.1	14.3	14.5	14.7	14.8
Hotels and restaurants	2.4	2.4	2.3	2.3	2.3	2.2	2.2
Transport	5.1	5.1	5.1	5.1	5.1	5.1	5.1
Communications	1.9	2.1	2.3	2.7	3.1	3.4	3.9
Other Services*	23.9	23.9	23.9	23.9	23.9	24.0	24.0
Taxes on products	6.7	6.7	6.7	6.7	6.7	6.7	6.7

Note: * Includes Financial Intermediation, Public Admin., Real Estate and Business Services, Education, Health and other Social and Personal services
r = revised and p = provisional

Source: National Bureau of Statistics



1.2 Developments in Selected Economic Activities

During 2012 a number of economic activities, particularly manufacturing, electricity and gas, mining and quarrying as well as communication performed relatively better compared with the growth rates recorded in the preceding year. This performance was due to increased demand and investment in these sectors. Growth and contribution to GDP by various economic activities are depicted in **Table 1.1**.

Agriculture: Real output from agriculture (crop, livestock, forestry and hunting) grew by 4.3 percent in 2012 compared with a growth rate of 3.6 percent in 2011. The good performance was attributed to favourable weather condition as well as Government efforts to supply subsidized inputs on time, which boosted agricultural production.

Food Production: Preliminary estimates by the Ministry of Agriculture, Food Security and Cooperative (in June 2013) indicated that

production of food crops rose to 14.4 million tonnes (in grain equivalent) in 2012/13 compared to 13.6 million recorded in 2011/12 on account of good weather conditions. Production of cereals is estimated at 7.6 million tons compared to 7.5 million tons recorded in 2011/12 whereas production of non-cereals is estimated at 6.77 million compared to 6.0 million tons of the previous season. Given the national food requirement of about 12.15 million tonnes in 2013/14, the production level for 2012/13/ registered a surplus of about 2.3 million tonnes. The country is therefore expected to be self-sufficient in food supply at 118 percent.

Food prices: Average wholesale prices for most of food crops except those for rice and beans increased when compared to average prices recorded in the previous year (**Table 1.2**). The increase in prices of food crops was attributed to food shortages in neighbouring countries and high transportation costs, while the decline in prices of rice was due to government decision to waive taxes on imported rice.

Table 1.2: National Average Wholesale Prices for Food Items

TZS per 100 Kg

Item	2008/09	2009/10	2010/11	2011/12	2012/13	% Change
Maize	33,607.4	38,335.1	35,699.0	52,326.0	61,976.0	18.4
Rice	102,950.5	81,408.2	100,153.0	165,444.0	164,246.0	-0.7
Beans	97,549.0	84,293.5	110,870.0	129,575.0	129,275.0	-0.2
Sorghum	43,015.1	55,006.8	52,895.0	65,201.0	73,160.0	12.2
Finger millet	60,100.2	70,401.1	71,251.0	76,089.0	109,330.0	43.7
Potatoes	43,592.6	52,378.3	55,405.0	71,251.0	73,426.0	3.1

Source: Ministry of Industry, Trade and Marketing

Traditional export crops: Production of six major traditional cash crops, with exception of tobacco and cashewnuts increased in 2012/13 when compared with levels recorded in the previous crop season (**Table 1.3**). Production of seed cotton and coffee increased substantially mainly due to favourable weather conditions, steady supply of pesticides through contract farming and government subsidy coupled with

good producer prices that were offered in the previous season. Production of cashewnuts declined on account of inadequate supply of pesticides, while tobacco production declined on account of low producer prices offered to farmers. **Table 1.4** summarizes developments in producer prices for major traditional export crops over time.

**Table 1.3: Production of Selected Major Export Crops**

'000' Tonnes

Item	2008/09	2009/10	2010/11	2011/12 ^r	2012/13 ^e	% Change	Peak Production Period	Tonne
Total Export Crops	627.4	494.4	502.3	610.4	703.0	15.2		
Coffee	68.5	34.6	56.8	33.3	71.0	113.2	2012/13	71.0
Seed Cotton	368.7	267.0	163.5	225.9	357.1	58.1	2005/06	374.7
Tea	32.0	32.8	31.7	31.5	33.7	7.2	2006/07	35.0
Cashew nuts	79.1	75.4	121.1	158.4	127.9	-19.3	2011/12	158.4
Tobacco	55.4	60.7	94.2	126.6	74.2	-41.4	2011/12	126.6
Sisal*	23.8	24.0	35.0	34.6	39.0	12.7	1964	230.0

Note: r = Revised
e = Estimates

* = Calendar year (e.g. 2008/09 represents 2008)

Source: Ministry of Agriculture, Food Security and Cooperatives, and Crop Boards

Table 1.4: Average Producer Prices for Traditional Export Crops

TZS per Kg

Period	Coffee		Seed	Green	Raw	Tobacco			Sisal*
	Arabica	Robusta	Cotton	Tea	Cashew	VFC	DFC	Burley	UG
2006/07	1,450	500	350	98	600	1,102	680	910	935
2007/08	1,850	700	450	110	610	1,172	841	917	958
2008/09	1,500	700	450	119	675	1,373	1,019	1,149	1,162
2009/10	1,700	450	440	120	700	2,741	1,659	1,698	1,059
2010/11	3,700	900	650	126	1,600	2,909	1,691	1,773	1,173
2011/12	4,000	1,300	1,000	200	1,100	2,905	2,370		1,440
2012/13	2,500	1,300	660	200	1,397	3,398	2,750		1,460

Note: * USD/Tonne
VFC = Virginia Flue Cured
DFC = Dark Fire Cured
UG = Under Grade

Source: Ministry of Agriculture, Food Security and Cooperative, and Crop Boards

Manufacturing activity recorded a steady growth of 8.2 percent in 2012 compared to a growth rate of 7.8 percent in 2011 following stabilization in the supply of electricity. Manufacturing Production Index (MPI) (a rate that measures changes in production of commodities in real terms over time) increased by 11.5 percent from an index of 300.3 recorded in 2011 (**Table 1.5**). The increase in overall performance of the

manufacturing activities in 2012 was mainly driven by an increase in the production of food, beverages and tobacco as well as metal products.

On the contrary, performance of textiles and chemicals and plastic products declined during the review period due to inadequate supply of raw materials and stiff competition from imports.

**Table 1.5: Manufacturing Production Index by Category***Index 1985=100*

ISIC	Industrial Activity	2007	2008	2009	2010	2011	2012	% Change
21	Food, beverage and tobacco	388.8	351.3	375.5	407.0	397.8	455.3	14.5
211/2	Food manufacturing	215.8	219.3	230.8	277.8	241.3	266.3	10.4
313	Beverage industries	567.5	482.0	520.5	510.0	580.0	685.0	18.1
314	Tobacco manufactures	472.8	351.3	392.5	323.8	397.5	490.0	23.3
32	Textile and leather	667.8	285.8	229.3	243.5	228.5	201.5	-11.8
321	Textiles	616.5	352.3	275.8	293.3	273.0	240.0	-12.1
323	Leather & products excluding footwear	6.0	3.8	2.8	3.5	4.5	7.0	55.6
324	Footwear	0.0	0.0	103.5	114.0	128.0	123.3	-3.7
331	Wood and products except furniture	82.0	263.5	246.5	248.3	347.8	707.3	103.4
341	Paper and paper products	42.8	310.3	295.3	317.3	343.5	359.8	4.7
35	Chemicals, petroleum, rubber & plastic products	183.5	107.3	124.8	137.5	144.5	140.0	-3.1
351	Industrial chemicals	30.5	39.3	63.0	39.0	32.5	41.3	26.9
352	Other chemical products	973.8	547.3	622.3	695.8	714.8	704.3	-1.5
353	Petroleum refineries	0.0	0.0	0.0	0.0	0.0	0.0	0.0
355	Rubber products	38.0	7.5	0.0	0.0	0.0	0.0	0.0
356	Plastic products	642.3	291.5	346.3	577.3	597.0	621.0	4.0
36	Non metallic products	387.0	415.5	458.8	526.5	536.0	574.0	7.1
36	Pottery, china, glass and non-metallic products	387.0	415.5	458.8	526.5	536.0	574.0	7.1
37	Basic metal industries	152.3	177.0	203.5	236.0	270.3	293.8	8.7
37	Iron, steel and non-ferrous metals	152.3	177.0	203.5	236.0	270.3	293.8	8.7
38	Fabricated metal product, machinery and equipment	13.5	74.3	72.0	76.3	81.5	104.0	27.6
381	Metal products	8.0	30.3	31.8	37.5	29.3	46.8	59.8
382	Machinery n.e.s	0.0	3.5	2.8	4.3	4.0	4.5	12.5
383	Electrical machinery	49.3	246.5	221.5	178.5	331.8	322.8	-2.7
384	Transport equipment	6.0	7.0	6.0	7.3	6.8	5.6	-17.8
39	Other industries	227.0	297.8	385.3	433.5	515.8	582.5	12.9
3	Manufacturing Production Index	341.5	260.0	274.5	290.5	300.3	334.8	11.5

Source: National Bureau of Statistics

During the review period, production of fish fillets, sugar, blended tea, soft drink, beer and cigarettes rose substantially as a result of an increase in both domestic and foreign demand.

Production of cement, lime, rolled steel, iron sheets and galvanised pipes increased consistent with high demand for construction materials (Table 1.6).

**Table 1.6: Volume of Selected Processed and Manufactured Commodities***Index 1985 = 100*

Commodity	Unit	2007	2008	2009	2010	2011	2012 ^P	% Change
1 Fish fillets	M/tons	44,029	43,153	34,937	32,568	30,767	36,140	17.5
2 Vegetable oils & fats	M/tons	117,065	114,358	143,111	159,105	154,069	151,986	-1.4
3 Wheat flour	M/tons	412,823	287,925	367,846	463,552	439,201	443,731	1.0
4 Sugar, refined	000' M/Tons	286	310	288	260	249	271	8.9
5 Instant coffee	M/tons	392	1,337	442	242	249	440	76.7
6 Blended tea	M/tons	9,148	52,338	51,871	35,649	45,338	60,615	33.7
7 Soft drinks	000' Ltr	449	355	377	422	524	965	84.1
8 Distilled spirits	000' Lts	7,614	4,049	10,201	11,236	17,177	16,774	-2.3
9 Beer	000' Lts	310,194	291,178	288,901	248,502	331,011	338,650	2.3
10 Chibuku	000' Lts	10,320	10,255	16,141	21,040	23,474	22,028	-6.2
11 Cigarettes	Mill Pcs	5,821	6,101	5,741	6,181	6,630	7,558	14.0
12 Textiles	000'Sq. Mt.	127,231	155,088	101,803	102,938	108,398	92,585	-14.6
13 Sisal ropes	M/tons	7,295	7,783	7,913	6,872	6,976	7,754	11.2
14 Plywood	Cubic Mt.	1,080	925	254	988	1,007	776	-22.9
15 Paper	M/Tons	19,079	37,971	35,236	38,733	43,651	45,286	3.7
16 Pyrethrum extract	000' M/tons	30	74	143	64	70	73	4.3
17 Paints	000'Ltrs	22,849	24,857	25,761	28,201	47,589	35,344	-25.7
18 Soap and detergents	M/Tons	120,108	136,423	152,654	147,700	159,076	131,260	-17.5
19 Safety matches	000' grosses	2,228	2,676	2,412	2,293	2,514	2,556	1.7
20 Cement	000' M/tons	1,630	1,756	1,941	2,312	2,409	2,581	7.2
21 Lime	M/Tons	9,222	20,931	28,261	29,273	29,659	49,365	66.4
22 Rolled steel	M/tons	46,016	75,274	122,318	126,054	118,249	133,229	12.7
23 Iron Sheets	M/Tons	36,369	31,751	47,153	58,956	76,912	81,427	5.9
24 Galvanised pipes	M/Tons	6,572	7,622	8,779	9,760	11,573	13,554	17.1
25 Industrial machines	Units	16	18	5	-	26	126	384.6
26 Electric motors	Units	15	15	64	181	266	1,612	506.0
27 Transformers	Units	676	1,688	1,482	1,110	2,905	1,308	-55.0
28 Aluminium sheets/circles	M/tons	110	85	58	58	33	37	12.1
29 Dry cells	000 Pcs	84,000	53,000	78,000	93,000	86,000	146,100	69.9
30 Cable and wires, electric	Tons	1,885	2,526	2,096	1,599	2,319	1,243	-46.4

Note: P = Provisional**Source:** National Bureau of Statistics

Value of processed manufactured commodities increased to TZS 5,435.8 billion in 2012 compared to TZS 4,908.5 billion recorded in 2011. Food, beverages and tobacco contributed up to 63.5 percent, followed by chemicals and

plastic products 12.3 percent while non-metallic products and basic metal products contributed 9.0 percent and 6.8 percent, respectively. **Table 1.7** shows the value of manufactured commodities by category.


Table 1.7: Value of Manufactured Commodities by Category
Millions of TZS

ISIC	Industrial Activity	2008	2009	2010	2011	2012	% Change
21	Food, beverage and tobacco	2,316,852.6	2,195,096.4	3,333,087.1	2,984,917.1	3,454,348.8	15.7
211/2	Food manufacturing	1,342,867.3	1,164,876.1	2,134,186.7	1,414,369.8	1,520,240.0	7.5
313	Beverage industries	662,228.3	775,749.7	942,314.2	1,334,490.7	1,449,896.7	8.6
314	Tobacco manufactures	311,757.0	254,470.7	256,586.3	236,056.6	484,212.1	105.1
32	Textile and leather	251,137.9	173,489.4	250,235.2	210,056.3	196,362.8	-6.5
321	Textiles	248,840.8	173,082.4	235,983.7	177,784.0	175,545.6	-1.3
323	Leather & products excluding footwear	176.1	204.5	153.8	202.7	176.2	-13.1
324	Footwear	2,121.0	202.5	14,097.7	32,069.5	20,641.1	-35.6
331	Wood and products except furniture	91,646.5	35,845.5	21,466.2	43,258.6	23,474.0	-45.7
341	Paper and paper products	90,904.6	74,685.9	103,097.6	96,053.6	82,997.8	-13.6
35	Chemicals, petroleum, rubber & plastic products	258,077.7	475,282.8	487,894.0	599,625.4	660,523.5	10.2
351	Industrial chemicals	8,675.7	7,837.3	8,600.4	11,890.1	21,625.4	81.9
352	Other chemical products	205,470.0	394,797.0	451,579.0	526,509.0	552,061.7	4.9
353	Petroleum refineries	0.0	0.0	0.0	0.0	0.0	0.0
355	Rubber products	0.0	0.0	0.0	0.0	0.0	0.0
356	Plastic products	43,932.1	72,648.5	27,714.6	61,226.4	86,836.4	41.8
36	Non metallic products	335,936.5	350,634.3	470,799.3	393,867.3	489,570.7	24.3
36	Pottery, china, glass and non-metallic products	335,936.5	350,634.3	470,799.3	393,867.3	489,570.7	24.3
37	Basic metal industries	279,106.6	213,139.5	292,266.7	392,131.3	368,555.9	-6.0
37	Iron, steel and non-ferrous metals	279,106.6	213,139.5	292,266.7	392,131.3	368,555.9	-6.0
38	Fabricated metal product, machinery and equipment	163,555.3	132,714.3	159,466.1	185,542.2	155,845.5	-16.0
381	Metal products	92,704.5	81,982.2	105,666.4	84,724.2	86,844.1	2.5
382	Machinery n.e.s	1,022.5	445.8	0.0	30,089.3	0.0	-100.0
383	Electrical machinery	68,128.6	48,652.8	51,577.9	69,031.5	67,466.5	-2.3
384	Transport equipment	1,699.7	1,633.5	2,221.9	1,697.3	1,535.0	-9.6
39	Other industries	1,537.7	3,112.3	2,608.5	3,092.6	4,077.7	31.9
9	Manufacturing Production Index	3,788,755.4	3,654,000.4	5,120,920.6	4,908,544.5	5,435,756.7	10.7

Source: National Bureau of Statistics

Overall employment in selected manufacturing establishments in the country declined by 2.5 percent to 79,969 employees in 2012 from 81,990 recorded in 2011 (**Table 1.8**).

Much of the decline was recorded in the manufacturing sub sectors of food, beverages and tobacco; wood and products as well as paper and paper products.

**Table 1.8: Employment in Selected Manufacturing Firms**

ISIC	Industrial Activity	2008	2009	2010	2011	2012	% Change
21	Food, beverage and tobacco	53,282	53,134	51,011	46,991	40,482	-13.9
211/2	Food manufacturing	44,844	44,695	42,961	36,836	28,762	-21.9
313	Beverage industries	5,415	5,159	5,271	6,246	7,525	20.5
314	Tobacco manufactures	3,023	3,280	2,780	3,910	4,195	7.3
32	Textile and leather	15,040	13,732	14,854	11,696	11,303	-3.4
321	Textiles	14,798	13,468	14,382	11,080	10,675	-3.7
323	Leather & products excluding footwear	41	106	55	56	55	-1.3
324	Footwear	200	157	418	560	572	2.2
331	Wood and products except furniture	2,971	2,651	2,467	2,762	2,457	-11.1
341	Paper and paper products	3,423	2,925	4,108	3,653	2,972	-18.6
35	Chemicals, petroleum, rubber & plastic products	4,537	5,201	5,677	6,863	9,001	31.2
351	Industrial chemicals	274	242	227	225	254	12.9
352	Other chemical products	3,349	4,029	4,283	6,086	7,947	30.6
353	Petroleum refineries	0	0	0	0	0	0.0
355	Rubber products	8	0	0	0	0	0.0
356	Plastic products	906	930	1,167	552	801	45.1
36	Non metallic products	4,645	5,201	5,677	6,863	9,001	31.2
36	Pottery, china, glass and non-metallic products	4,645	5,201	5,677	6,863	9,001	31.2
37	Basic metal industries	1,600	1,539	1,823	1,713	3,231	88.6
37	Iron, steel and non-ferrous metals	1,600	1,539	1,823	1,713	3,231	88.6
38	Fabricated metal product, machinery and equipment	2,641	1,552	1,600	1,380	1,448	5.0
381	Metal products	1,855	1,040	896	595	770	29.5
382	Machinery n.e.s	190	0	160	179	0	-100.0
383	Electrical machinery	492	417	447	505	589	16.6
384	Transport equipment	105	95	98	102	90	-11.8
39	Other industries	59	66	68	71	74	4.9
9	Manufacturing Production Index	88,197	86,000	87,287	81,990	79,969	-2.5

Source: National Bureau of Statistics

In terms of contribution to total employment, food, beverages and tobacco contributed 50.6 percent, followed by textile and leather products sub sector (14.1 percent), while chemical and plastic products and non metallic products

contributed 11.3 percent each (Table 1.9). Food, beverages and tobacco sub sector contributed the largest share of employment as some of the activities such as sugar and blended tea production are labour intensive. .

**Table 1.9: Contribution to Employment in Selected Manufacturing Sector by Category**

Industrial sub Category	2008	2009	2010	2011	2012
Food, bverage and tobacco	60.4	61.8	58.4	57.3	50.6
Textile and leather	17.1	16.0	17.0	14.3	14.1
Chemical, petroleum, rubber & plastic products	5.1	6.0	6.5	8.4	11.3
Non- metallic products	5.3	6.0	6.5	8.4	11.3
Basic metallic Industries	1.8	1.8	2.1	2.1	4.0
Fabricated metal products, machinary & equipments	3.0	1.8	1.8	1.7	1.8
Other Industries	0.1	0.1	0.1	0.1	0.1
Total	100.0	100.0	100.0	100.0	100.0

Source: Bank of Tanzania

Fishery activities recorded a growth rate of 2.9 percent in 2012 compared to 1.2 percent recorded in 2011. Improvement in fishery activities over

the period was mostly attributed to utilization of modern fishing equipments. **Table 1.10** shows the volume and value of fish catches over time.

Table 1.10: Trends in Fish Catches Tanzania Mainland

Year	Fishermen (Number)	Fishing Vessels (Number)	Weight (Tonnes)	Values (Millions of TZS)
2000	102,329	30,171	320,900.0	77.7
2001	120,266	29,941	336,288.9	81.2
2002	124,570	36,152	323,530.5	88.1
2003	124,570	36,152	351,125.0	175.6
2004	122,514	37,175	362,510.0	188.1
2005	133,197	39,438	375,534.6	338.9
2006	156,544	51,552	341,109.2	285.7
2007	163,037	51,851	327,845.4	291.8
2008	170,038	52,174	324,821.0	371.4
2009	172,090	52,898	335,675.0	408.0
2010	163,601	50,001	347,156.9	774.5
2011	177,527	55,299	341,066.0	1,198.8
2012	182,741	56,985	365,023.0	1,307.1

Source: Ministry of Fisheries and Livestock Developments and Bank of Tanzania

Construction activity recorded a growth rate of 7.8 percent compared to 9.0 percent attained in 2011. The slower growth was due to completion of major road construction projects.

Real estate and business services activity recoded a marginal growth of 6.7 percent in 2012 compared to 6.5 percent recorded in year 2011.

The growth rates of **Electricity and Gas** picked up to 6.0 percent in 2012 compared to a growth rate of 1.5 percent in 2011 largely on account of

an increase in electricity generation, especially from thermal and gas sources. Total electricity generated during the period under review increased to 5,765.6 million kWh from 5,156.7 million kWh generated in 2011, equivalent to an increase of 11.8 percent. **Electricity** generation increased following expansion of production capacities and introduction of new plants/lines using natural gas and fuel (**Table 1.11**). Production of hydropower declined during the period under review on account of aging machinery and insufficient rainfall experienced



in catchment areas. Meanwhile, the Government commenced a project to lay pipelines to transfer natural gas from Mtwara and Lindi to Dar es Salaam for electricity production and domestic

consumption. Other projects included the wind power in Singida and the coal power generators at Mchuchuma.

Table 1.11: Electricity Available for Distribution

(In MWh)

Source of power	2008	2009	2010	2011	2012	% Change
Hydropower	2,648,910	2,640,467	2,701,070	1,992,576	1,766,593	-11.3
Thermal power	336,367	708,348	1,003,146	1,034,466	1,367,755	32.2
Diesel-Grid	2,092	2,427	1,062	5,427	4,911	-9.5
Gas	266,068	637,058	923,227	952,187	1,198,916	25.9
	68,208	68,863	78,858	76,852	163,928	113.3
	68,208	68,863	78,858	76,852	75,942	-1.2
Gas (Mtwara&Somamga)					87,986	100.0
Imports	52,369	64,877	57,164	54,745	60,797	11.1
Uganda	43,047	43,468	44,966	44,378	57,144	28.8
Zambia	9,322	21,409	12,198	10,367	3,653	-64.8
IPP	1,384,759	1,388,826	1,569,883	2,074,862	2,570,482	23.9
Songas	1,125,718	1,349,220	1,445,078	1,312,020	1,465,060	11.7
Aggreko (Ubungo&Tegeta)	180,397	0	0	123,682	185,903	50.3
Dowans/Symbion (Dar, Dom&Aru)	73,417	0	0	321,477	466,861	45.2
APR	4	0	0	0	0	0.0
IPTL	1,829	39,457	116,590	305,348	432,439	41.6
Kiwira	3,394	148	0	0	0	0.0
TANWAT	0	0	2,294	104	14,135	13,521.7
TPC				12,231	6,083	-50.3
Local industry	0	0	5,921	0	0	0.0
Total	4,422,406	4,802,518	5,331,263	5,156,650	5,765,627	11.8

Note: IPP = Integrated Power Projects

Source: TANESCO

Value added in the **mining and quarrying activity** grew substantially by 7.8 percent in 2012 compared to a growth rate of 2.2 percent recorded in 2011 mainly on account of an increase in production of most of the minerals.

However, volume of gold produced declined in the review period following the closure of Golden Pride and Tulawaka gold mining plants. **Table 1.12** depicts production of selected minerals.

Table 1.12: Production of Selected Minerals

Mineral Type	Unit	2007	2008	2009	2010	2011	2012 ^P	% Change
Diamond	000' Carats	282.8	237.7	181.9	80.5	28.4	127.2	348.1
Gold	Tons	40.2	36.4	39,112.6	39,448.3	40,389.5	39,012.0	-3.4
Gemstone	Tons	1,286.3	1,846.5	1,058.5	1,250.3	1,581.7	1,702.2	7.6
Salt	000' Tons	35.2	25.9	27.4	34.5	36.4	34.0	-6.4
Gypsum	000' Tons	52.8	55.7	8.1	26.9	38.7	91.6	137.0
Limestone	000' Tons	1,322.0	1,281.8	1,284.1	1,436.6	2,202.7	1,346.0	-38.9
Pozzolana	000' Tons	223.0	260,403.3	171,904.3	199,698.4	222,591.8	91,221.0	-59.0
Coal	000' Tons	27.2	15,242.0	0.8	179.5	82,856.2	78,672.0	-5.0
Tanzanite	Kilogram	8,187.0	11,770.0	10,011.6	12,773.6	14,974.4	32,212.0	115.1
Phosphates	Tonnes	8,261.1	28,684.0	752,000.0	17,180.0	10,124.8	19,984.1	97.4
Copper	000' Pounds	7,222.4	6,288.5	4,451.7	11,741.9	11,180.2	12,426.0	11.1

Note: P = provisional

Source: Ministry of Energy and Minerals



In 2012, **communication** activity grew by 20.6 percent, compared to 19.0 percent recorded in 2011. This performance was attributed to the increased investment in the sector, number of mobile phone subscribers as well as airtime usage. Communication activity also benefitted from a project of laying the national fibre optic cable which covered a total of 7,560 kilometers connecting 24 regional headquarters in Tanzania mainland. The number of subscribers to mobile phone services increased to 25,759,134 compared to 25,666,455 recorded in 2011, while subscribers to fixed land lines increased to 168,965 from 161,063 recorded in 2011.

Hotels and Restaurant activities grew marginally to 4.8 percent in 2012 compared to 4.6 percent in 2011. The number of tourist arrivals increased to 1,077,058 in 2012 compared to 867,994 recorded in 2011, partly due to tourism promotion campaigns and investment in tourist related infrastructure.

Growth in **transport activities** increased to 7.1 percent in 2012 compared to a growth rate of 6.7 percent recorded in 2011 following improvement in cargo handling at Dar es Salaam port and the use of inland container depots. Cargo handled by Tanzania Port Authority increased from 11.2 million tonnes recorded in 2011 to 12.1 million tonnes in 2012 due to increase in imports of

petroleum products, fertilizers, wheat, oil and gas exploration equipments as well as exports of cashewnuts. Performance of Tanzania Railways Limited (TRL) and Tanzania Zambia Railways (TAZARA), was unsatisfactory on account of aging infrastructure especially wagons and engines. Cargo handled by the two railway lines declined by 34.6 percent to 523,998 tonnes in 2012 from 800,972 tonnes in 2011.

Financial Intermediation activity grew by 13.2 percent in 2012 compared to 10.7 percent in 2011. The performance was mainly associated with increased competition in the provision of financial services by banks.

1.3 Gross National Disposable Income (GNDI)

GNDI¹ grew by 6.5 percent in 2012 compared to a growth rate of 5.8 percent in the preceding year. Meanwhile, consumption expenditure grew at a rate of 7.7 percent compared to 12.4 percent in 2011. The higher growth of GNDI than consumption reflects a gain in savings compared to the preceding year. The resource balance (defined as Savings minus Investment) widened during the period under review reflecting increased expenditure on capital goods (**Table 1.13**).

¹GNDI comprises compensation of employees, property income, net current transfers, operating surplus or mixed income. It is obtained by adding net current transfers from abroad and Gross National Income

**Table 1.13: Analysis of the Savings-Investment Relationship, 2008–2012, Tanzania Mainland***Millions of TZS*

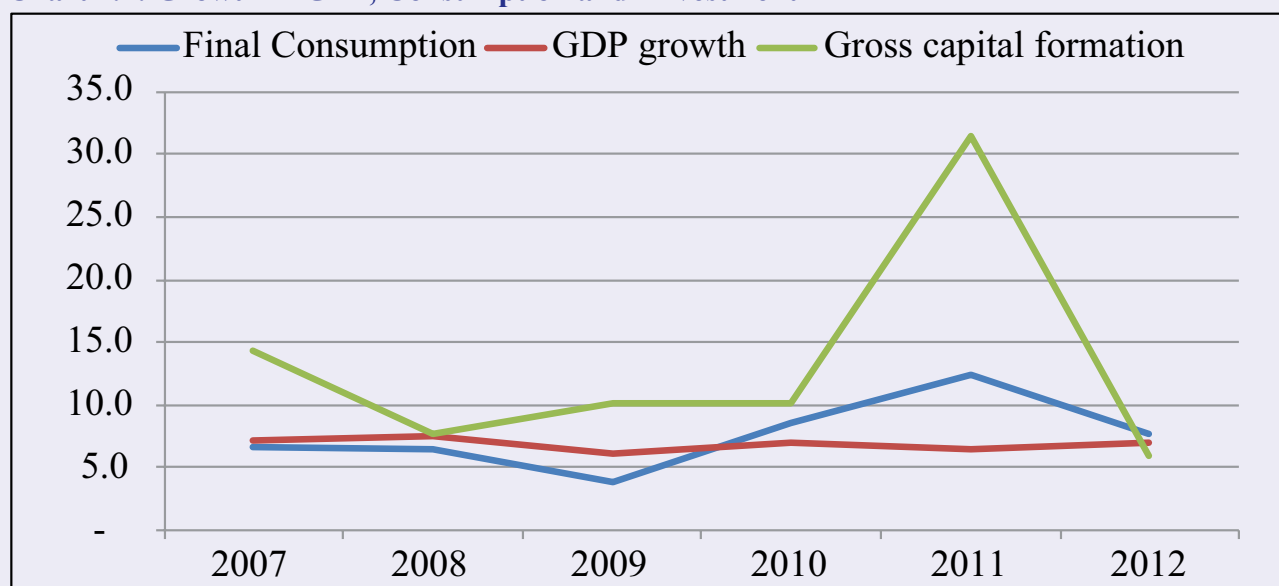
Item	2008	2009	2010	2011	2012
Nominal (current) prices: Millions of TZS					
National Disposable Income	23,032,501	26,320,104	30,372,982	35,173,478	41,640,373
Final Consumption	20,754,564	23,403,570	25,417,627	30,961,308	36,517,320
Government final consumption	4,321,718	4,926,759	5,208,178	6,145,650	7,118,227
Household final consumption	16,432,846	18,476,811	20,209,449	24,815,658	29,399,092
Gross Capital Formation (Investment)	7,381,257	8,173,221	10,342,536	13,762,066	15,451,608
Government investment	1,628,172	2,241,507	2,607,525	3,037,067	3,541,420
Private investment(+change in inventories)	5,344,872	5,931,714	7,735,011	10,724,998	11,910,187
Change in inventories	106,943	152,252	164,843	228,000	333,161
Savings	2,868,999	3,143,864	5,286,288	4,811,381	6,033,592
Saving - Investment Gap	-4,512,258	-5,029,358	-5,056,248	-8,950,685	-9,418,016
GDP (at market price)	24,781,679	28,212,646	32,293,479	37,532,962	44,717,663
Deflator	167	179	192	210	233
CPI(annual average)	153	172	100	113	131
GDP at basic prices	22,452,059	25,510,287	29,297,677	34,061,023	40,690,214
Absorption	23,814,103	26,650,033	30,551,985	38,577,724	44,850,700
At Constant 2001 prices:					
National Disposable Income	13,791,917	14,666,695	15,827,767	16,749,275	17,837,542
Final Consumption	13,328,592	13,838,779	15,010,200	16,876,872	18,177,192
Government final consumption	2,824,652	2,968,710	3,472,119	3,964,935	4,448,892
Household final consumption	10,503,940	10,870,070	11,538,082	12,911,937	13,728,300
Gross Capital Formation (Investment)	3,616,866	3,982,283	4,385,837	5,762,294	6,107,144
Government investment	974,953	1,075,216	1,358,816	1,446,222	1,517,043
Private investment	2,641,913	2,907,067	3,027,021	4,316,071	4,590,101
Change in inventories	45,237	53,478	52,877	68,000	71,720
Savings	1,717,963	1,751,896	2,754,755	2,291,134	2,584,618
Saving - Investment Gap	-1,898,903	-2,230,387	-1,631,082	-3,471,160	-3,522,526
GDP (at market price)	14,828,345	15,721,301	16,828,563	17,913,803	19,155,765
Absorption	14,120,806	14,852,353	15,923,919	18,674,230	19,835,444
Annual Change					
National Disposable Income	6.3	6.3	7.9	5.8	6.5
Final Consumption	6.5	3.8	8.5	12.4	7.7
Government final consumption	13.2	5.1	17.0	14.2	12.2
Household final consumption	4.8	3.5	6.1	11.9	6.3
Gross Capital Formation (Investment)	7.7	10.1	10.1	31.4	6.0
Absorption	5.5	10.3	7.2	17.3	6.2

Source: National Bureau of Statistics and Bank of Tanzania

Aggregate Demand

Domestic aggregate demand or absorption, which comprises final consumption and capital formation increased by 6.2 percent in 2012 in real terms, compared to 17.3 percent in 2011. Both government and household expenditure slowed down during the period under review. Final

consumption grew at a slower rate of 7.7 percent in 2012 compared to 12.4 percent recorded in 2011. The ratio of final consumption to GDP was 81.7 percent in 2012 compared to 82.5 percent in the preceding year, while that of investment to GDP was 31.9 percent in 2012 compared to 32.2 percent in 2011 (**Chart 1.4**).

Chart 1.4: Growth in GDP, Consumption and Investment


Source: National Bureau of Statistics

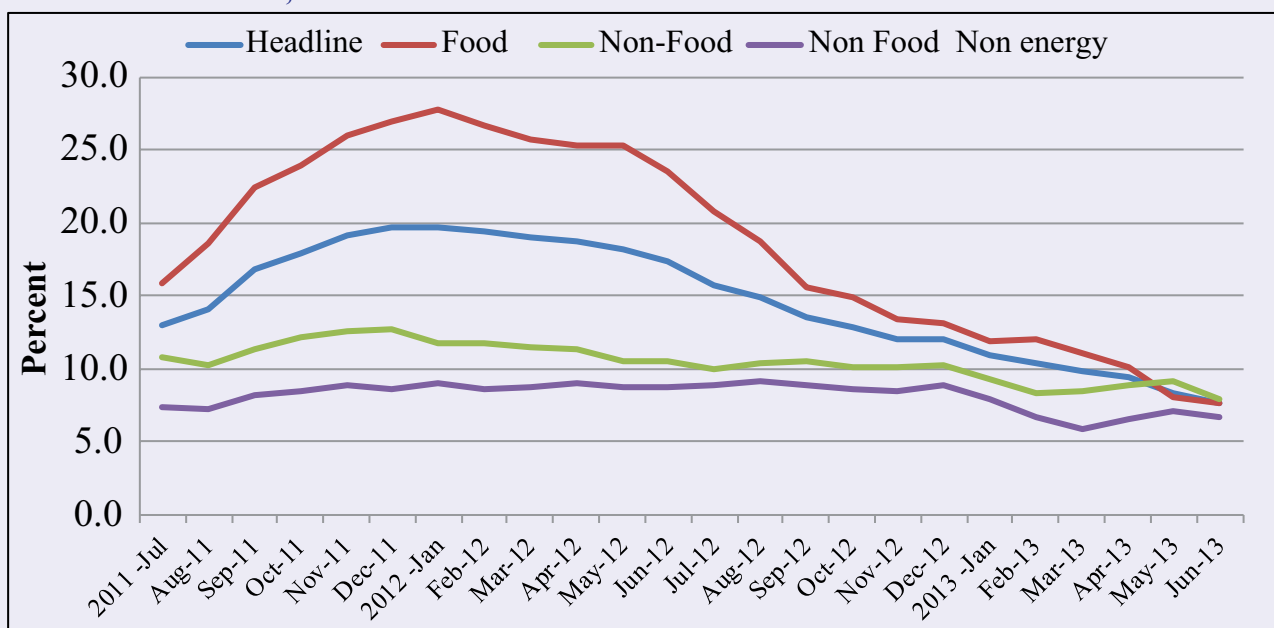
1.4 Inflation Developments

Average **annual headline inflation** declined to 11.5 percent from an average of 17.8 percent recorded in 2011/12. The slowdown was a result of enhanced fiscal consolidation, prudent monetary policy stance, improved food supply in the Eastern Africa region as well as stability in the global oil prices. Other measures taken by the Government to reduce inflation included, ensuring sufficient food supply in areas of shortage and addressing the energy crisis to stabilize power supply.

Annual headline inflation, which reached a peak of 19.8 percent in December 2011, started easing

in January 2012 and continued with downward trajectory reaching 7.6 percent in June 2013 (**Chart 1.5**).

Food inflation also decelerated to 7.6 percent in June 2013 from 20.8 percent in July 2012. Meanwhile, core inflation (excluding food and energy) remained in the single digits throughout 2012/13, with the highest rate of 9.2 percent recorded in August 2012. The rate slowed to 6.6 percent in June 2013 mainly due to slowdown in prices of various non-food non-energy items particularly the costs of communication. **Average annual non-food inflation** slowed down to 9.5 percent in 2012/13 from 11.4 percent recorded in 2011/12.


Chart 1.5: Headline, Food and Non-Food Inflation


Source: Bank of Tanzania

CHAPTER TWO PUBLIC FINANCE

Overview

The budget for 2012/13 was formulated with a view of strengthening revenue collection and improving public expenditure management, in line with the 5 year Development Plan. On the outturn, actual revenue collections grew by 19 percent from the preceeding year on account of strengthened tax collection efforts. Total expenditure was adjusted to match the needs of priority programs.

Government Revenue and Grants

Domestic revenue, including Local Government own sources, amounted to TZS 8,585.4 billion, equivalent to 93.8 percent of the targeted TZS 9,149.2 billion. Domestic revenue collected by the Central Government, was 17.1 percent of GDP² compared with the target of 18.0 percent. Tax revenue amounted to TZS 7,821.7 billion, or 97.1 percent of the target, while non tax revenue

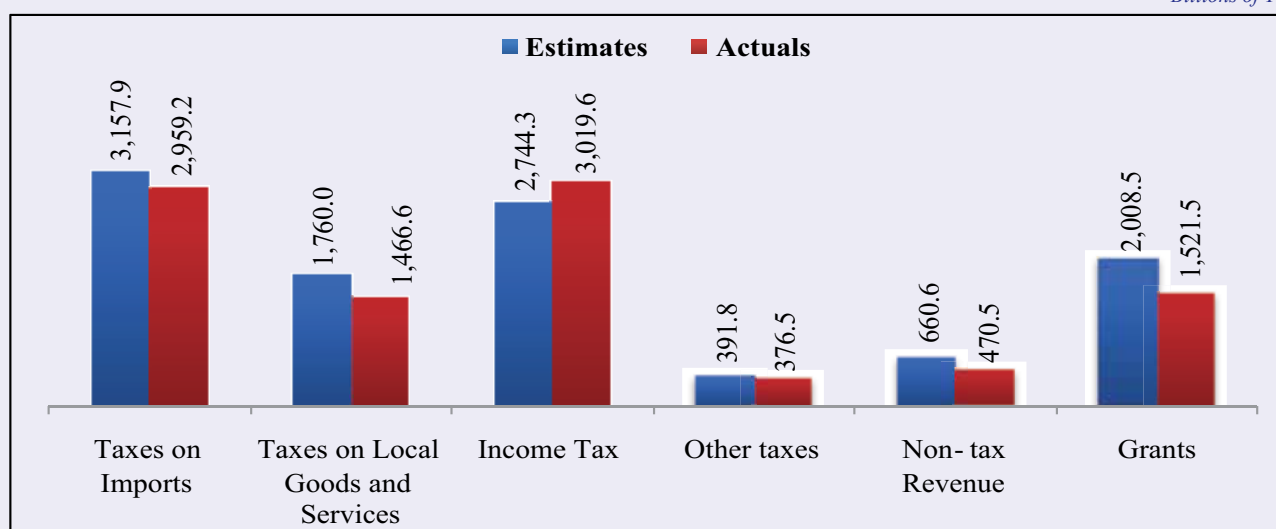
was TZS 470.5 billion or 71.2 percent of the target (**Chart 2.1**).

The performance in tax revenue collection is associated with deliberate measures taken by Tanzania Revenue Authority to improve revenue collections. These measures include ensuring effective use of Electronic Fiscal Devices (EFDs) in business transactions; strengthening Block Management System and tax audit; close follow up of tax arrears and improvement in tax compliance.

During 2012/13, the Government received external grants amounting to TZS 1,521.5 billion, equivalent to 75.8 percent of the projection, and 3.1 percent of GDP. The grants in form of general budget support, project and basket funds amounted to TZS 539.8 billion, TZS 485.6 billion and TZS 276.0 billion respectively.

Chart 2.1: Government Resources in 2012/13

Billions of TZS



Source: Bank of Tanzania

²GDP (in millions of TZS) 48,385,096



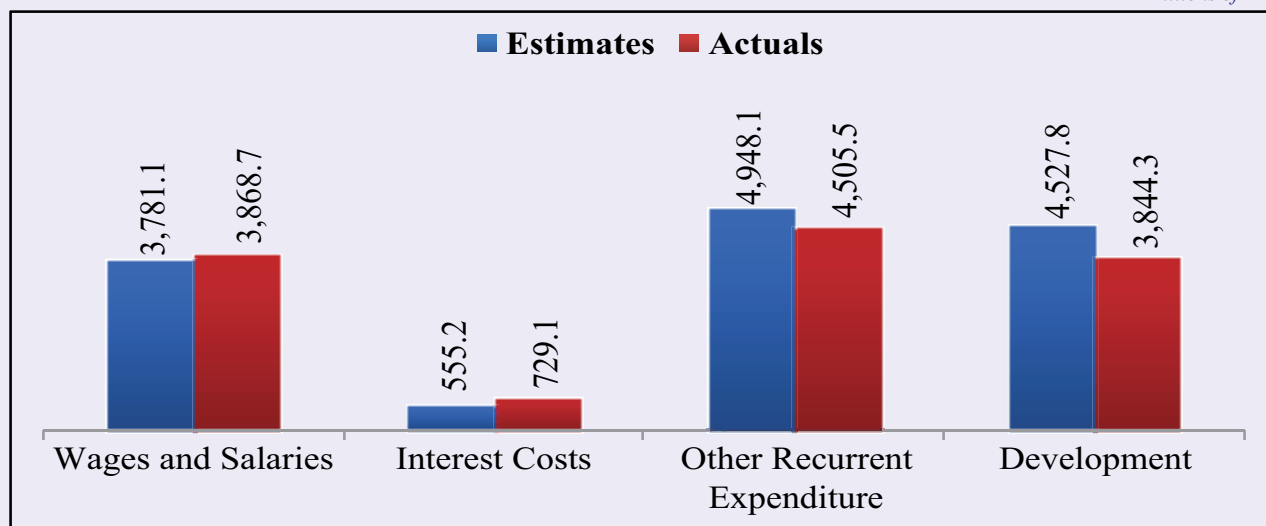
Government Expenditure

The Government continued to accord priorities for programs outlined in the Development Plan 2012/13 with the aim of increasing pace of economic growth and reduction of poverty. Total expenditure during the period under

review amounted to TZS 12,947.6 billion, or 93.7 percent of the budget and 26.8 percent of GDP. Recurrent expenditure was TZS 9,103.3 billion and TZS 3,844.3 billion was development expenditure, equivalent to 98.0 percent and 84.9 percent of the budget, respectively (**Chart 2.2**).

Chart 2.2: Government Expenditure in 2012/13

Billions of TZS



Source: Bank of Tanzania

Financing

Fiscal deficit for 2012/13 was TZS 3,004.9 million equivalent to 6.2 percent of GDP, financed through external and domestic sources.

Net external financing was TZS 1,917.4 billion, and the balance was domestic financing.

CHAPTER THREE

MONETARY AND FINANCIAL DEVELOPMENTS

Liquidity Management and Monetary Policy Implementation

Implementation

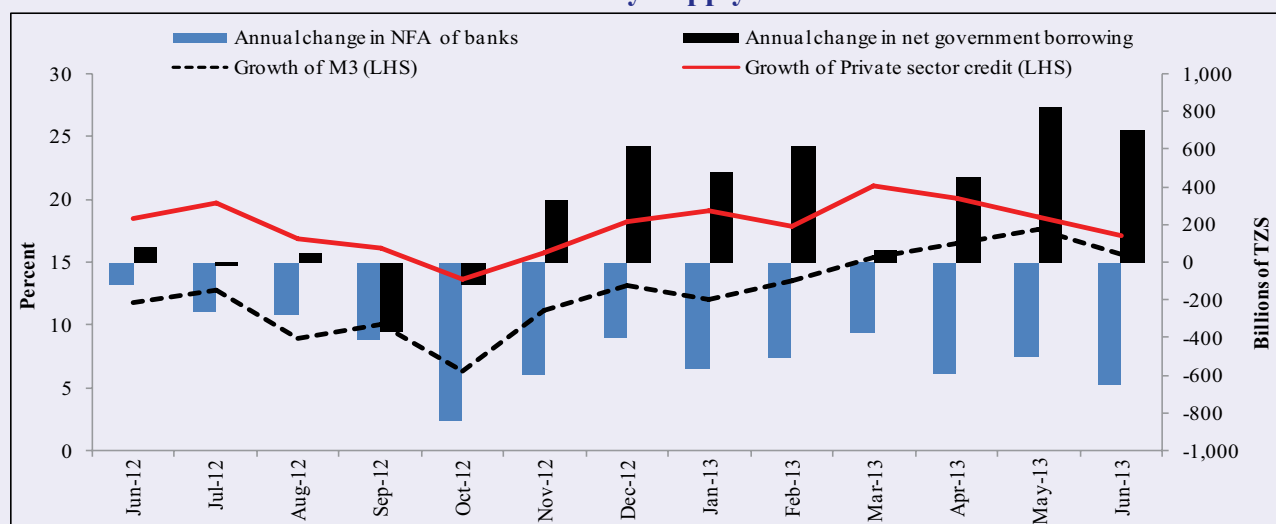
In the year ending June 2013, the Bank of Tanzania continued to pursue a tight monetary policy adopted since the last quarter of 2011 to anchor inflation expectations. Subsequently, the Bank increased the minimum reserve requirements on government deposits from 30 per cent to 40 per cent in December 2012, and enhanced open market operations and sale of foreign exchange in the Interbank Foreign Exchange Market (IFEM). As a result of the above measures, average reserve money grew by 14.5 percent in the year ending June 2013, below the target of 16.0 percent.

Money Supply and Credit Developments

Consistent with tight monetary policy stance

implemented by the Bank during the review period, extended broad money supply (M3) grew by 15.6 percent, compared with the projected growth of 18.0 percent. This performance was largely explained by contraction of Net Foreign Assets (NFA) of commercial banks and slow down in the growth of credit to the private sector. NFA of the banking system grew by 3.0 per cent in the year ending June 2013, compared with 4.0 percent recorded in the year ending June 2012, with NFA held by banks contracting by 60.6 per cent, following portfolio switch in favour of domestic assets. During the same period, credit to the private sector grew by 17.1 percent compared with the projected growth of 20.0 percent (**Chart 3.1** and **Table 3.1**). In terms of credit composition by economic activities, personal loans, trade, manufacturing and agriculture activities accounted for the largest share of outstanding stock of credit, of about 62 percent (**Chart 3.2**).

Chart 3.1: Annual Growth of Extended Money Supply and its Sources

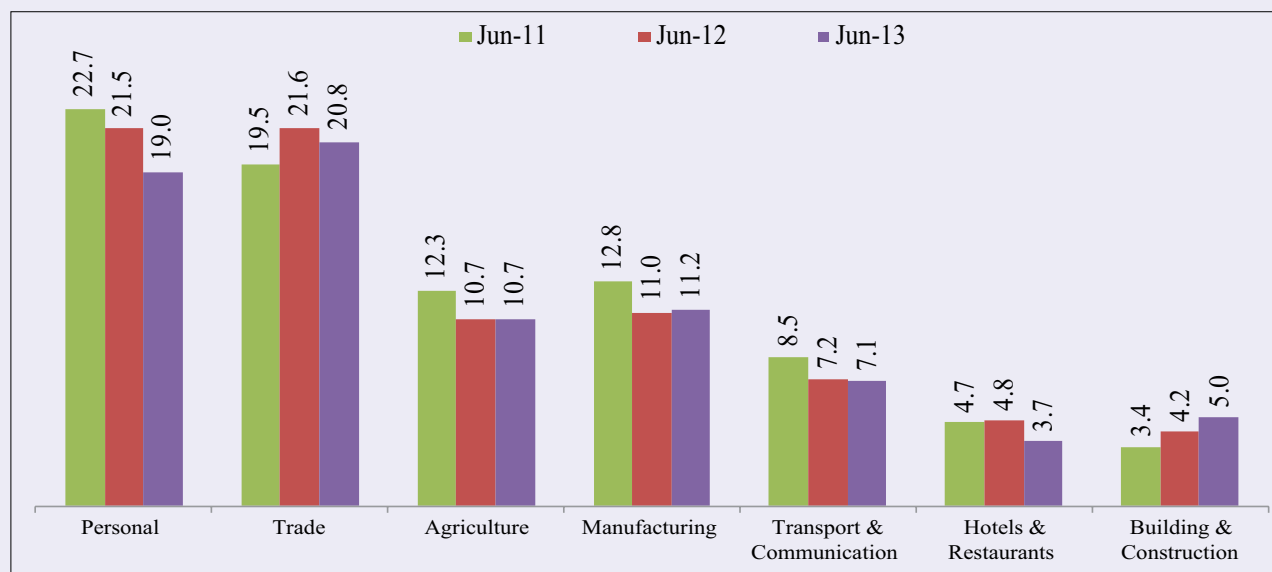


Note: LHS=Left Hand Scale
Source: Bank of Tanzania

**Table 3.1: Sources and Uses of Money Supply***Billions of TZS*

	Outstanding Stock				Annual Change			Annual Growth Rates (%)		
	Jun-10	Jun-11	Jun-12	Jun-13	Jun-11	Jun-12	Jun-13	Jun-11	Jun-12	Jun-13
Net Foreign Assets of the Banking System	5,265.3	5,804.0	6,033.8	6,217.0	538.8	229.8	183.2	10.2	4.0	3.0
Bank of Tanzania	3,949.1	4,618.1	4,969.0	5,797.7	669.0	350.9	828.7	16.9	7.6	16.7
Net International Reserves (Millions of USD)	3,143.2	3,242.3	3,453.5	3,902.6	99.1	211.2	449.1	3.2	6.5	13.0
Banks NFA	1,316.2	1,185.9	1,064.8	419.3	-130.3	-121.2	-645.5	-9.9	-10.2	-60.6
Banks NFA (Millions of USD)	954.2	754.4	678.7	261.6	-199.8	-75.7	-417.0	-20.9	-10.0	-61.4
Net Domestic Assets of the Banking System	4,532.8	6,153.9	7,337.4	9,242.8	1,621.1	1,183.5	1,905.4	35.8	19.2	26.0
Domestic Claims	6,234.1	8,477.3	9,827.6	11,920.9	2,243.2	1,350.3	2,093.3	36.0	15.9	21.3
Claims on central government (net)	714.1	1,617.9	1,696.3	2,395.3	903.8	78.4	699.1	126.6	4.8	41.2
Claims on Central Government	3,592.7	4,088.4	4,054.8	5,273.3	495.7	-33.6	1,218.5	13.8	-0.8	30.0
o/w Securities held by banks	2,063.4	2,446.3	2,260.8	3,298.3	382.9	-185.5	1,037.5	18.6	-7.6	45.9
Liabilities to Central Government	2,878.6	2,470.5	2,358.6	2,878.0	-408.1	-111.9	519.4	-14.2	-4.5	22.0
Claims on the private sector	5,520.0	6,859.4	8,131.3	9,525.5	1,339.4	1,271.9	1,394.2	24.3	18.5	17.1
Extended Broad Money Supply (M3)	9,798.1	11,957.9	13,371.2	15,459.8	2,159.9	1,413.3	2,088.6	22.0	11.8	15.6
Foreign Currency Deposits (FCD) in National Currency	2,513.8	3,259.3	3,568.0	4,208.6	745.5	308.8	640.5	29.7	9.5	18.0
Broad Money Supply (M2)	7,284.3	8,698.7	9,803.2	11,251.3	1,414.4	1,104.5	1,448.1	19.4	12.7	14.8
Other Deposits in National Currency	3,149.6	3,771.5	3,771.9	4,233.9	621.9	0.4	462.0	19.7	0.0	12.2
Narrow Money Supply (M1)	4,134.7	4,927.1	6,031.3	7,017.4	792.4	1,104.1	986.1	19.2	22.4	16.3
Currency in Circulation	1,680.9	2,081.1	2,317.5	2,610.9	400.3	236.3	293.4	23.8	11.4	12.7
Transferable Deposits in National Currency	2,453.9	2,846.0	3,713.8	4,406.5	545.5	972.3	692.7	20.4	29.2	18.7

Source: Bank of Tanzania

Chart 3.2: Annual Percentage Growth of Banks' Credit to Selected Activities

Source: Bank of Tanzania

Interest Rate Developments

Money market interest rates exhibited a mixed trend in 2012/13, compared to rates recorded in 2011/12. The Treasury bills rate averaged 13.22 percent in 2012/13, up from 12.99 percent recorded in 2011/12. The overnight interbank cash market rate decreased to an average of 6.78

percent from 14.79 percent. During the period under review, interest rates for the Treasury bonds registered an upward trend (Table 3.2). Commercial banks' interest rates exhibited a general upward trend during 2012/13, with the overall time deposit rate rising to an average of 8.67 percent from 7.34 percent registered in 2011/12, and the overall lending rates to 15.84



percent from 15.06 percent. The increase in deposit rates was associated with increased competition amongst banks as well as commercial banks' efforts to mobilize deposits including the

introduction of new financial products in the market. The spread between one year lending and deposits rates narrowed to average of 3.00 percent in 2012/13 from 4.67 percent in 2011/12.

Table 3.2: Selected Interest Rates

Percent

Items	2010	2011	2012							2013					
	Jun	Jun	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Overall Interbank cash market rate	0.97	1.81	14.74	6.21	5.54	8.79	8.42	4.56	5.80	8.13	4.76	6.77	11.08	9.15	7.88
Overnight Interbank cash market rate	0.86	1.81	14.56	5.42	5.43	8.67	7.85	4.15	5.08	7.85	4.15	6.16	10.45	8.79	7.34
REPO rate	0.54	1.31	8.94	6.04	4.82	6.69	5.94	3.56	3.51	5.05	3.57	3.59	3.50	3.54	3.81
Bank rate	7.58	7.58	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00
Overall Treasury bills rate	3.33	4.76	13.81	13.39	12.50	12.93	12.88	12.43	12.85	13.73	13.44	13.08	13.99	13.59	13.85
35 days	0.65	2.71	6.67	4.37	4.24	4.24	8.34	7.44	6.99	6.89	6.60	6.60	6.65	6.51	6.04
91 days	2.89	3.74	13.39	13.22	11.83	12.27	12.29	11.85	11.89	10.26	11.80	11.57	11.74	11.95	11.86
182 days	2.59	4.83	13.52	13.47	12.74	12.92	13.25	12.86	12.96	12.98	13.36	13.19	13.99	13.97	13.98
364 days Treasury bills	6.08	6.46	14.44	13.78	12.95	13.44	13.44	13.31	13.69	14.17	14.06	13.66	14.17	14.25	14.64
Savings Deposit Rate	2.82	2.39	2.88	2.91	2.94	3.02	2.88	2.89	2.88	3.00	2.88	2.89	3.08	3.06	3.05
Treasury Bonds Rates															
2-years	8.79	8.05	14.76	14.76	13.82	13.82	13.84	13.84	14.27	14.27	14.30	14.30	14.06	14.30	14.30
5-years	9.52	10.75	14.93	14.74	14.74	14.49	14.53	14.53	14.94	14.94	14.38	14.38	15.00	15.00	14.86
7-years	10.38	12.81	15.45	14.86	14.86	15.06	15.06	15.25	15.25	15.59	15.59	14.99	15.20	15.20	15.76
10-years	11.68	13.69	15.16	15.16	15.07	15.07	15.28	15.82	15.82	15.82	15.82	14.28	14.28	15.28	15.28
Overall Time Deposits Rate	5.90	6.06	8.78	8.77	8.58	8.47	8.52	8.32	8.67	8.82	8.91	8.79	8.73	8.81	8.65
12 months Time Deposits Rate	8.49	7.88	12.15	12.04	11.81	11.31	11.17	10.50	11.06	10.96	11.05	11.40	11.40	11.45	11.25
Negotiated Deposit Rate	9.57	7.44	9.79	9.64	9.32	10.10	9.22	9.98	10.09	10.25	9.86	10.00	9.67	10.12	10.92
Overall Lending rate	14.67	15.02	15.32	15.67	15.82	15.83	16.45	15.83	15.68	15.71	15.52	16.04	16.01	15.96	15.52
Short-term Lending Rate (up to 1 year)	13.92	14.72	13.92	14.45	14.55	14.35	14.37	14.33	14.09	14.07	13.87	14.25	14.45	14.39	14.23
Negotiated Lending Rate	14.13	13.81	14.21	14.00	13.30	14.38	14.36	13.87	14.54	14.85	14.18	15.13	14.07	13.27	13.13
Margin between short-term lending and one-year time deposit rates	5.43	6.84	1.76	2.41	2.74	3.05	3.19	3.83	3.03	3.11	2.82	2.85	3.05	2.94	2.98

Source: Bank of Tanzania

Financial Markets Developments

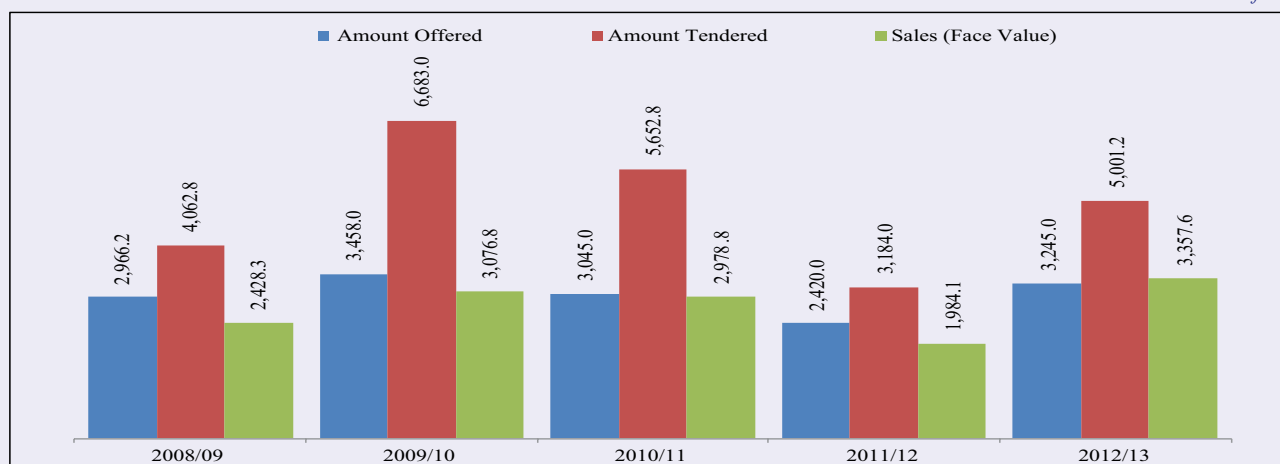
Treasury Bills Market

In 2012/13, the Bank offered Treasury bills worth TZS 3,245.0 billion, compared with TZS

2,420.0 billion offered in 2011/12. Demand was TZS 5,001.2 billion, compared to TZS 3,184.0 billion recorded in the preceding year. The Bank intervened in the auction and accepted bids worth TZS 3,357.6 billion at face value (**Chart 3.3**).

CChart 3.3: Treasury Bills Performance

Billions of TZS



Source: Bank of Tanzania



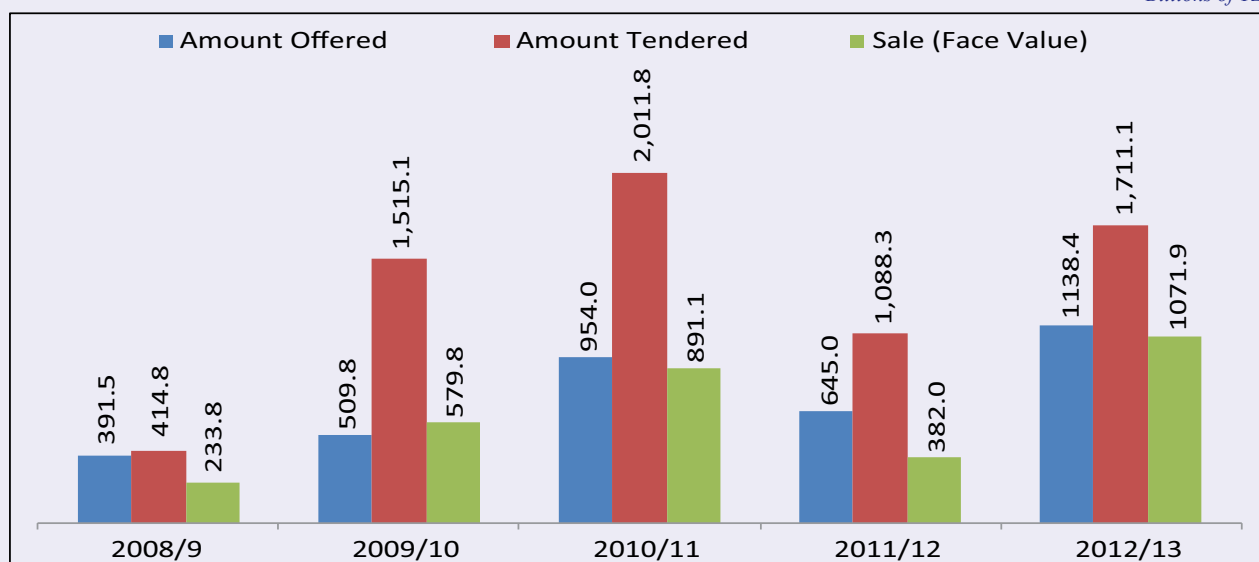
Treasury Bonds Market

The Bank offered Treasury bonds of 2, 5, 7 and 10 years maturities worth TZS 1,138.4 billion compared with TZS 645.0 offered in 2011/12.

Demand was TZS 1,711.1 billion compared with TZS 1,088.3 billion tendered in the preceding year. The Bank intervened by accepting Treasury bonds with face value of TZS 1,071.9 billion (**Chart 3.4**).

Chart 3.4: Treasury Bonds Performance

Billions of TZS



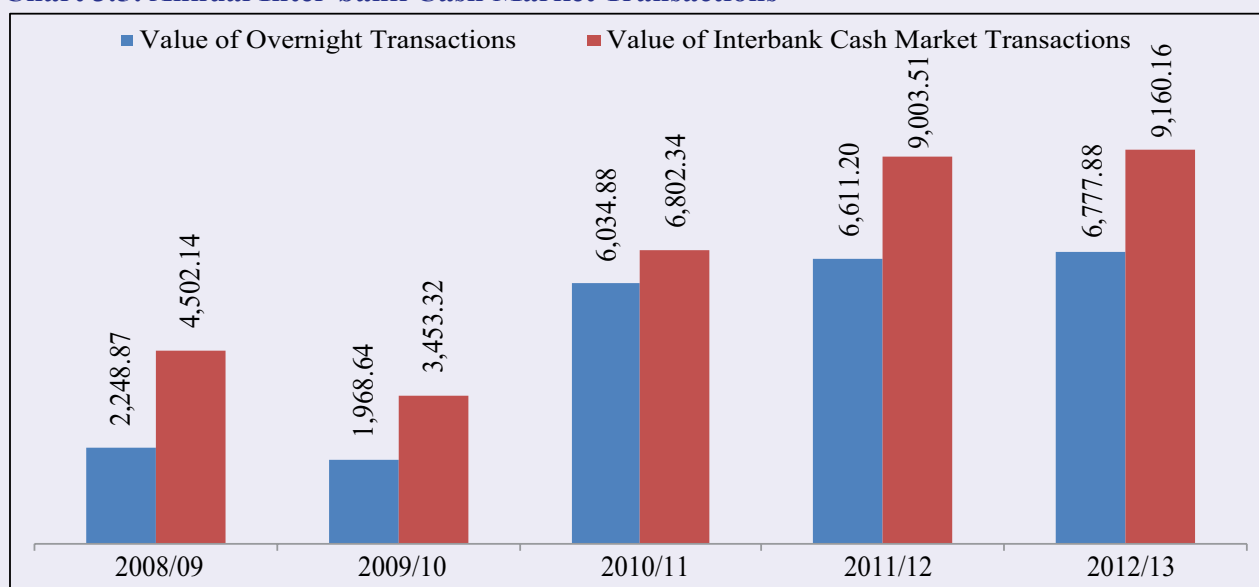
Source: Bank of Tanzania

Inter-Bank Cash Market and Repurchase Agreements

Total transactions in the interbank cash market amounted to TZS 9,160.2 billion compared

with TZS 9,003.5 billion transacted in 2011/12, representing an increase of 1.7 percent. Overnight placements accounted for about 74 percent of the total transactions (**Chart 3.5**).

Chart 3.5: Annual Inter-bank Cash Market Transactions



Source: Bank of Tanzania

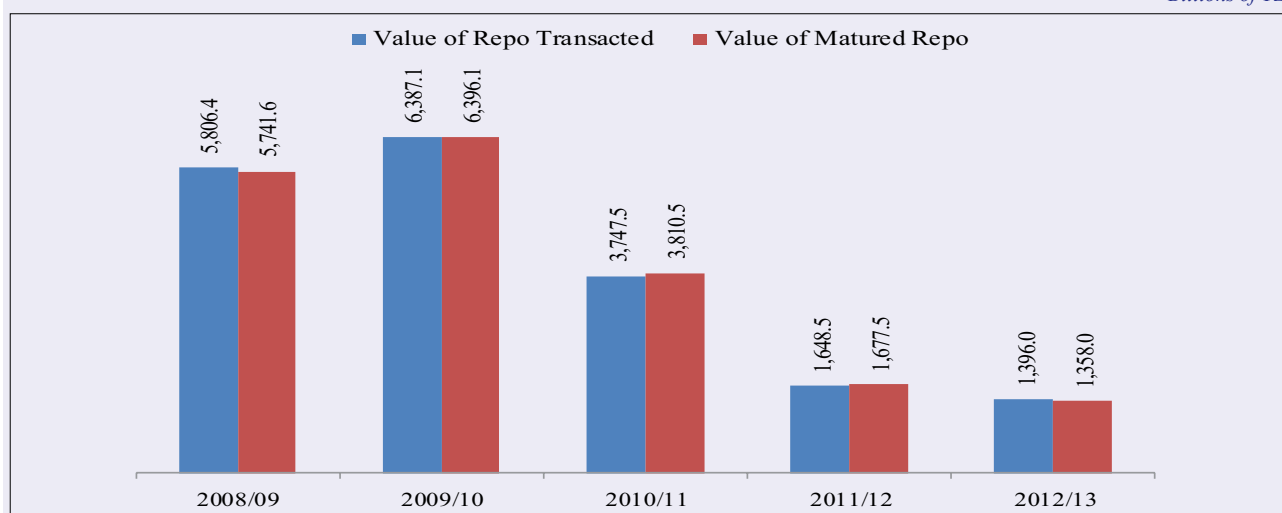


During the review period, the Bank conducted repurchase agreements with commercial banks worth TZS 1,396.0 billion, compared with TZS

1,648.5 billion conducted in the preceding year (**Chart 3.6**).

Chart 3.6: Repo Transactions for the Year Ending June

Billions of TZS



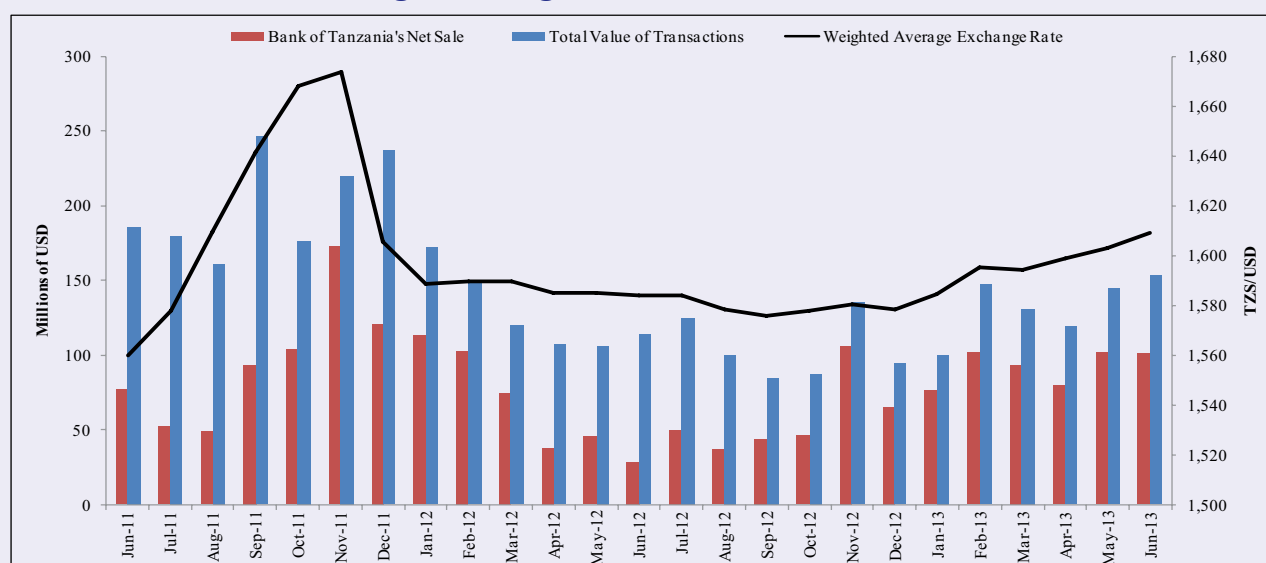
Source: Bank of Tanzania

Inter-Bank Foreign Exchange Market

In 2012/13, the total value of transactions in the Interbank Foreign Exchange Market (IFEM) amounted to USD 1,421.3 million, compared with USD 1,987.4 million traded in the preceding year. The Bank participated in the IFEM for liquidity management purposes by selling USD

900.5 million on net terms, slightly below USD 993.3 million sold in the preceding year. The exchange rate between Tanzania Shilling against US dollar remained fairly stable during 2012/13. The weighted average nominal exchange rate closed at TZS 1,609.29 per USD at the end of June 2013, compared to TZS 1,584.13 per USD at the end of the June 2012 (**Chart 3.7**).

Chart 3.7: Inter-bank Foreign Exchange Market Transactions



Source: Bank of Tanzania



CHAPTER FOUR

BALANCE OF PAYMENTS DEVELOPMENTS

Overall Balance

During 2012/13 the overall balance of payments recorded a surplus of USD 449.1 million which was more than twice the amount recorded in 2011/12. The increase in the surplus was largely

associated with higher receipts from travel, transportation, foreign direct investment (FDI) and other investments. The current account deficit in 2012/13 was 3.4 percent lower than the deficit that was recorded in the preceding year (Table 4.1).

Table 4.1: Current account Balance

Millions of USD

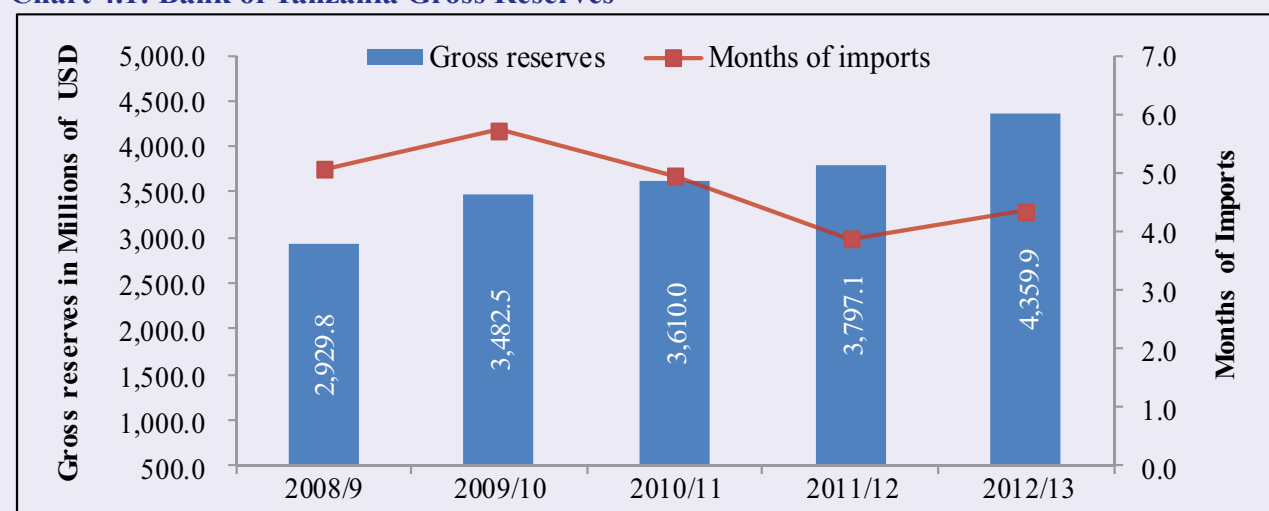
Item	2011/12	2012/13 ^P	% Change
Goods Account (net)	-5,052.6	-5,105.3	1.0
<i>Exports:</i>	<i>5,562.5</i>	<i>5,376.7</i>	<i>-3.3</i>
Traditional	784.9	819.9	4.5
Non-traditional	4,052.0	3,855.4	-4.9
o/w Gold	2,288.2	1,885.5	-17.6
Unrecorded trade	725.5	701.3	-3.3
<i>Goods: imports f.o.b.</i>	<i>10,615.1</i>	<i>10,482.0</i>	<i>-1.3</i>
Capital Goods	3,725.0	3,456.1	-7.2
Intermediate goods	4,548.2	4,762.1	4.7
o/w: Oil	3,586.1	3,922.8	9.4
Consumer goods	2,341.9	2,261.6	-3.4
Services (net)	155.4	539.0	246.9
Receipts	2,492.6	2,928.8	17.5
Payments	2,337.2	2,389.8	2.2
Goods and Services (net)	-4,897.2	-4,566.3	-6.8
Exports of goods and services	8,055.1	8,305.4	3.1
Imports of goods and services	12,952.3	12,871.7	-0.6
Income account (net)	-296.0	-340.6	15.1
Receipts	152.5	122.6	-19.6
Payments	448.6	463.2	3.3
Current transfers (net)	926.0	786.4	-15.1
Inflows	1,037.3	862.7	-16.8
Government	625.1	523.0	-16.3
Other sectors	412.1	339.7	-17.6
Outflows	111.3	76.2	-31.5
A. Current Account	-4,267.2	-4,120.5	-3.4

Note: P = Provisional data.

Source: Bank of Tanzania

The stock of gross official reserves held by the Bank of Tanzania increased to USD 4,359.9 million as at the end of June 2013 from USD 3,797.1 million reported at the end of June 2012 (Chart 4.1). This amount was sufficient to cover 4.3 months of projected import of goods and

services excluding those financed by foreign direct investments. Further, the stock of gross foreign assets of commercial banks amounted to USD 812.6 million at the end of June 2013. reign assets of banks stood at USD 911.4 million.

Chart 4.1: Bank of Tanzania Gross Reserves


Source: Bank of Tanzania

Goods Export

The value of goods exports during the year under review amounted to USD 5,376.7 million which was lower than USD 5,562.5 million recorded in 2011/12. This under performance was largely driven by a decrease in the volume exported as well as a fall in world market price for gold. The volume of gold exported fell to 34.9 tonnes compared to 39.5 tonnes in the preceding year, while the average unit export price also declined by 3.6 percent to USD 1,610.7 per troy ounce

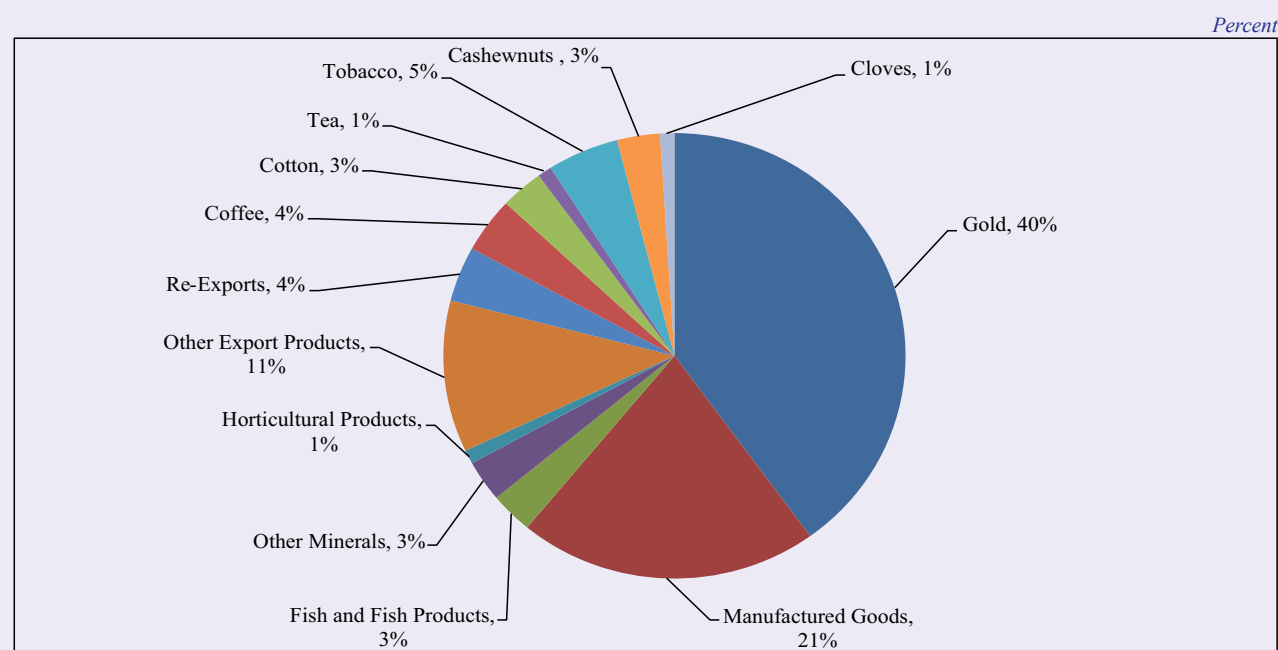
(Chart 4.2 and 4.3). The share of the value of gold in the total value of goods exports declined to 40.3 percent compared to 47.3 percent recorded in the preceding year. Meanwhile, the value of diamond exports increased to USD 45.0 million in 2012/13 compared with USD 11.7 million recorded in the preceding year, as production surged to about 188,400 carats from 49,500 carats in 2011/12. High production levels were a result of completion of major rehabilitation of the Williamson Diamond Mine treatment plant.

Chart 4.2: Structure of Tanzania's Exports

Millions of USD



Source: Bank of Tanzania

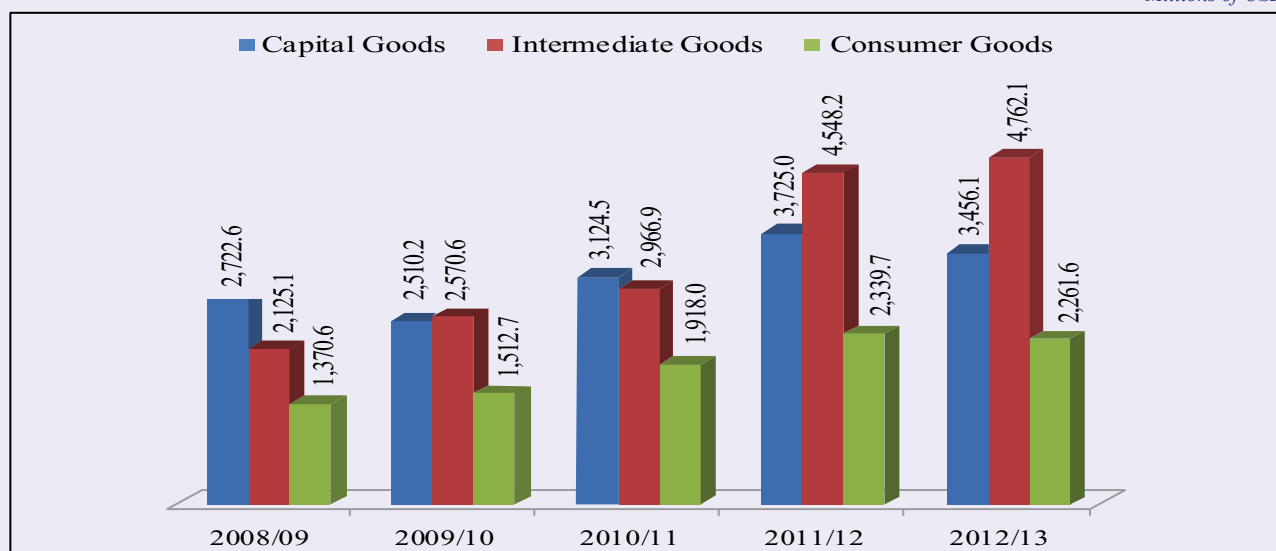
**Chart 4.3: Composition of Exports Commodities, 2012/2013**

Source: Bank of Tanzania

The value of **traditional exports** increased by 4.5 percent to USD 819.9 million in the year ending June 2013 from USD 784.9 million recorded in the preceding year. The increase was largely driven by export volumes of coffee and cotton. The increases in the volumes were attributed to good weather in the growing areas coupled with good price developments in the preceding years. Meanwhile, cloves recorded a decline in both volume and average unit prices during the year ending June 2013. The decline in average unit export price of clove was largely associated with increased expectations for bumper harvest in the major producing countries.

Goods Import

The value of import of goods decreased to USD 10,482 million in 2012/13 compared with USD 10,615.1 million recorded in the preceding year. Much of the decrease was recorded in the imports of capital and consumer goods, which declined by 7.2 percent and 3.3 percent respectively. However, the value of imports of intermediate goods particularly oil increased, albeit at a much slower rate of 9.4 percent compared to an increase of 66.4 percent recorded in 2011/12 (**Chart 4.5**).

Chart 4.4: Composition of Imports by Major Categories, 2012/2013
Millions of USD


Source: Bank of Tanzania

Services Account

The services account recorded a surplus of USD 507.5 million during 2012/13, which was more than three times the amount recorded in the preceding year. **Services receipts** increased to USD 2,928.8 million from USD 2,492.6 million recorded during 2011/12. Significant increase was recorded under travel, transportation and other business services which increased by USD 253.0 million, USD 110.5 million and USD 45.0 million, respectively. These three items constituted about 95 percent of the total receipts in the services account during the period under review. The improvement under the travel receipts emanates from an increase in tourist arrivals by 26 percent to 1,148,370 from 909,258 tourists recorded in the year ending June 2012.

During the year ending June 2013, **service payments** increased by 2.2 percent to USD 2,389.8 million, compared with an increase of 17.8 percent recorded in the preceding year.

Income Account

During the year under review, the deficit in the income account widened to USD 340.6 million from the USD 296.0 recorded in 2011/12. The

widening of the income account deficit resulted from contraction of receipts from investment income coupled with large increase in payments of interest and compensation to non-resident employees, which grew by 23.2 percent and 27.9 percent, respectively.

Current and Capital Transfers

The current transfers registered a surplus of USD 786.4 million during the year under review compared with USD 926.0 million recorded in 2011/12. This represents a 15.1 percent decline compared with a decline of 6.9 percent recorded in the preceding year. Much of the decline occurred in the inflows to the government. Likewise, the surplus in the capital transfers account, registered a decline to USD 638.0 million compared with USD 819.6 million recorded during 2012/13.

Financial Account

During 2012/13, the financial account recorded a surplus of USD 4,288.5 million, an increase of 30.0 percent compared to an increase of 22.9 percent recorded during 2010/12. The surplus was largely driven by large inflows of foreign direct investments which increased by 21.9 percent and disbursement of loans.



Direction of Trade

Tanzania's major trading partners during 2012/13 were Switzerland, India, China, South Africa and the United Arab Emirates (Table 4.2). The top ten major sources of imports constitute about 72 percent of the total imports while for exports destinations, the top ten destination countries constitute about 76 percent of total exports. Switzerland remained a major trading partner as it ranked top as a source of imports

and the second major destination of Tanzania's exports. The main imports from Switzerland are petroleum and related products while exports to Switzerland are gold, tobacco; copper ore and concentrates. Another prominent trading partner was China which was an export destination for precious metal, copper ore and concentrates, manganese ore and concentrates and oil seeds. The major imports from China include chemicals, rubber, fabrics, footwear and motors and related goods.

Table 4.2: Contribution of Direction of Trade, 2012/13

Percent

		Top Ten	
Imports: (By Country of Origin)	Contribution (In Percent)	Exports: (By Country of Destination)	Contribution (In Percent)
Switzerland	14.6	South Africa	20.6
India	11.2	Switzerland	14.9
China	9.7	China	8.8
United Arab Emirates	9.6	India	7.2
South Africa	6.7	Japan	6.3
Bahrain	6.3	Kenya	4.9
Japan	4.5	German	4.6
Kenya	4.1	Democratic Republic of Congo	4.3
United Kingdom	2.6	Belgium	2.8
Saudi Arabia	2.2	United Emirates	1.9
Others	28.4	Others	23.6

Source: Bank of Tanzania

World Commodity Prices

During the year ending June 2013 the average world market prices of Tanzania's major export and import commodities went down with the exception of **tea** and **sisal** (Table 4.3). The rise in the prices of **tea** was partly attributed to high demand in European and Middle East markets coupled with a fall in supplies due to unfavourable weather, particularly in Kenya. The increase in price of **sisal** was largely on account of a rise in global demand for the product. Meanwhile, prices of **coffee** declined largely on account of bumper harvest in Brazil, Columbia Vietnam and Indonesia following improvement in weather conditions. According to the International Coffee Organization (ICO) Monthly Coffee Report of June 2013, total coffee production in 2012/13 was estimated at 144.6 million bags, which was 7.8 percent higher than total production in 2011/12.

The price of **cotton** declined largely on account of weak global demand associated with an increased use of chemical fibres by textile manufacturers. The price of **cloves** declined largely explained by expectations of an increase in cloves production in the Comoros, following favourable weather conditions.

The prices of **crude oil** (Average and Dubai) and white petroleum products fell largely due to an increase in oil production in the North Sea. The price of gold went down by 3.9 percent during the year under review, with most of the fall in the price happening during the first half of 2013. This development is largely attributed to a change in investor's preference in favour of more attractive equities.

**Table 4.3: World Commodity Prices**

Commodity	Units	Year Ending June (12 Months Average)			% Change
		2011	2012	2013	
Robusta Coffee	USD per kg	2.22	2.28	2.24	-1.75
Arabica Coffee	USD per kg	5.6	5.05	3.53	-30.10
Tea (Average price)	USD per kg	2.97	2.82	3.06	8.51
Tea (Mombasa Auction)	USD per kg	2.62	2.73	2.86	4.76
Cotton, "A Index"	USD per kg	3.46	2.27	1.96	-13.66
Sisal (UG)	USD per tonne	1173.33	1,440.00	1,459.58	1.36
Cloves	USD per tonne	6205	12,366.13	10,029.17	-18.90
Crude oil*	USD per barrel	92.68	105.40	102.28	-2.96
Crude oil**	USD per barrel	92.34	108.86	105.56	-3.03
White products***	USD per tonne	830.94	985.48	964.39	-2.14
Jet/Kerosine	USD per tonne	852.3	1001.01	979.86	-2.11
Premium Gasoline	USD per tonne	861.74	1008.79	1006.28	-0.25
Heat Oil	USD per tonne	778.79	946.66	907.04	-4.19
Gold	USD per troy ounce	1371.47	1,671.08	1,606.59	-3.86

Note: *Average of U.K Brent, Dubai and West Texas Intermediate

** f.o.b Dubai

*** West Mediterranean

Source: <http://www.Worldbank.org/Prospects/commodities>, World Bank Public Ledger, Bloomberg, Tanzania Sisal Board



CHAPTER FIVE NATIONAL DEBT DEVELOPMENTS

External Debt

Tanzania's **external debt stock** as at the end of June 2013 was USD 12,089.2 million, an increase of USD 1,734.6 million over the amount recorded in the corresponding period in 2012. The increase was on account of new disbursements and accumulation of interest arrears. Out of the

external debt stock, 88.5 percent was disbursed outstanding debt (DOD) and the remaining was interest arrears.

The ratio of external debt stock to GDP in nominal terms was 42.5 percent, while that of public and private external debt to GDP was 35.0 percent and 7.5 percent, respectively (**Table 5.1**).

Table 5.1: Trend of External Debt

<i>Millions of USD</i>						
Item	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
External Debt Stock	5,856.4	6,999.4	8,197.8	9,637.5	10,354.6	12,089.2
GDP, at Market Price	19,267	20,359	22,903	23,745.8	24,099.2	28,452
as % of GDP	30.4	34.4	35.8	40.6	43.0	42.5
Public External Debt Stock	4,685.3	5,540.9	6,471.4	7,791.4	8,440.0	9,958.7
as % of GDP	24.3	27.2	28.3	32.8	35.0	35.0
as % of External Debt Stock	80.0	79.2	78.9	80.8	81.5	82.4
Private External Debt Stock	1,171.1	1,458.5	1,726.4	1,846.1	1,914.6	2,130.5
as % of GDP	6.1	7.2	7.5	7.8	7.9	7.5
as % of External Debt Stock	20.0	20.8	21.1	19.2	18.5	17.6

Source: Ministry of Finance and Bank of Tanzania

Provisional Debt Sustainability Analysis (DSA) results revealed that Tanzania's external debt as at end of June 2013 was sustainable with present

value of debt to GDP of 18.9 percent compared to the threshold of 50 percent (**Table 5.2**).

Table 5.2: Summary of Provisional DSA Results Against Thresholds

Indicator	Percent	Threshold (%)
PV of Debt to GDP	18.9	50.0
PV of Debt to Exports of Goods and Services	56.2	200.0
PV of Debt to Revenue	111.3	300.0
Debt Service to Exports of Goods and Services	2.5	25.0
Debt Service to Domestic Revenue	5.0	35.0

Note: PV = Present Value, DSA = Debt Sustainability Analysis

Source: Ministry of Finance

The profile of external debt by creditor category indicates that, external debt stock across all other creditor categories, except for bilateral creditors, increased as a result of new disbursements. The share of debt sourced from commercial

creditors increased to 27.5 percent from 21.2 percent recorded at the end of June 2012 reflecting increased Government borrowing from commercial sources relative to others (**Table 5.3**).

**Table 5.3: Tanzania's External Debt Stock by Creditor Category***Millions of USD*

Creditor	Jun-10	Share (%)	Jun-11	Share (%)	Jun-12	Share (%)	Jun-13	Share (%)
Multilateral	4,211.8	51.4	5,267.5	54.7	5,623.2	54.3	6,270.9	51.9
DOD	4,204.8	51.4	5,250.2	54.5	5,615.8	54.2	6,265.5	51.8
Interest Arrears	7.0	0.1	17.4	0.2	7.5	0.1	5.4	0.0
Bilateral	1,676.1	20.5	1,709.6	17.7	1,786.3	17.3	1,708.1	14.1
DOD	955.4	11.7	978.7	10.2	1,015.8	9.8	940.9	7.8
Interest Arrears	720.7	8.8	730.9	7.6	770.5	7.4	767.2	6.3
Commercial	1,419.1	17.3	1,735.1	18.0	2,196.7	21.2	3,329.3	27.5
DOD	815.2	10.0	1,037.9	10.8	1,628.7	15.7	2,813.2	23.3
Interest Arrears	603.9	7.4	697.2	7.2	567.9	5.5	516.1	4.3
Export Credit	880.9	10.8	925.3	9.6	748.4	7.2	780.9	6.5
DOD	582.9	7.1	576.9	6.0	612.7	5.9	673.8	5.6
Interest Arrears	298.0	3.6	348.3	3.6	135.7	1.3	107.1	0.9
External Debt Stock	8,187.9	100.0	9,637.5	100.0	10,354.6	100.0	12,089.2	100.0

Source: Ministry of Finance and Bank of Tanzania

The profile of external debt by borrower category shows that Central Government debt accounted

for the largest share followed by the private sector debt (Table 5.4).

Table 5.4: Tanzania's External Debt Stock by Borrower Category*Millions of USD*

Borrower	Jun-10	% Share	Jun-11	% Share	Jun-12	% Share	Jun-13	% Share
Central Government	5,542.5	67.6	6,795.8	70.5	7,912.8	76.4	9,369.9	77.5
DOD	4,816.9	58.8	6,057.8	62.9	7,141.3	69.0	8,602.7	71.2
Interest Arrears	725.6	8.9	738.0	7.7	771.5	7.5	767.2	6.3
Private Sector	1,726.5	21.1	1,846.1	19.2	1,914.6	18.5	2,130.5	17.6
DOD	1,206.7	14.7	1,228.0	12.7	1,327.0	12.8	1,521.9	12.6
Interest Arrears	519.8	6.3	618.1	6.4	587.6	5.7	608.6	5.0
Parastatal Companies	928.9	11.3	995.5	10.3	527.2	5.1	588.8	4.9
DOD	534.7	6.5	557.8	5.8	404.6	3.9	454.8	3.8
Interest Arrears	394.2	4.8	437.7	4.5	122.5	1.2	134.0	1.1
External Debt Stock	8,197.9	100.0	9,637.5	100.0	10,354.6	100.0	12,089.2	100.0

Source: Ministry of Finance and Bank of Tanzania

During the year ending June 2013, new loans worth USD 1,073.7 million were contracted and recorded, out of which Central Government, public corporations and private sector contracted USD 674.5 million, USD 149.2 million and USD 250 million, respectively. External debt disbursements amounted to USD 2,205.1 million, out of which USD 1,949.1 million were disbursed to the Central Government while, USD 114.1

million and USD 185.0 million were disbursed to public corporations and private companies, respectively.

External debt service during the year amounted to USD 148.3 million, out of which principal repayments amounted to USD 54.5 million, interest payments USD 62.8 million and other charges USD 31.0 million.



Domestic Debt

The stock of domestic debt increased by TZS 1,466.3 billion to TZS 5,640.5 billion as at the end of June 2013 compared with TZS 4,174.2 billion registered as at the end of June 2012. The increase was on account of relatively large issuance of Government securities compared to maturing obligations and securitization of an accumulation of past net domestic financing held

at the Bank of Tanzania as at end of June 2012.

The domestic debt stock was equivalent to 12.4 percent of GDP and 22.5 percent of the national debt stock. Government bonds accounted for 74.1 percent of the domestic debt stock followed by Treasury bills and Government stocks which accounted for 21.2 percent and 4.6 percent respectively (Table 5.5).

Table 5.5: Government Domestic Debt by Instruments

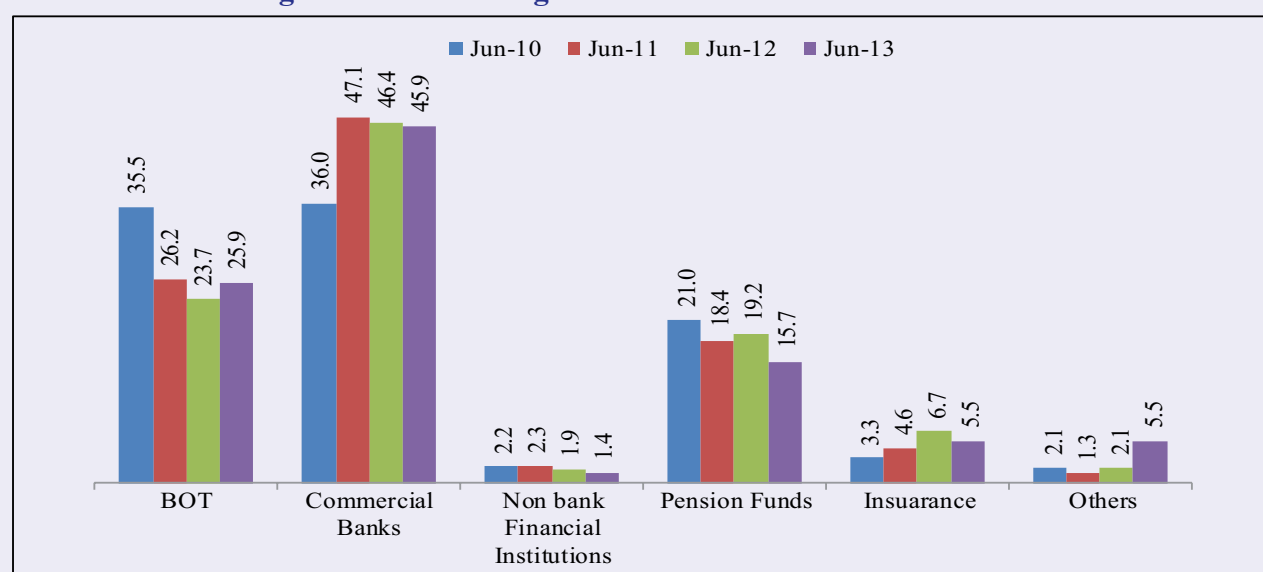
Billions of TZS

Instrument	Jun-10	% Share	Jun-11	% Share	Jun-12	% Share	Jun-13	% Share
Government Securities	2,763.7	99.7	3,726.2	99.8	4,174.2	100.0	5,630.9	99.8
Treasury Bills	285.0	10.3	586.3	15.7	849.0	20.3	1,195.8	21.2
Government Stocks	258.7	9.3	257.1	6.9	257.1	6.2	257.1	4.6
Government Bonds	2,219.9	80.1	2,882.8	77.2	3,068.0	73.5	4,177.9	74.1
Tax Certificates	0.1	0.0	0.1	0.0	0.1	0.0	0.1	0.0
Non Securitized Debt	8.3	0.3	8.3	0.2	0.0	0.0	9.6	0.2
Mabibo Hostel	8.2	0.3	8.2	0.2	-	0.0	-	-
Other	0.0	0.0	0.0	0.0	0.0	0.0	9.6	0.2
Total Domestic Debt	2,772.0	100.0	3,734.5	100.0	4,174.2	100.0	5,640.5	100.0
Interest Arrears	-	-	-	-	-	-	-	-
Total Domestic Debt Stock	2,772.0	100.0	3,734.5	100.0	4,174.2	100.0	5,640.5	100.0

Source: Ministry of Finance and Bank of Tanzania

In terms of holder category, commercial banks were the leading investors holding 45.9 percent of the domestic debt stock followed by the Bank of Tanzania (25.9 percent), and Pension Funds

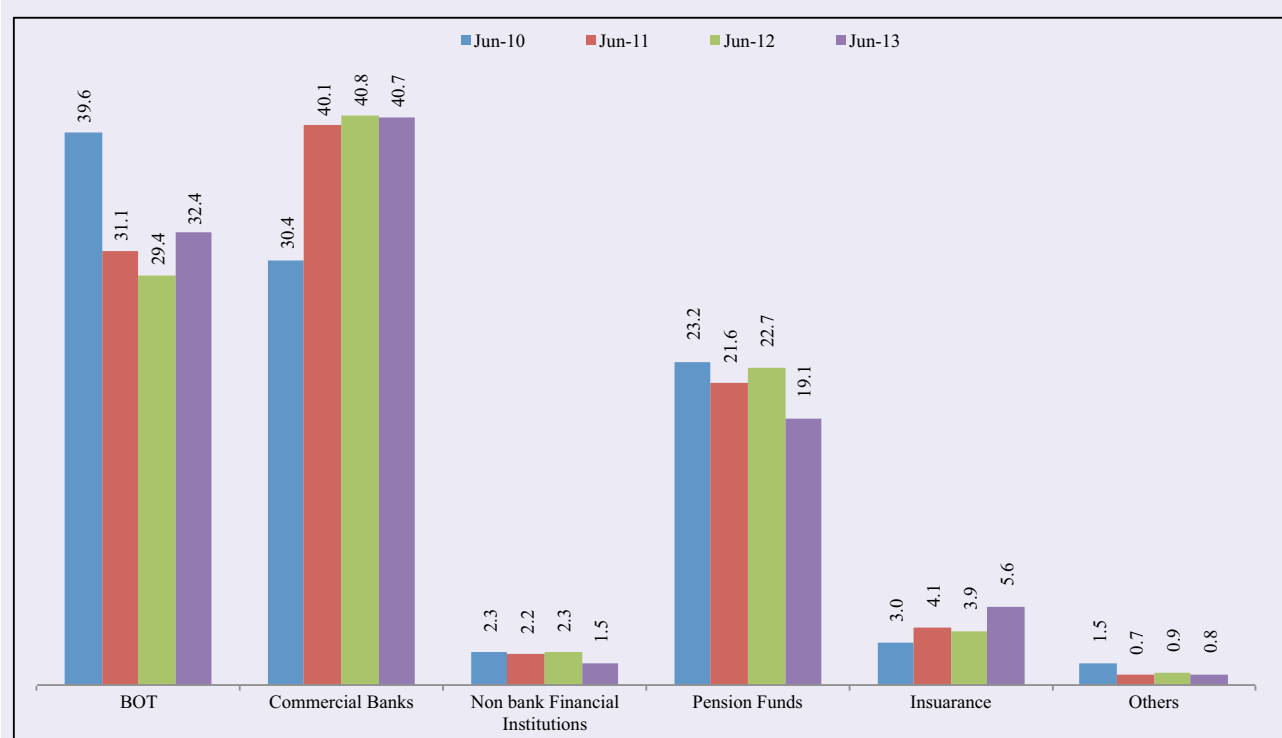
(5.7 percent). Holdings of domestic debt by the banking system increased from 70.1 percent at the end of June 2012 to 71.8 percent at the end of June 2013 (Chart 5.1).

Chart 5.1: Percentage Share of Holding of Government Domestic Debt


Source: Ministry of Finance and Bank of Tanzania

Commercial banks also dominated in holding long term domestic debt, accounting for 40.7 percent (**Chart 5.2**). The dominance of

commercial banks in long term domestic debt is a reflection of narrowness of the investor base outside the banking system.

Chart 5.2: Percentage Share of Holding of Government Long Term Domestic Debt


Source: Ministry of Finance and Bank of Tanzania

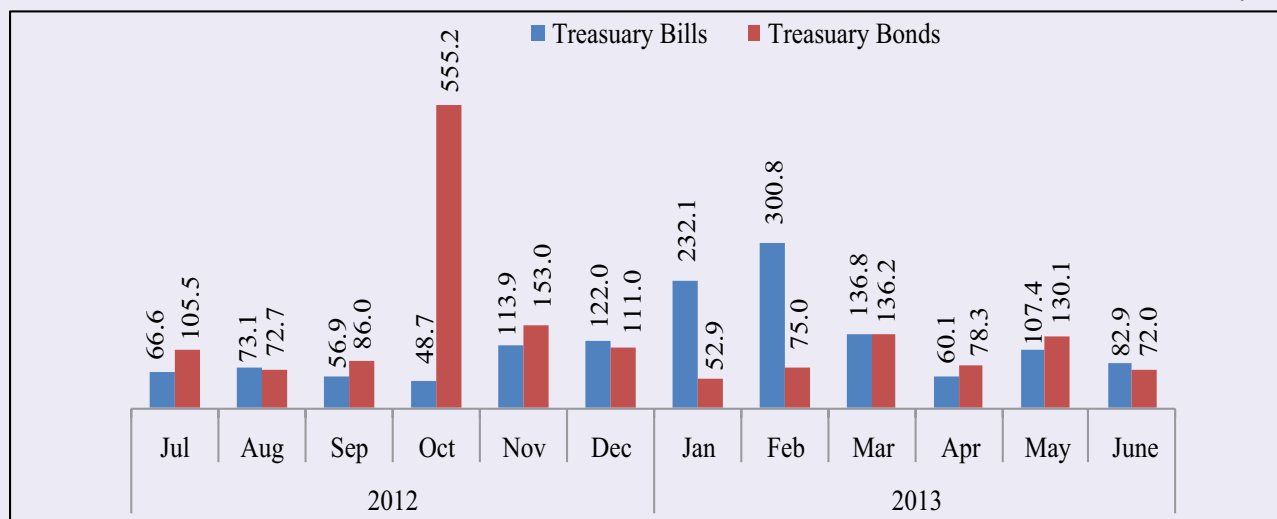


Domestic debt issued for financing purposes during 2012/13 amounted to TZS 3,029.2 billion, out of which TZS 1,401.3 billion was Treasury

bills and TZS 1,627.9 billion was Treasury bonds. **Chart 5.3** provides summary of domestic debt issued in 2012/13.

Chart 5.3: Government Securities Issued for Financing Purposes in 2012/13

Billions of TZS



Source: Ministry of Finance and Bank of Tanzania

The amount of domestic debt that fell due for payment during the year was TZS 2,216.1 billion, equivalent to 26.1 percent of domestic revenue collected during the period. Out of the domestic debt that fell due for payment, TZS 1,700.5

billion (20.0 percent of domestic revenue) was principal amount which was rolled over and TZS 515.5 billion, (6.1 percent of domestic revenue) was interest amount which was paid out of government resources (**Table 5.6**).

Table 5.6: Domestic Debt Service

Billions of TZS

Item	2009/10	2010/11	2011/12	2012/13
Domestic Debt Service	833.1	1,297.8	1,583.8	2,216.1
Domestic Revenue	4,661.5	5,698.5	7,199.6	8,504.9
as % of Domestic Revenue	17.9	22.8	22.0	26.1
Principal Repayments	551.9	1,006.9	1,226.0	1,700.5
as % of Domestic Revenue	11.8	17.7	17.0	20.0
Interest Payments	281.2	290.9	357.8	515.6
as % of Domestic Revenue	6.0	5.1	5.0	6.1

Source: Ministry of Finance and Bank of Tanzania



CHAPTER SIX

ECONOMIC DEVELOPMENTS IN ZANZIBAR

The Overall Economic Performance

Zanzibar's real Gross Domestic Product (GDP) grew by 7.0 percent in 2012, up from 6.7 percent attained in 2011. This outturn was

mainly associated with increased growth in the industrial and services sectors. The GDP per capita increased by 4.5 percent from TZS 960,000 recorded in 2011 to TZS 1,003,000 in 2012 (**Tables 6.1**).

Table 6.1: Zanzibar Key Statistics, 2008-2012

Description	Unit	2008	2009	2010	2011	2012 ^P
GDP at market prices:						
At current prices	Billions of TZS	748.1	879.2	946.8	1,198.1	1,354.2
Quantity index	Base: 2001=100	153	163	173	185	198
At constant price growth rates	Percent	5.3	6.7	6.4	6.7	7.0
Implied deflators	Base: 2001=100	221	243	246	292	308
GDP per capita						
GDP per capita	"000" TZS	639	729	782	960	1,003
GDP per capita	USD	534	558	560	617	638
Mamorandum items:						
Population	"000"	1,171	1,206	1,211	1,247	1,303
Exchange rate (Annual average)	TZS/USD	1,197	1,307	1,396	1,557	1,572

Note: P = Provisional

Source: Office of the Chief Government Statistician

Sectoral Developments

Services

The services sector grew by 8.7 percent in 2012 compared with a growth rate of 8.6 percent recorded in 2011. Notwithstanding this moderate growth, all services sub-sectors registered increases during 2012 compared to 2011, albeit in different magnitudes. The value added for hotels and restaurants increased to TZS 87.5 billion in 2012 from TZS 87.4 billion recorded in 2011. This performance is associated with low tourism activities following a 3.3 percent decline in the number of tourist arrivals, from 175,067 in 2011 to 169,223 in 2012 (**Table 6.2 and Chart 6.1**).

Transport and communication sub-sector grew by 18.0 percent to TZS 130.6 billion during 2012 from TZS 110.7 billion recorded in 2011. The growth in the subsector was associated with the expanded activities of the telecommunication companies. Value added for Public administration sub-sector increased to TZS 132.2 billion during 2012 from TZS 105.1 billion recorded in 2011, mainly attributed to the increase in salaries and wages³. The value of Trade and Repair activities increased by 9.6 percent to TZS 127.2 billion during 2012, mainly on account of a rise in imports of intermediate goods such as oil and capital goods for infrastructural development (**Table 6.2**).

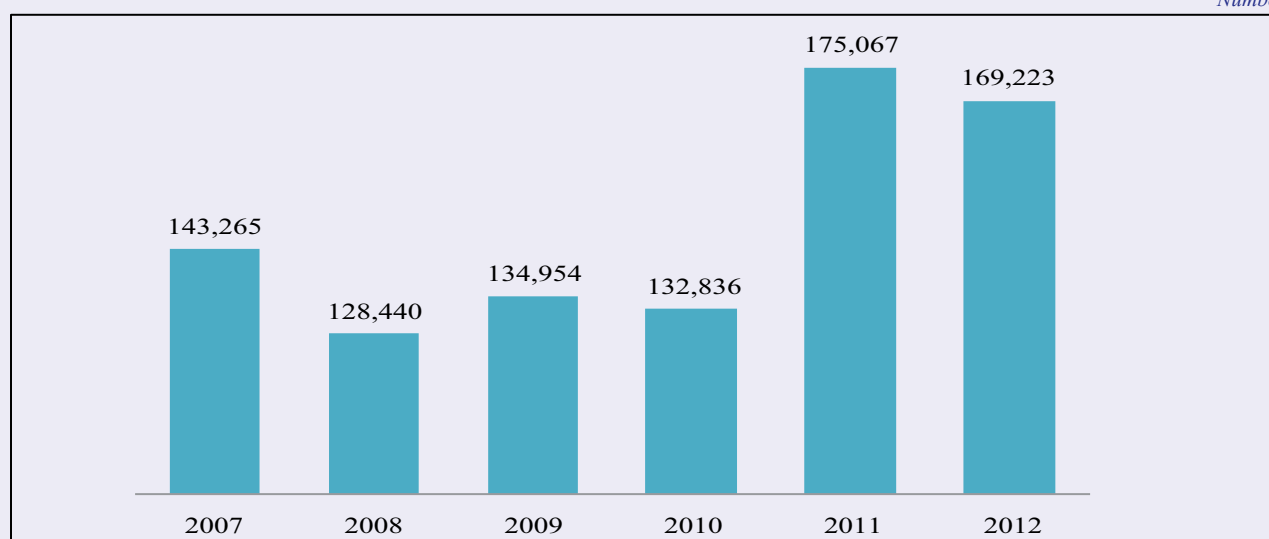
³The value added for public administration is calculated based on the trends of salaries and wages in the public sector.

**Table 6.2: Developments in the Services Sector 2008 – 2012 (Current Prices)***Billions of TZS*

Item	2008	2009	2010	2011	2012 ^P
Trade & repairs	65	73.5	83.4	116.1	127.2
Hotels & restaurants	55.2	63.1	68.9	87.4	87.5
Transport & communications	59.6	98	85.8	110.7	130.6
Financial intermediation	13.7	15.4	19.8	23.5	26.3
Real estate & business services	6.8	7.7	8.6	10.3	11.1
Public administration	72.3	80	86	105.1	132.2
Education	33.6	35.6	37.3	55.1	74.7
Health	10.6	11.6	12.4	14.6	19.3
Other social & personal services	2.5	2.8	3.1	3.9	5.1
Taxes on products	92.3	105.9	115.3	141.5	173.9

Note: P: Provisional data

Source: Office of the Chief Government Statistician.

Chart 6.1: Number of Tourist Arrivals in Zanzibar*Number*

Source: Office of the Chief Government Statistician.

Agriculture

Agricultural activities grew by 1.3 percent in 2012, down from a growth rate of 2.7 percent recorded in 2011. The decline in growth was associated with unfavorable weather conditions, which affected food and some export crops production, especially cloves. Subsectors which recorded positive growth rates included, fishing (2.3 percent), crops (0.6 percent), livestock (3.1 percent) and forestry and hunting (1.2 percent).

Cloves procurement decreased by 53.1 percent to 1,755.4 tonnes mainly on account of cyclical nature of the crop, unfavorable weather conditions and decreased world market prices during 2012. Rubber output dropped mainly on account of aging rubber trees (**Tables 6.3**). Similarly, production of all food crops went down during the reporting period (**Table 6.4**). Meanwhile, seaweed procurement increased during 2012 mainly associated to increased producer prices driven by upward trend in the world market prices.

**Table 6.3: Procurement of Major Export Crops***Tonnes*

Crop	2008	2009	2010	2011	2012 ^P	% Change
Cloves	4,007.0	3,536.0	2,129.0	3,743.0	1,755.4	-53.1
Clove Stems	345.4	445.0	280.0	468.0	328.4	-29.8
Seaweeds	11,177.0	10,248.0	11,937.0	13,193.0	15,087.0	14.4
Rubber	1,479.0	428.0	564.0	457.0	385.0	-15.8
Total	17,008.4	14,657.0	14,910.0	17,861.0	17,555.8	-1.7

Note: P = Provisional

Source: Office of Chief Government Statistician

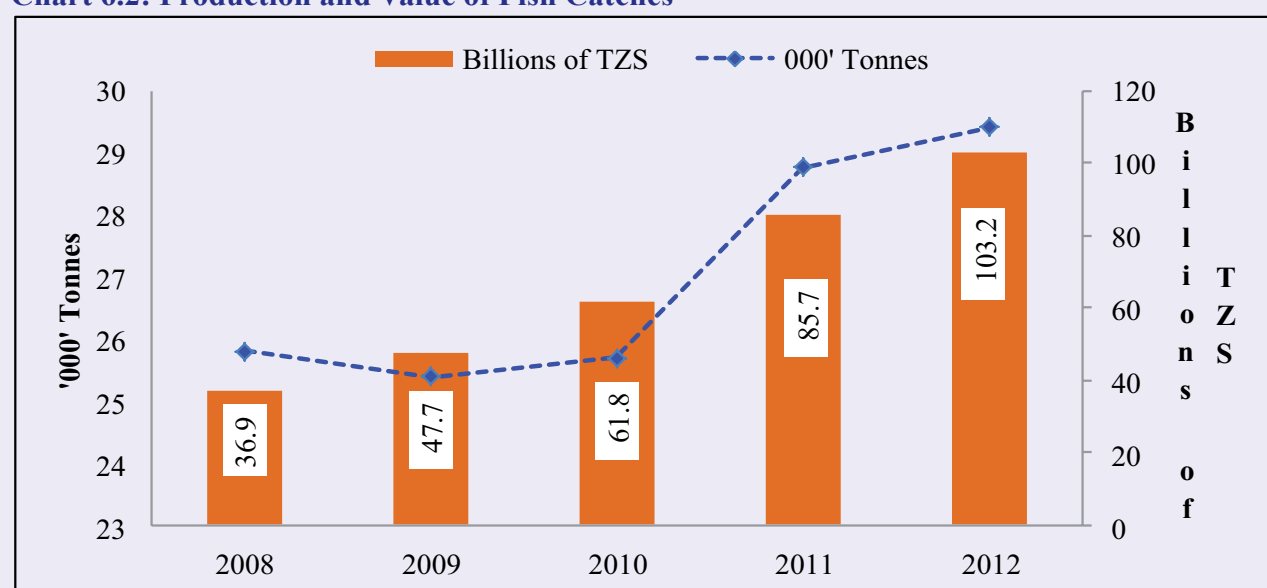
Table 6.4: Production of Food Crops*Tonnes*

Crop	2008	2009	2010	2011	2012 ^P	% Change
Cereals						
Maize	1,933	2,063	3,112	3281	857	-73.9
Sorghum	615	457	572	512	484	-5.5
Paddy	20,889	26,980	21,014	23702	6372	-73.1
Sub total	23,437	29,500	24,698	27,495	7,713	-71.9
Non Cereals						
Cassava	153,136	195,674	229,284	273342	192073	-29.7
Banana	103,145	100,873	102,258	110250	97935	-11.2
Sweet potatoes	55,305	53,596	58,958	92715	31768	-65.7
Yams	3,516	11,373	7,488	4212	3564	-15.4
Tania	8,459	5,883	5,812	4940	4092	-17.2
Other	3,866	4,006	2,045	2,604	1,365	-47.6
Sub total	327,427	371,405	405,845	488,063	330,797	-32.2
Grand Total	350,864	400,905	430,543	515,558	338,510	-34.3

Source: Office of the Chief Government Statistician

Fish catches increased to 29,411 tonnes in 2012, from 28,759 tonnes in 2011. Similarly, the value of fish sold in the domestic market increased by 20.4 percent from TZS 85.7 billion in 2011,

to TZS 103.2 billion in 2012 (**Chart 6.2**). The improved performance of the fish industry was driven by increased demand for fish in tourist hotels and the general public.

**Chart 6.2: Production and Value of Fish Catches**

Source: Department of Fisheries and Marine Products

Industrial Sector

During 2012, the industrial sector grew by 9.2 percent compared with 5.8 percent recorded in 2011. This growth was associated with a significant increase in mining and quarrying and construction sub-sectors. The construction sub-sector grew by 14.1 percent compared with

4.7 percent registered in 2011, mainly due to increased imports of capital goods utilized for investment projects including equipments for road construction in Pemba, financed under the Millennium Challenge Account (MCC). Mining and quarrying sub-sector grew mainly on account of increased production of gravels used in construction activities (Tables 6.5).

Table 6.5 Percentage Growth Rates in Industrial Sub-sectors

Economic Activity	2008	2009	2010	2011	2012 ^P
Industrial Sector	1.9	3.4	1.9	5.8	9.2
Sub sectors:					
Mining & quarrying	22.8	11.4	5.4	12.9	16.2
Manufacturing	1.1	2.4	3.1	2.5	0.1
Electricity, gas & water supply	0.9	2.4	-0.5	15.9	4.7
Construction	0.5	3.2	1.1	4.7	14.2

Note: Calculations are based on constant prices

P = Provisional

Source: Office of Chief Government Statistician

The manufacturing activities which increased during the review period were bread, window

UPVC and noodles production due to increased demand (Table 6.6).

**Table 6.6: Production of Selected Industrial Commodities**

Commodity	Unit	2008	2009	2010	2011	2012 ^P	% Change 2011 to 2012
Beverages*	Liters ("000")	12,780.0	13,800.0	15,414.0	17,199.0	14,409.0	-16.2
Bread	Number ("000")	102,050.0	105,531.0	108,264.0	111,512.0	114,858.0	3.0
Door UPVC	Numbers	33.0	43.0	125.0	140.0	95.0	-32.1
Window UPVC	Numbers	35.0	98.0	43.0	95.0	201.0	111.6
Video / Radio Tape	Cartons	61,167.0	30,742.0	30,648.0	14,517.0	4,646.0	-68.0
Garments Dish Dash	Piecs	3,778.0	4,392.0	4,648.0	4,672.0	2,877.0	-38.4
Noodles	Kgs	71,072.0	75,600.0	80,417.0	189,000.0	199,000.0	5.3
Jewellery (Gold/Silver)	Gms	7,526.0	9,710.0	9,508.0	8,602.0	8,172.0	-5.0

Notes: *Include Mineral Water and soft drinks

P = Provisional figures

Source: Office of Chief Government Statistician

The quantity of electricity distributed decreased from 247.9 million KWh in 2011, to 223.4 million KWh distributed in 2012, due to power

rationing which affected electricity distribution to small industries, street lights and domestic users (**Table 6.7**).

Table 6.7: Quantity of Electricity Distribution (National Grid)

kWh '000'

Description	2008	2009	2010	2011	2012 ^P	Share	% Change
Commercial	13,651	13,296	18,600	17,608	19,466	8.7	10.6
Domestic	58,400	51,954	45,512	60,698	60,425	27.0	-0.4
Large Industry	41,030	38,135	36,509	45,194	45,260	20.3	0.1
Medium Industries	16,560	23,176	30,639	28,719	33,678	15.1	17.3
Small Industry	600	618	979	2,527	2,381	1.1	-5.8
Street Lights	446	371	698	935	270	0.1	-71.1
TUKUZA	0	57,252	63,929	92,255	61,818	27.7	-33.0
Total	130,687	184,801	196,866	247,936	223,407	100.0	-9.9

Notes: kWh = kilowatt-hour

P = Provisional figures

TUKUZA = Tumia Umeme kwa Uangalifu Zanzibar

Source: Zanzibar State Fuel and Power Corporation

Gross Capital Formation

During 2012, gross capital formation increased to TZS 258.9 billion from TZS 183.2 billion recorded in 2011, partly due to new investments

in tourism and infrastructure development, transport equipment and construction projects. Gross capital formation by type of assets is depicted in **Table 6.8**.

**Table 6.8: Capital Formation by Type of Assets**

Millions of TZS

Type of asset	2008	2009	2010	2011	2012 ^P
A. Buildings					
Residential	9,180	9,748	9,624	11,294	12,511
Rural Construction	6,818	8,097	8,598	8,488	11,035
Non Residential	28,829	30,611	30,220	35,465	39,286
Total Buildings	44,827	48,456	48,442	55,247	62,832
B. Other Works					
Land Improvements	28,992	30,785	30,392	35,666	39,510
Roads, Bridges etc.	22,406	23,791	23,487	27,563	30,533
Total Others Works	51,398	54,576	53,879	63,229	70,043
C. Equipment					
Transport Equipment	20,768	16,593	23,406	35,220	57,711
Other Equipment	21,618	5,502	12,056	5,315	71,211
Total Equipment	42,385	22,095	35,462	40,535	128,922
D. Others Change inventory	3,447	2,768	2,930	24,190	-2,923
E. Capital Formation Of Which:	142,058	127,895	140,713	183,201	258,874
Subsistence	6,818	8,097	8,598	8,488	11,035
Monetary	135,239	119,798	132,115	174,713	247,839

Note: P = Provisional

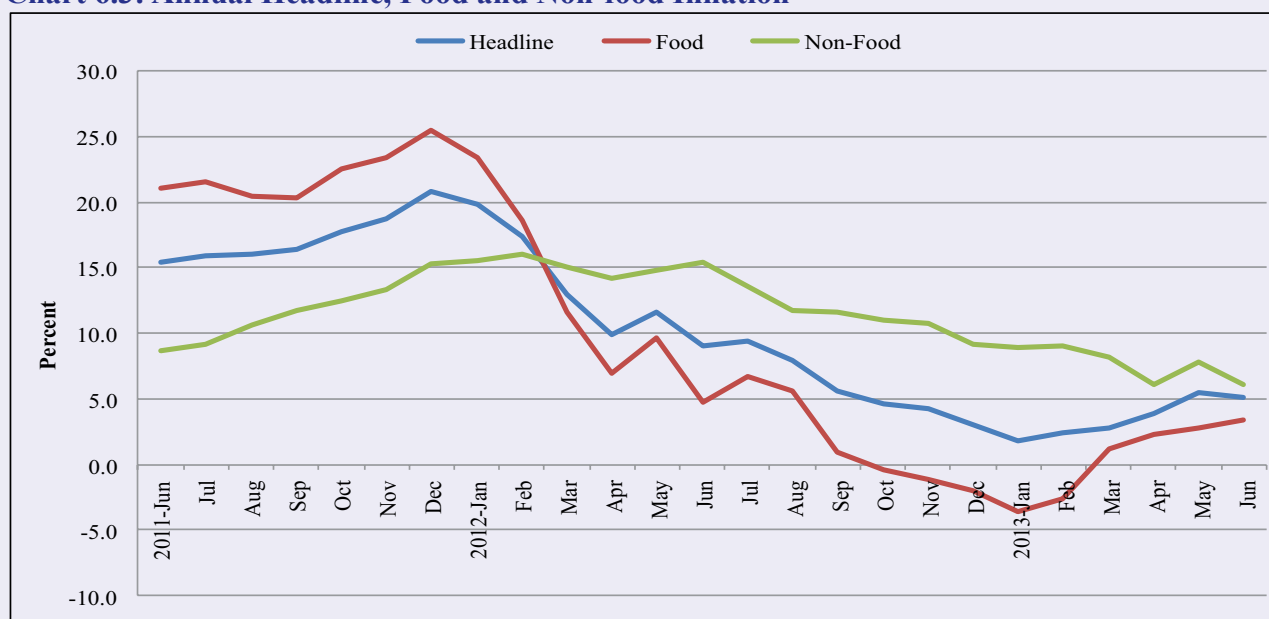
Source: Office of the Chief Government Statistician

Inflation Developments

During 2012/13, Zanzibar **average annual headline inflation** rate decelerated from a double digit of 15.5 percent recorded in 2011/12, to single digit inflation rate 4.7 percent, mainly driven by a decline in prices of food items. **Average annual food inflation** fell to 1.1 percent in 2012/13,

from 17.4 percent recorded in 2011/12, mainly on account of decrease in the prices of rice, sugar and wheat flour.

Average annual non-food inflation rate was 9.5 percent, down from 13.6 percent recorded in 2011/12, mainly due to a decrease in prices of fuel and related products (**Chart 6.3**).

Chart 6.3: Annual Headline, Food and Non-food Inflation

Source: Office of Chief Government Statistician

Government Budgetary Operations

During 2012/13, budgetary operations on cheques issued basis recorded a deficit of TZS 58.6 billion after grants, compared with a deficit of TZS 82.7 billion registered in 2011/12. The budgetary operations after adjustment to cash amounted to a deficit of TZS 69.5 billion. Total resources amounted to TZS 398.0 billion, out of which TZS 266.2 billion or 66.9 percent was from domestic sources, and the balance was grants.

Revenue Performance

Revenue collections during 2012/13, amounted to TZS 266.2 billion, below the annual target of TZS 294.1 billion by 9.5 percent. Tax revenue amounted to TZS 254.4 billion, or 95.6 percent of the total revenue collections, and was below the target by 7.3 percent mainly on account of low performance of tourism related activities. Non-tax revenue amounted to TZS 11.8 billion, below the annual target by 40.1 percent (**Chart 6.4**).

Chart 6.4: Zanzibar Government Revenue by Sources and Grants, 2012/13

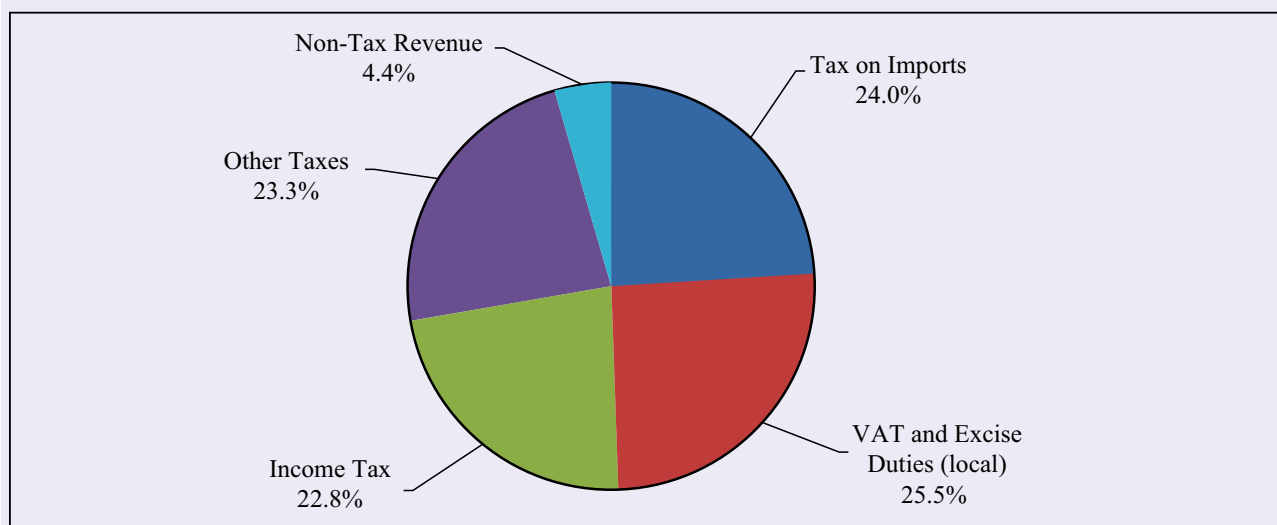
Billions of TZS



Source: President's Office-Finance, Economy and Development Planning (POFEDP), Zanzibar

Revenue collection by sources indicates that, VAT and excise duty accounted for the largest share of

total revenue, followed by Tax on imports, other taxes and income taxes (**Charts 6.5**).


Chart 6.5: Government Revenue by Sources, Percentage Share to Total Revenue 2012/13


Source: President's Office -Finance, Economy and Development Planning (POFEDP), Zanzibar.

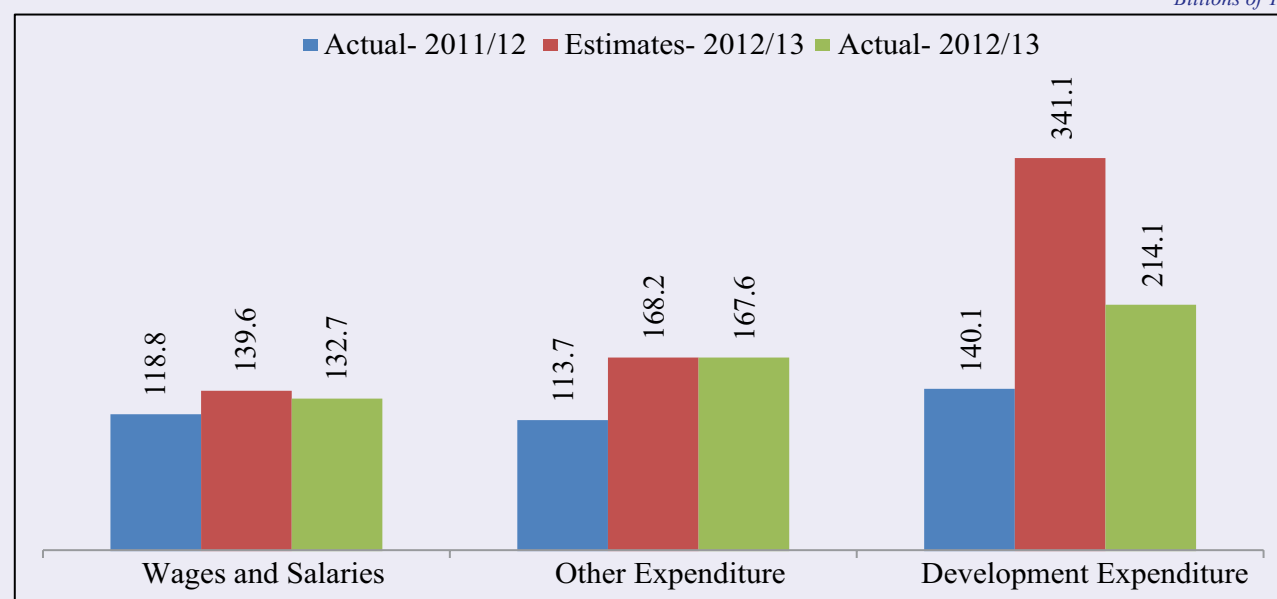
Government Expenditure

Total Government expenditure during 2012/13 amounted to TZS 514.3 billion, which was 21.1 percent below the annual estimate of TZS 651.9 billion, mainly on account of low outturn of donor funds particularly for development projects. Recurrent expenditure amounted to TZS 300.2

billion or 58.4 percent of total expenditure, and was below the target by 2.5 percent. Development expenditure amounted to TZS 214.1 billion or 41.6 percent of total expenditure and was below the target amount of TZS 341.1 billion, by 37.2 percent. Out of total development expenditure; donor funded component accounted for 83.7 percent (**Chart 6.6**).

Chart 6.6: Government Expenditure by Component, 2012/13

Billions of TZS



Source: President's Office-Finance, Economy and Development Planning (POFEDP), Zanzibar



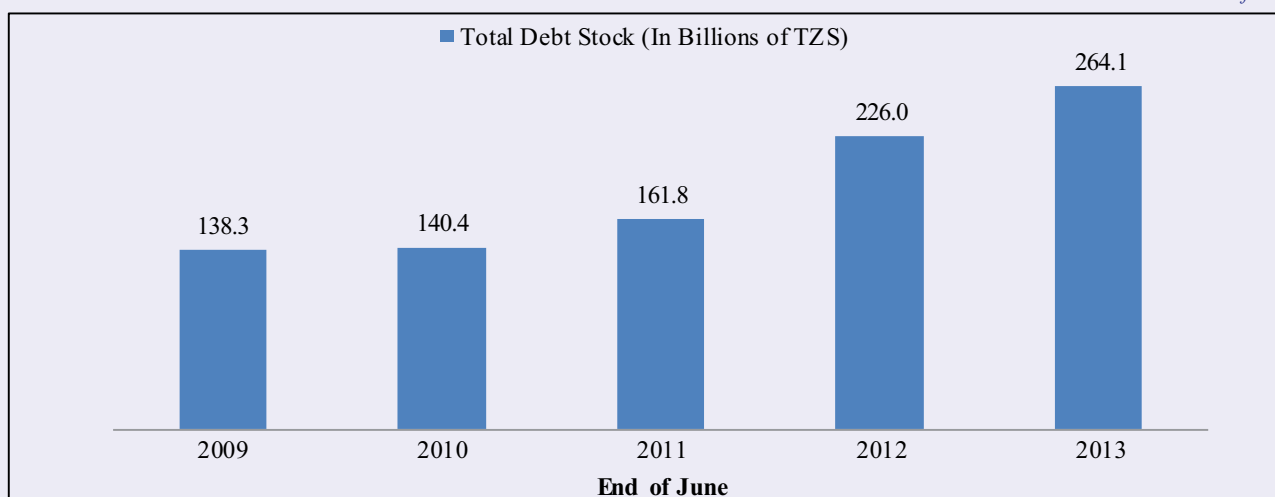
Debt Developments

Total debt stock increased to TZS 264.1 billion as at the end of June, 2013, from TZS 226.0 billion recorded in the corresponding period in 2012. Total external debt amounted to TZS 205.7

billion, equivalent to 77.9 percent of total debt stock and the balance was domestic debt (**Chart 6.7**). The ratio of debt stock to GDP⁴ increased to 19.5 percent from 18.6 percent registered at the end of June, 2012.

Chart 6.7: Zanzibar Total Debt Stock Development

Billions of TZS



Source: President's Office-Finance, Economy and Development Planning (POFEDP)

Domestic Debt

As at the end of June 2013, total domestic debt stock increased by 15.1 percent to TZS 58.4 billion from TZS 50.7 billion registered in the preceding year. The increase was mainly on account of a rise in Government debts owed by the People's Bank of Zanzibar (PBZ).

Domestic Debt by Creditor Category

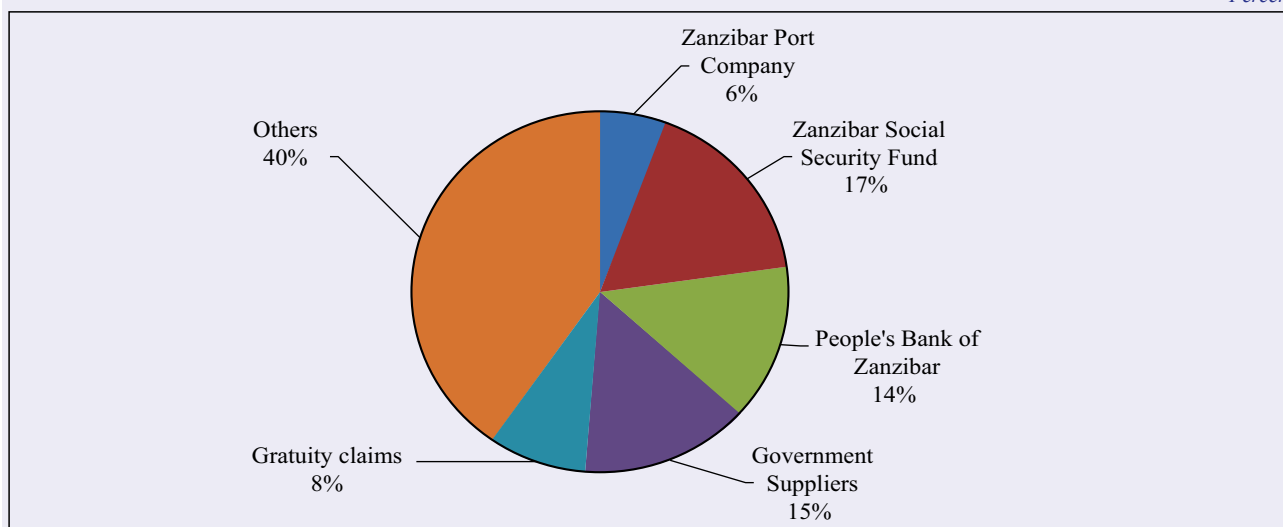
Profile of domestic debt by creditor category as at the end of June 2013 indicates that debt due

to other creditors comprising of Government securities, domestic suppliers and pensioners, increased moderately to TZS 36.9 billion from TZS 36.8 billion recorded in a similar period a year earlier; and accounted for 63.2 percent of total domestic debt. Zanzibar Social Security Fund and the People's Bank of Zanzibar debts stood at TZS 10.0 billion (or 17.1 percent of total domestic debt) and TZS 8.2 billion (14.0 percent), respectively, while that of Zanzibar Port Corporation was TZS 3.3 billion (5.6 percent) (**Chart 6.8**).

⁴Gross Domestic Prices (GDP) at current prices in 2012 was TZS 1,354.0 billion

**Chart 6.8: Composition of Domestic Debt by Creditor as at End-June 2013**

Percent



Source: President's Office- Finance, Economy and Development Planning (POFEDP).

Domestic Debt by Maturity

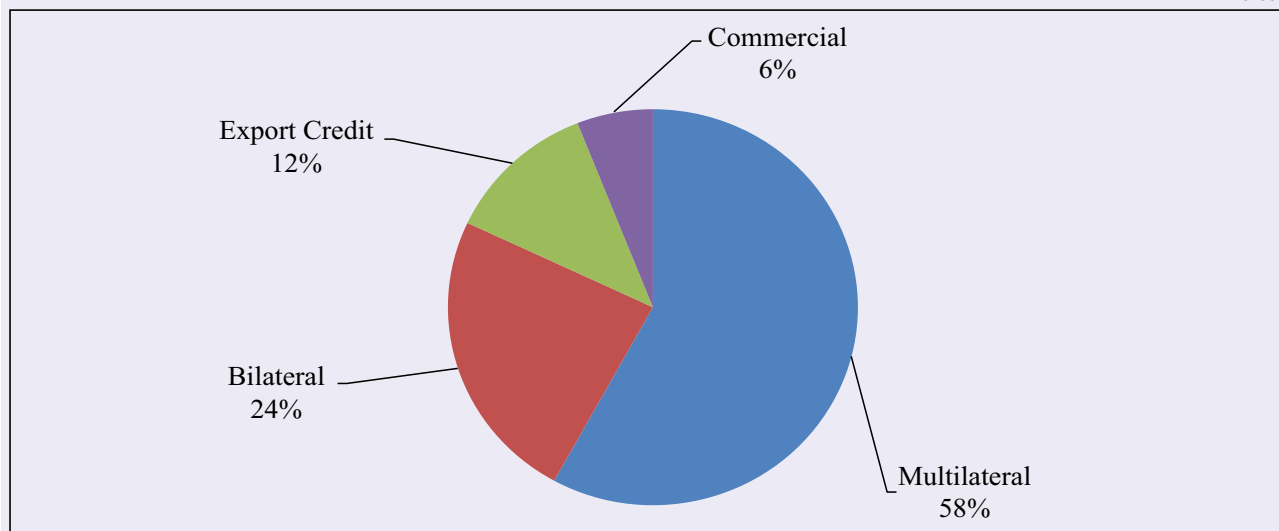
During the review period, domestic debt with 'undetermined maturity' (pensioner's claims, supplier's credits) increased to TZS 35.5 billion, from TZS 20.4 billion registered in the corresponding period in 2012 and represented 60.8 percent of the total domestic debt stock. Debt maturing within 2 to 5 years decreased by 2.3 percent to TZS 16.4 billion, and constituted 28.0 percent of the total domestic debt, while debt with maturity of less than one year declined by 52.3 percent to TZS 6.5 billion as at end of June 2013 from TZS 13.6 billion recorded in the corresponding period a year earlier, representing 11.1 percent of the total domestic debt stock.

External Debt

Total external debt stock stood at USD 128.3 million at the end of June 2013, compared with USD 111.7 million recorded in the corresponding period a year earlier. Out of the total external debt stock, debt guaranteed by the Union Government amounted to USD 112.3 million, or 87.5 percent of the external debt, while the balance was non-guaranteed debt. Classification of external debt by creditor category indicates that multilateral creditors was the largest at USD 80.6 million, followed by debt due to bilateral creditors which amounted to USD 32.7 million. Claims by export and commercial creditors amounted to USD 7.3 million and USD 7.8 million, respectively (**Chart 6.9**).

Chart 6.9: Composition of External Debt by Creditor as at the End of June 2013

Percent



Source: President's Office -Finance, Economy and Development Planning (POFEDP).

External Debt by Maturity

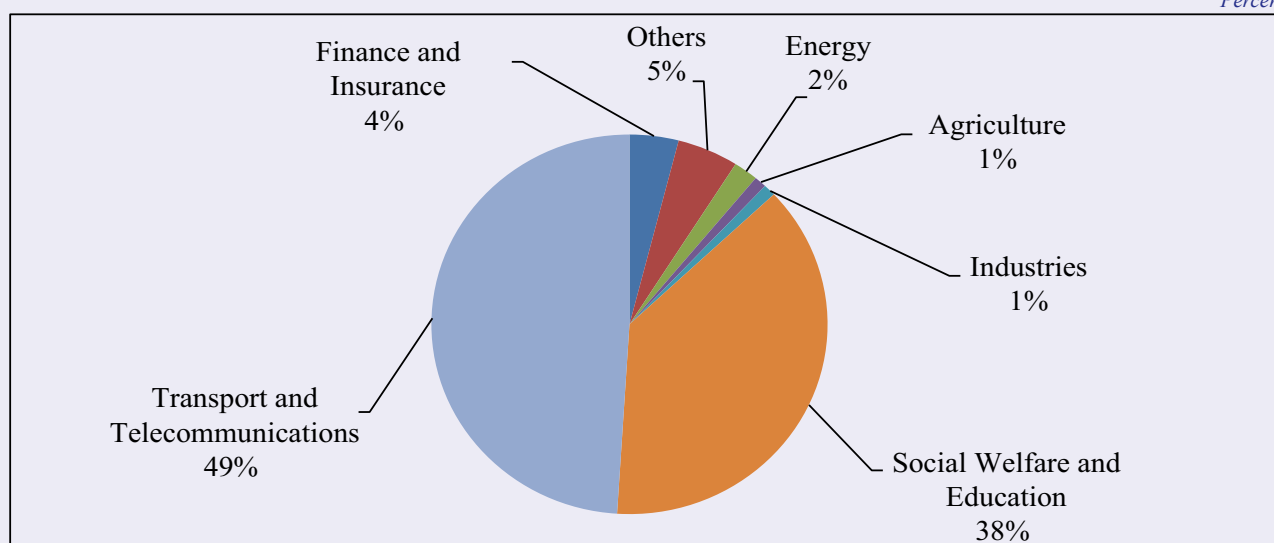
As at the end of June 2013, total external debt stock continued to be dominated by long term maturity of above 20 years, which increased by 34.7 percent to USD 76.6 million, from USD 56.9 million recorded in the corresponding period in 2012, and accounted for 59.7 percent of the total external debt. Debt with maturity of between 10 and 20 years amounted to USD 4.3 million or 3.4 percent; while debt maturing between 5 to 10 years stood at USD 47.4 million or 36.9 percent of the total external debt.

External debt by Use of Funds

External debt by use of funds indicates that the largest beneficiary was transport and communication sector with USD 63.3 million, accounting for 49.3 percent, followed by Social Welfare and Education sector at USD 48.3 million or 37.7 percent. Finance and Insurance received USD 4.6 million, representing 3.6 percent of total external debt. Agriculture and industries sectors absorbed USD 1.3 million and USD 1.4 million or 1.0 percent and 1.1 percent, respectively. Energy sector received USD 2.2 million, or 1.8 percent of total disbursement, while other sectors received USD 7.1 million, equivalent to 5.5 percent of total external debt (**Chart 6.10**).

**Chart 6.10: Composition of External Debt by Use of Funds as at End - June 2013**

Percent



Source: President's Office - Finance, Economy and Development Planning (POFEDP).

External Sector Developments

During the year ending June 2013, Zanzibar current account balance recorded a deficit of USD 34.4 million compared with a surplus of USD 68.9 million recorded in the preceding year;

largely driven by decreased cloves and tourism related receipts, coupled with low official current transfers (**Table 6.9**).

Table 6.9: Zanzibar Current Account Balance

Millions of USD

Item	Year Ending June					% Change 2012/13 and 2011/12
	2009	2010	2011	2012	2013 ^p	
Goods Account (net)	-76.1	-69.4	-98.4	-83.4	-151.5	81.7
Exports	21.1	21.3	15.1	70.5	38.6	-45.2
Imports (fob)	97.3	90.7	113.6	153.9	190.2	23.6
Services Account (net)	31.3	15.3	42.1	103.2	93.8	-9.1
Receipts	97.4	101.3	124.9	170.5	155.6	-8.7
Payments	66.0	86.0	82.8	67.3	61.8	-8.2
Goods and Services (net)	-44.8	-54.2	-56.3	19.8	-57.8	-391.9
Exports of Goods and Services	118.5	122.6	140.1	241.0	194.2	-19.4
Imports of Goods and Services	163.3	176.7	196.4	221.2	252.0	13.9
Income Account (net)	-4.2	-5.7	0.0	0.7	-0.9	-228.6
Receipts	0.3	0.6	1.4	4.8	0.9	-81.3
Payments	4.5	6.3	1.4	4.1	1.8	-56.1
Current Transfers (net)	41.9	65.7	44.8	48.4	24.2	-50.0
Inflows	41.9	65.7	44.8	81.6	60.4	-26.0
Outflows	0.0	0.0	0.0	33.2	36.2	9.0
Current Account Balance	-7.1	5.8	-11.6	68.9	-34.4	-149.9

Note: p = provisional.

Source: Tanzania Revenue Authority and BOT computations



Exports Performance

During the year ending June 2013, total export of goods and services decreased by 19.4 percent to USD 194.2 million from USD 241.0 million registered in the corresponding period in 2012, mainly driven by a decrease in clove exports and tourism receipts. Value of goods export fell to USD 38.6 million from USD 70.5 million recorded in 2011/12, largely attributed to a

decrease in both export volumes and export prices of cloves. Volume of cloves exports decreased to 2,200 tonnes in 2012/13 from 4,100 tonnes in the preceding period, while average export price fell to USD 9,437.2 per tonne from USD 12,880.7 per tonne, in the same period (**Table 6.10**). **Charts 6.11** depicts the composition of goods exports.

Table 6.10: Zanzibar Goods Exports by Major Categories

Major Category	Unit	Year Ending June					% Change 2012/13 and 2011/12
		2009	2010	2011	2012	2013 ^p	
Traditional :							
Cloves							
Value	Millions of TZS	8.7	8.4	7.5	52.4	20.6	-60.7
Volume	000' Tonnes	2.4	2.4	2.1	4.1	2.2	-46.3
Unit Price	USD/Tonne	3,586.0	3,562.7	3,638.8	12,880.7	9,437.2	-26.7
Non-Traditional :							
Seaweeds							
Value	Millions of TZS	2.4	3.0	2.3	5.3	4.2	-20.8
Volume	000' Tonnes	10.2	11.6	8.3	14.8	9.2	-37.8
Unit Price	USD/Tonne	239.5	260.7	277.8	355.6	450.5	26.7
Manufactured Goods	Millions of TZS	5.1	4.3	2.7	6.3	4.5	-28.6
Fish and Fish Produce	Millions of TZS	0.2	0.4	0.3	0.3	0.4	33.3
Others Exports	Millions of TZS	4.7	5.2	2.3	6.2	8.9	43.5
Sub Total	Millions of TZS	12.4	12.8	7.6	18.1	18.0	-0.6
Grand Total	Millions of TZS	21.1	21.3	15.1	70.5	38.6	-45.2

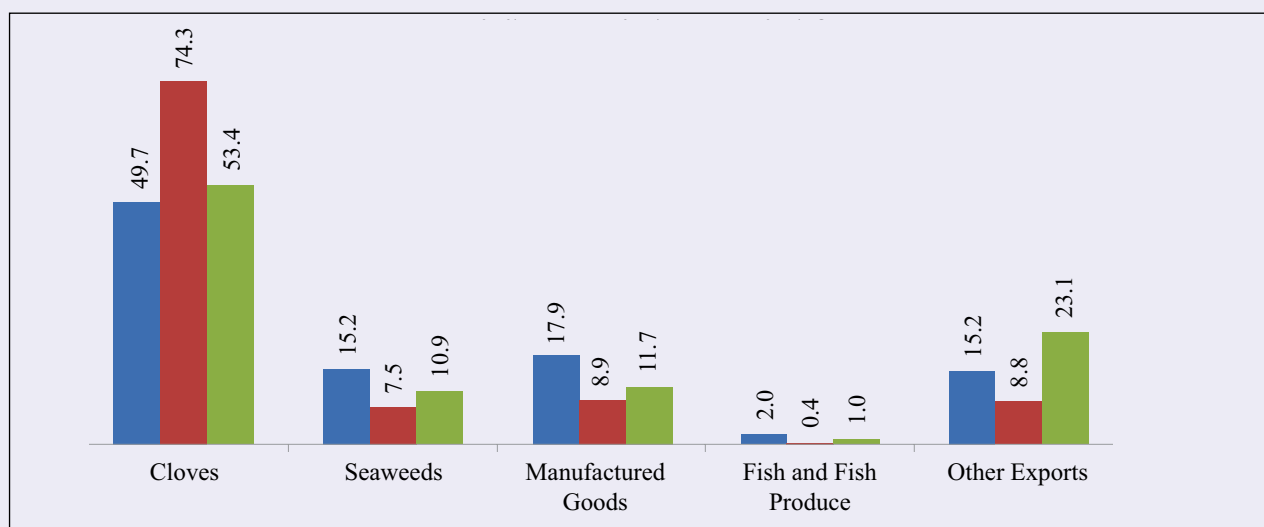
Note: Other exports include mainly souvenirs and spices.

p = provisional.

Source: Tanzania Revenue Authority

Chart 6.11: Zanzibar Composition of Goods Exports

Percent



Source: Tanzania Revenue Authority



Import Performance

During the year ending June 2013, total import of goods and services increased to USD 252.0 million, from USD 221.2 million, recorded in a

similar period in 2012. Capital and intermediate goods accounted for about 44.8 percent of total goods imports, while oil imports accounted for 28.5 percent (**Table 6.11**).

Table 6.11: Zanzibar Imports by Major Categories

Millions of USD

Import Category	Year Ending June					%Change 2012/13 and 2011/12
	2009	2010	2011	2012	2013 ^p	
Capital Goods	45.4	38.0	44.2	66.1	93.7	41.7
Transport Equipment	26.8	19.3	15.5	25.0	26.1	4.4
Building and Constructions	8.7	7.3	9.9	15.5	15.8	1.9
Machinery	9.9	11.4	18.8	25.6	51.9	102.7
Intermediate Goods	38.8	42.4	59.1	68.5	66.6	-2.8
Oil imports	28.9	37.3	56.0	63.0	59.5	-5.6
Industrial raw materials	10.0	5.1	3.1	5.6	7.1	26.8
Consumer Goods	22.6	19.3	21.5	34.4	48.6	41.3
Food and food stuffs	6.5	7.3	7.5	12.3	23.405	90.2
All other consumer goods	16.1	12.0	14.0	22.1	25.202	14.0
Grand Total (c.i.f)	106.9	99.7	124.8	169.1	209.0	23.6
Grand Total (f.o.b)	97.3	90.7	113.6	153.9	190.2	23.6

Note: P = provisional.

Source: Tanzania Revenue Authority

Services and Income Accounts

During the year ending June 2013, the services account registered a surplus of USD 93.8 million, compared with a surplus of USD 103.2 million recorded in the corresponding period in 2012. Total foreign receipts decreased to USD 155.6 million, from USD 170.5 million, while payments

amounted to USD 61.8 million, down from USD 67.3 million recorded during the year ending June, 2012. The income account recorded a deficit of USD 0.9 million, compared with a surplus of USD 0.7 million registered in the similar period in 2012. Current transfers registered a surplus of USD 24.2 million, compared with a surplus of USD 48.4 million registered in 2012 (**Table 6.9**).



CHAPTER SEVEN

INTERNATIONAL ECONOMIC AND FINANCIAL DEVELOPMENTS

Global Economic Developments

During 2012 the global economy grew by 3.1 percent compared with 3.9 percent in 2011. The slower growth was mainly due to deeper recession in the Euro area, subdued demand growth and global financial stability concerns.

Growth rates of output in all advanced economies, except for the US and Japan declined. The US economy grew by 2.2 percent in 2012 up from 1.8 percent recorded in 2011. The Euro area economy contracted by 0.6 percent in 2012 compared with a growth rate of 1.5 percent in 2011 despite efforts to intensify fiscal coordination and ex ante fiscal risk sharing, strengthen banking systems, and reduce the dependency linkages between banks and sovereign financing. The real GDP in Italy

contracted by 2.4 percent in 2012 compared with an average growth rate of 1.1 percent recorded in the last two years.

Output growth in the emerging market economies slowed down largely due to weak demand in key advanced economies and domestic policy tightening. Growth in China slowed to 7.8 percent from 9.3 percent in 2011, while growth in India declined to 3.2 percent from 6.3 percent in the same period.

Africa recorded a growth of 6.6 percent during the year under review compared with 3.4 percent recorded in 2011, mainly on account of the high growth in oil exporting countries. Sub-Saharan Africa grew by 4.9 percent in 2012 compared with 5.4 percent in 2011 (**Table 7.1**).

Table 7.1: World Real Gross Domestic Products (GDP) Growth Rates

Percent

Country	2007	2008	2009	2010	2011	2012
World	5.4	2.8	-0.6	5.3	3.9	3.1
Advanced Economies	2.8	0.0	-3.6	3.2	1.7	1.2
Britain	3.5	-1.1	-4.4	2.1	1.0	0.3
Germany	3.4	0.8	-5.1	3.6	3.1	0.9
Japan	2.2	-1.0	-5.5	4.4	-0.6	1.9
USA	1.9	-0.3	-3.5	3.0	1.8	2.2
Italy	1.7	-1.2	-5.5	1.8	0.4	-2.4
France	2.2	-0.2	-2.6	1.4	2.0	0
Canada	2.2	0.7	-2.8	3.2	2.5	1.7
Euro Zone (17 countries)	3.0	0.4	-4.3	1.9	1.5	-0.6
European Union (27 countries)	3.4	0.5	-4.2	2.0	1.7	-0.2
Africa	6.2	5.2	1.9	4.6	3.4	6.6
Sub-Saharan	7.1	5.6	2.8	5.3	5.4	4.9
Developing Asia	11.6	7.9	6.9	9.9	8.1	6.6
China	14.2	9.6	9.2	10.4	9.3	7.8
India	10	6.2	6.6	10.6	6.3	3.2
ASEAN- 5	6.5	4.8	1.4	7.1	4.5	6.1
Indonesia	6.3	6.0	4.6	6.2	6.5	6.2
Malaysia	6.3	4.8	-1.5	7.2	5.1	5.6
Philippines	6.6	4.2	1.1	7.6	3.9	6.6
Thailand	5.0	2.6	-2.3	7.8	0.1	6.4
Vietnam	8.5	6.3	5.3	6.8	5.9	5
Middle East and North Africa**	6.2	5.2	3	5.5	4.0	4.8
Newly Industrialized Asian Economies	5.9	1.8	-0.7	8.5	4.0	2.4
Hong Kong	6.4	2.3	-2.6	7.0	4.9	1.4
Korea	5.1	2.3	0.3	6.3	3.6	2.0
Singapore	8.2	1.7	-1	14.8	5.2	1.3
Taiwan Province of China	6	0.7	-1.8	10.7	4.1	1.3

Note: **Includes Oil Exporters [Bahrain, Iran, Kuwait, Libya, Saudi Arabia, United Arab Emirates (UAE) and Yemen, Egypt, Jordan and Syrian Arab Republic]

Source: Central Banks, National Statistical Offices, IMF, World Economic Outlook April and July 2013



Global Inflation Developments

(Table 7.2).

Global inflation declined to 3.8 percent in 2012 from 4.0 percent recorded in 2011. The decline in inflation in most of the regions reflects a modest growth in global demand and economic activities. Although inflation in advanced economies increased slightly from 2.1 percent in 2011 to 2.4 percent in 2012, it continued to run below medium-term inflation targets that provided more room for monetary policy easing

In China and India inflation took mixed directions during the year 2012, with the former recording a decrease to 2.6 percent and the latter recording a rise to 9.3 percent. Inflation in sub-Saharan Africa during 2012 slowed down marginally to 9.1 percent from 9.3 percent in 2011 owing to subdued non-oil commodity prices and improved food supply.

Table 7.2: World Annual Change in the Consumer Price Index

Percent

Country	2007	2008	2009	2010	2011	2012
World	4.0	6.0	2.6	3.4	4.0	3.8
Advanced Economies	2.2	3.4	0.7	1.6	2.1	2.4
Britain	2.3	3.6	2.1	3.3	4.5	2.8
Germany	2.3	2.8	0.2	1.2	2.5	2.1
Japan	0.1	1.4	-1.3	-0.7	-0.3	0.0
USA	2.9	3.8	-0.3	1.6	3.1	2.1
Italy	2.0	3.5	0.8	1.6	2.9	3.3
France	1.6	3.2	0.1	1.5	2.1	2.0
Canada	2.1	2.4	0.3	1.8	2.9	1.5
Euro Zone (17 countries)	2.1	3.3	0.3	1.6	2.7	2.5
European Union (27 countries)	2.4	3.7	0.9	2.0	3.1	2.6
Africa						
Sub-Saharan	6.9	11.7	10.6	7.4	9.3	9.1
Developing Asia	5.4	7.4	3.0	5.7	6.4	4.5
China	4.8	5.9	-0.7	3.3	5.4	2.6
India	6.4	8.3	10.9	12	8.9	9.3
ASEAN- 5						
Indonesia	6.7	9.8	4.8	5.1	5.4	4.3
Malaysia	2.0	5.4	0.6	1.7	3.2	1.7
Philippines	3.0	8.2	4.2	3.8	4.7	3.1
Thailand	2.2	5.5	-0.8	3.3	3.8	3
Vietnam	8.3	23.1	6.7	9.2	18.7	9.1
Middle East and North Africa**	10.3	12.4	7.3	6.9	9.7	10.7
Newly Industrialized Asian Economies	2.2	4.5	1.3	2.3	3.6	3.2
Hong Kong	2.0	4.3	0.6	2.3	5.3	4.1
Korea	2.5	4.7	2.8	2.9	4.0	2.2
Singapore	2.1	6.6	0.6	2.8	5.2	4.6
Taiwan Province of China	1.8	3.5	-0.9	1.0	1.4	1.9

Note: **Includes Oil exporters [Bahrain, Iran, Kuwait, Libya, Saudi Arabia, United Arab Emirates (UAE) and Yemen, Egypt, Jordan and Syrian Arab Republic]

Source: Central Banks, National Statistical Offices, IMF, World Economic Outlook April 2013



Regional Economic Developments

The Southern African Development Community (SADC)

GDP Performance

The average real GDP growth in the SADC region was 4.3 percent in 2012 compared with

5.1 percent recorded in 2011. With the exception of Angola, Democratic Republic of Congo, Mozambique, Tanzania, Madagascar and Zambia, all other countries recorded decline in output growth (**Table 7.3**). Main drivers of growth in most countries were Foreign Direct Investment inflows, infrastructure investment, agriculture, construction, and oil and gas extraction.

Table 7.3: Real GDP Growth for SADC Member States

Percent

Country	2007	2008	2009	2010	2011	2012
Angola	22.6	13.8	2.4	3.4	3.9	8.4
Botswana	8.7	3.9	-7.8	8.6	6.1	4.2
DRC	6.3	6.2	2.8	7.2	6.9	7.2
Lesotho	4.9	5.1	4.8	6.3	5.7	4.0
Madagascar	6.2	7.1	-4.1	0.4	1.8	1.9
Malawi	9.5	8.3	9.0	6.5	4.3	1.9
Mauritius	5.9	5.5	3.0	4.1	3.8	3.3
Mozambique	7.3	6.8	6.3	7.1	7.3	7.5
Namibia	5.4	3.4	-1.1	6.6	4.8	4.0
Seychelles	10.1	-1.9	-0.2	5.6	5.0	2.8
South Africa	5.5	3.6	-1.5	3.1	3.5	2.5
Swaziland	2.8	3.1	1.2	1.9	0.3	-1.5
Tanzania	7.1	7.4	6.0	7.0	6.4	6.9
Zambia	6.2	5.7	6.4	7.6	6.8	7.3
Zimbabwe	-3.7	-17.8	8.9	9.6	10.6	4.4
SADC Average	6.7	4.0	2.6	5.6	5.1	4.3

Note: P = Provisional

Source: National Statistical Offices and IMF World Economic Outlook Database, April 2013

Inflation Development

During 2012, the average inflation rate in the SADC region remained unchanged at 7.9 percent (**Table 7.4**). Inflation rates in most of the SADC

member states declined with the exception of those in Namibia, Seychelles, South Africa, Swaziland, Tanzania and Zimbabwe. Energy and food prices continued to be the main drivers of inflation in the region.

**Table 7.4: Period Average Inflation Rates for SADC Member States,***Percent*

Country	2008	2009	2010	2011	2012
Angola	12.5	13.7	14.5	13.5	10.3
Botswana	12.6	8.2	6.9	8.5	7.5
DRC	18.0	46.2	23.5	15.4	6.4
Lesotho	10.7	7.4	3.6	5.6	5.3
Madagascar	9.2	9.0	9.3	10.0	6.5
Malawi	8.7	8.4	7.4	7.6	21.3
Mauritius	9.7	2.5	2.9	6.5	3.9
Mozambique	10.3	3.3	12.7	10.4	2.1
Namibia	10.4	8.8	4.5	3.1	6.7
Seychelles	37.0	31.7	-2.4	2.6	7.1
South Africa	11.5	7.1	4.3	5.0	5.7
Swaziland	12.7	7.4	4.5	6.1	8.9
Tanzania	10.3	12.1	5.5	12.7	16.0
Zambia	12.4	13.4	8.5	8.7	6.6
Zimbabwe	157.0	6.2	3.0	3.5	3.7
SADC Average	22.9	12.4	7.2	7.9	7.9

Source: National Statistical Offices and IMF, World Economic Outlook Database, April 2013

The East African Community (EAC)

GDP Performance

The average real GDP growth in the East African Community (EAC) region went down to 5.2 percent in 2012, compared with 6.0 percent recorded in 2011 (**Table 7.5**). With the exception of Kenya and Tanzania, other EAC partner states recorded a decline in output growth. In Tanzania, output growth was largely driven by improvement in telecommunications,

transport, financial intermediation, industry, and trade activities. GDP growth in Kenya was driven by construction, agriculture and forestry activities. In Rwanda, real GDP slowed down on account of low growth in agriculture, industry and services sectors. In Burundi, the economy was negatively affected by food and fuel price shocks and lower than expected aid inflows, while in Uganda growth was largely affected by weak performance in mining and quarrying, and manufacturing sectors.

Table 7.5: Real Gross Domestic Product for EAC Partner States*Percent*

Country	2007	2008	2009	2010	2011	2012
Kenya	7.0	1.5	2.7	5.8	4.4	4.6
Tanzania	7.1	7.4	6.0	7.0	6.4	6.9
Uganda	8.6	10.4	4.1	6.2	6.2	2.8
Burundi	4.8	5.0	3.5	3.8	4.2	4.3
Rwanda	7.6	11.2	6.2	7.2	8.2	8.0
EAC Average	7.0	6.6	5.1	5.9	6.0	5.2

Note: P = Provisional

Source: Statistical Offices and IMF, World Economic Outlook Database, April 2012

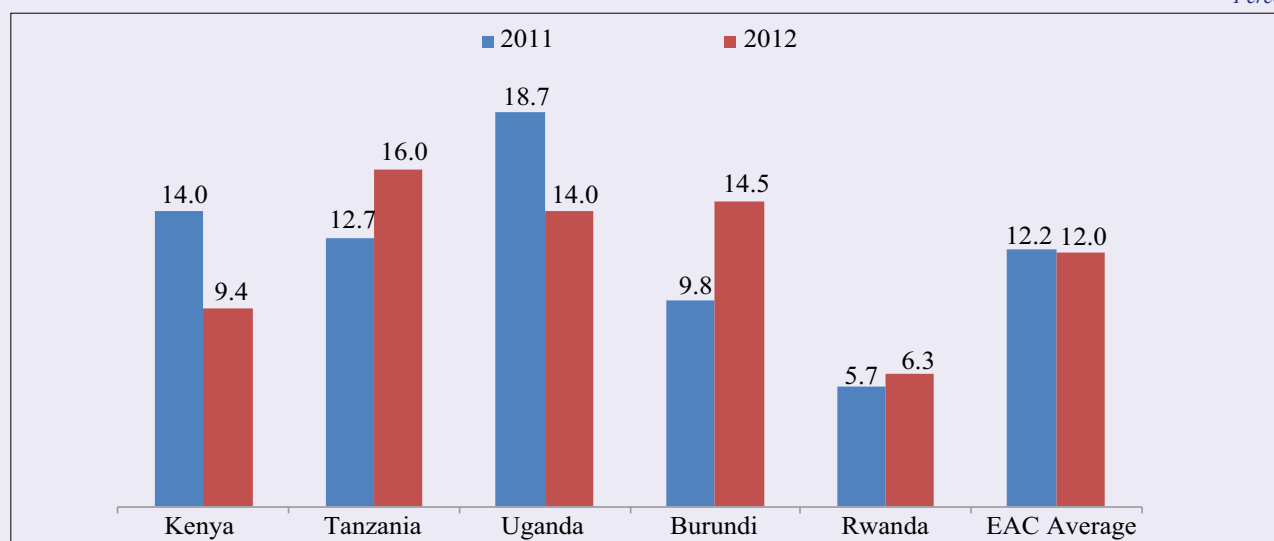
Inflation Development

The average inflation rate in the EAC region eased to 12.0 percent in 2012 from 12.2 percent recorded in 2011 (**Chart 7.1**). With exception of Kenya and Uganda inflation rate in other EAC partner states increased. In Kenya, annual inflation decreased on account of better

food supply resulting from favourable weather conditions, while that of Uganda eased due to a decline in prices of food and energy. Conversely, inflation rate in Tanzania accelerated mainly due to food shortages in the neighbouring countries. The increase in inflation rate in Rwanda and Burundi was also driven by rising food and fuel prices.

Chart 7.1 Period Average Inflation Rates for EAC Partner States

Percent



Source: National Statistical Offices

Intra-regional Trade Development

Tanzania's total intra-EAC trade recorded notable increase of 90.5 percent to USD 1,189.4 million compared with the amount recorded in previous year (**Table 7.6**). This development was attributed to a rise in both imports and exports. Tanzania continued to record a surplus trade balance with Rwanda and Burundi, while recording

trade deficit with Kenya and Uganda. Kenya remained the major trading partner of Tanzania accounting for about 74.9 percent of Tanzania's intra-EAC trade. Tanzania's major exports to the EAC region were mosquito nets, tea, iron sheets, fertilizer, rice, cement and household utensils. Major imports include cotton seeds, detergent, milk, salt, vegetable oil and spare parts.

**Table 7.6: Tanzania's Trade with other EAC Partner States***Millions of USD*

Item	2008	2009	2010	2011	2012 ^P
<i>Tanzania's Trade with Kenya</i>					
A. Export to Kenya	232.12	179.27	239.59	214.21	330.94
B. Import from Kenya	195.48	301.49	272.91	249.63	560.02
Trade Balance (A-B)	36.64	-122.22	-33.31	-35.42	-229.08
<i>Tanzania's Trade with Uganda</i>					
A. Export to Uganda	40.00	48.23	48.04	45.22	65.78
B. Import from Uganda	6.34	12.02	17.75	16.13	107.54
Trade Balance (A-B)	33.66	36.22	30.29	29.09	-41.76
<i>Tanzania's Trade with Burundi</i>					
A. Export to Burundi	19.24	23.89	52.29	31.23	45.83
B. Import from Burundi	0.42	0.31	0.60	0.01	3.86
Trade Balance (A-B)	18.82	23.58	51.69	31.23	41.97
<i>Tanzania's Trade with Rwanda</i>					
A. Export to Rwanda	20.34	15.23	86.57	66.71	73.38
B. Import from Rwanda	0.05	0.02	1.40	1.26	2.10
Trade Balance (A-B)	20.29	15.21	85.16	65.45	71.27
A: Total Exports to EAC	311.69	266.62	426.49	357.37	515.93
B: Total Imports from EAC	202.29	313.84	292.66	267.03	673.52
Trade Balance (A-B)	109.40	-47.21	133.83	90.34	-157.60
Total Intra EAC Trade	513.98	580.46	719.15	624.40	1,189.45

Note: P = Provisional

Source: Bank of Tanzania Various Reports and Tanzania Revenue Authority

Table 7.7 below depicts Tanzania's share of trade with EAC partner states.

Table 7.7: Tanzania's Shares of Trade with EAC Partner States*Percent*

Item	2008	2009	2010	2011 ^P	2012 ^P
Share of Exports to:-					
Kenya	74.5	67.2	56.2	59.9	64.1
Uganda	12.8	18.1	11.3	12.7	12.7
Burundi	6.2	9.0	12.3	8.7	8.9
Rwanda	6.5	5.7	20.3	18.7	14.2
Total	100.0	100.0	100.0	100.0	100.0
Share of Imports to:-					
Kenya	96.6	96.1	93.2	93.5	83.1
Uganda	3.1	3.8	6.1	6.0	16.0
Burundi	0.2	0.1	0.2	0.0	0.6
Rwanda	0.0	0.0	0.5	0.5	0.3
Total	100.0	100.0	100.0	100.0	100.0

Note: P = Provisional

Source: Bank of Tanzania Various Reports,



PART II

BANK OF TANZANIA OPERATIONS



Strategic Planning and Performance Review

During the period under review, the Bank continued to implement its strategic management plan aimed at achieving corporate goals and objectives. It also coordinated implementation of the Second Generation Financial Sector Reforms, provided advice on organizational dimensions, suitable systems and procedures for effective use of Bank's resources and performance improvement. Specific activities undertaken included the following;

- i. Initiated implementation of a Balanced Scorecard (BSC) project that aims at replacing Management By Objective (MBO) approach in its strategic planning. As part of effort to build capacity on Balanced Scorecard among staff, the Bank organized training for 75 staff out of whom, 24 staff sat for BSC examination and were certified.
- ii. Organized a Planning Team Retreat in November, 2012 during which the Bank's Annual Corporate Plan Performance Report for 2011/12 was reviewed and identified strategies for the subsequent five year Corporate Plan (2013/14-2017/18).
- iii. Organised Planning Team Workshop in March, 2013 to formulate Corporate Plan for a period 2013/2014 – 2017/2018.
- iv. The Bank coordinated capacity building training on Project Management Foundation Course to 28 Bank staff that included Projects Managers, Strategic Planning and Performance Review department and other Project Team Members. It further developed Project Management Operational Guidelines that will be used to monitor various projects in the Bank.
- v. Facilitated a stakeholders' workshops on Housing Finance Investors, Strategic plan for DSE and House Microfinance Study.
- vi. Coordinated implementation of Business Process Management (BPM) project, aimed at streamlining Bank's processes for efficient execution of its operations through documentation of operations and procedures

manuals (OPMs).

- vii. The Bank, reviewed its organisation structure and established a new Directorate of Financial Stability and three departments namely Anti Money Laundering and Combating of Terrorism (AML-CFT) Unit, Budget and Financial Reporting, and Project Management.

Financial Markets

During 2012/13, the Bank continued to manage credit guarantee schemes on behalf of the Government under an Agency Agreement on transitory arrangement pending formation of an independent institution. The management of the schemes involved issuing credit guarantees in accordance with existing Credit Guarantee Schemes (CGS) guidelines, reviewing and implementing CGS policies and guidelines, processing claims against the defaulted guarantees loans, and monitoring performance of the guaranteed projects.

The credit guarantee schemes and financial facilities managed by the Bank were:

- (i) Export Credit Guarantee Scheme (ECGS), which was established in July 2002 to support development of financing infrastructure in the economy that will improve credit environment in order to support borrowers with viable export business and export oriented development projects, but lacking adequate collateral to secure bank financing.
- (ii) Small and Medium Credit Guarantee Scheme (SME-CGS), which was established during the financial year 2004/05 to promote Small and Medium Enterprises (SMEs) by creating an enabling environment for accessing finance from financial institutions in the country through credit guarantees.

Internal Audit

During 2012/13, the Bank continued to strengthen measures aimed at enhancing the monitoring and control of the Bank's operations. Reviews of all Banks' operations were undertaken focusing on the following critical functions:



Banknotes Processing System; Internal Security System; Financial Support Program; Banking and currency operations; and Domestic market operations.

Banking Supervision

Bank of Tanzania continued improving its legal and regulatory frameworks by ensuring that it is up to date, relevant and effective all the time through periodical revision of the principal laws, respective regulations and supervisory techniques to better manage risks associated with new technology and innovation and match with sector developments. The Bank continued to implement banking sector reform by adopting international standards and best practices.

As at the end of June 2013, the banking sector comprised of 34 banks and 18 financial institutions of which nine were community banks and two cooperative banks. The Bank licensed two banking institutions namely, FINCA Tanzania Ltd and UBL Bank Ltd. The sector had 58 more branches and agencies compared to 530 reported in the previous year. The ratio of total loan to deposits was 67.93 percent compared to 68.46 percent recorded at the end of June 2012. Banks that had the largest shares of deposits and assets included CRDB Bank Plc., NMB Plc., NBC, Standard Chartered and Exim Bank which accounted for 56.9 percent and 56.1 percent of the total deposits and assets, respectively. A total of 247 bureaux de change were in operation countrywide of which 220 were in Tanzania mainland and 27 in Zanzibar.

Major Balance Sheet Items in the Banking Sector

During the year ending June 2013, the banking sector remained sound and stable with adequate capital and liquidity levels being above regulatory requirements. The ratio of core capital to total risk weighted assets and off balance sheet items was 17.59 percent while total capital to total risk weighted assets and off-balance sheet exposures was 18.12 percent. Both ratios were above the

minimum requirements of 10 and 12 percent, respectively.

The banking sector remained liquid as the ratio of liquidity assets to demand liabilities stood at 38.4 percent which was above the minimum requirement of 20 percent. Credit to private sector to Gross Domestic Product ratio increased from 16.98 percent to 20.7 percent in June 2013. The ratio of total loans to customers' deposits stood at 67.93 percent at the end of June 2013, and was within the required threshold of 80.0 percent. The quality of assets of the banking sector improved as reflected by the ratio of non-performing loans (NPL) net of provisions to total capital, which decreased to 17.08 percent as at the end of June 2013, from 21.6 percent recorded at the same period in 2012. The ratio of net loans and advances to total assets decreased from 50.39 percent recorded in June 2012 to 48.69 percent recorded at the end of June 2013. Gross non-performing loans to gross loans also decreased to 8.08 percent from 8.21 percent recorded at the end of June 2012.

Prudential Regulations and Guidelines

During the period under review, the Bank issued two regulations on credit reference systems namely "Bank of Tanzania (Credit Reference Bureau) Regulations, 2012" and "Bank of Tanzania (Credit Reference Databank) Regulations, 2012" aimed at guiding operations of credit reference system. The Bank also issued Guidelines on Agent Banking for Banking Institutions, 2013

Credit Reference System

In September 2012, the Bank launched a credit reference databank aimed at facilitating sharing of credit information among banks, financial institutions and other financial entities. The Bank also issued a license to one Private Credit Reference Bureau namely Creditinfo and issued a provisional licence to Dun & Bradstreet Credit Bureau Ltd.



Cooperation with other Regulatory Authorities

Bank of Tanzania continued to cooperate with other Central Banks, in the region as well as international organizations on various issues pertaining to harmonization and cooperation in banking supervision matters. To enhance cooperation in the supervision of financial institutions, the Bank signed a Memorandum of Understanding (MoU) with other domestic regulatory authorities namely; Tanzania Insurance Regulatory Authority (TIRA), Social Security Regulatory Authority (SSRA), Capital Markets and Securities Authority (CMSA), Deposit Insurance Board (DIB), Ministry of Finance and the President's Office, Finance/Economy and Development Planning of the Revolutionary Government of Zanzibar. The Bank also signed MoU with the Central Bank of Nigeria to enhance cooperation in supervision of banking institutions with cross border establishments between the two countries.

Banking

The Bank continued with providing Banking services to its customers using modernized infrastructure and payment systems aiming at improving and enhancing security and efficiency in services delivery. During the period under review, the Bank continued to monitor performance of the Integrated Currency Management System which has been implemented at Zanzibar Branch as a pilot project.

In order to increase efficiency in currency distribution, the Bank established three more safe custody centres in Bukoba, Pemba and Sumbawanga, making a total of eight operational safe custody centres. Others are located in Kigoma, Mtwara, Songea, Tabora and Tanga.

The Bank continued to participate in administering the Clearing House operations. During the period under review, the clearing systems, namely, Bank of Tanzania Electronic House (BOTECH); Net Settlement Gateway (NSG); File Zilla and

TISS performed smoothly with no incidence of counterfeit cheques. The Bank also developed Policy and Operational Guidelines on Anti-Money Laundering and Combating the Financing of Terrorism (AML & CFT).

Human Resource and Administration

As at the end of 2012/13, the Bank had 1,346 employees in the payroll, out of which 1,320 employees were on contract of employment for an unspecified period of time and 26 employees on contract for a specified period of time. A total of 893 employees were stationed at the Head Office and the remaining were stationed at up-country Branches as follows: Arusha (100), Mbeya (102), Mwanza (104), Zanzibar (108) and the Training Institute (39). Female employees constituted 41.4 percent of the total workforce.

The Bank also continued with capacity building efforts to equip employees with the needed competencies required to deliver with excellence to achieve corporate targets. A total of 35 group courses were conducted and attended by all categories of staff while 485 attended specialized short-term courses in and outside the country. Those who attended workshops, conferences and other training related events were 364. In addition, training attachments were offered to 47 employees and 28 employees were pursuing undergraduate and postgraduate studies locally and abroad.

The Bank implemented a number of capital work projects including completion of construction of a two-storey Branch Director's residential house in Arusha. Forty (40) staff apartments were also purchased in Dodoma while the Dodoma Branch office building project was at the advanced stage for completion. Further, pre-construction project activities continued at Kibaha, Coast Region to build a Business Recovery Work Area and new executive hostel for the Bank's Training Institute. Construction of office building in Mtwara was at early stage and the Bank acquired land to build new office for the Mwanza Branch.



As part of fulfilling its corporate social responsibility, the Bank through the Gilman Rutihinda Trust Fund provided a full scholarship to one best student in Bachelor of Arts in Economics at the University of Dar es salaam to undertake a master's degree program.

During the year under review, the Bank's management continued to cooperate very well with the workers' trade union (TUICO) to ensure sound working relationship and fulfilment of each party's obligations as promulgated in the labour laws and the Bank's Staff By-Laws, 2011.

Risk Management

During 2012/13, the Bank developed a Corporate Risk Management (CRM) Framework, Policy and Guide aimed at analyzing, evaluating, treating, monitoring, and communicating risks associated with any activity, function or process in the Bank. The Bank also participated in the East Africa Community Monetary Affairs Committee Risk and Business Continuity Management (BCM) harmonization initiatives, and prepared the Harmonized Risk Management Framework for EAC central banks which was approved by Governors in May 2013. Further, the Bank reviewed the Strategic Asset Allocation and Reserve Management Policy and Investment Guidelines and conducted Surveillance of key market developments.

Secretary to the Bank

The year 2012/13 witnessed a number of developments related to the Bank's governance and legislative framework governing banking business in Tanzania.

In its efforts to strengthen Board members' capabilities on issues related to governance, the Bank continued to expose Directors to various fora to enable them acquire necessary skills and experiences to fulfil their responsibilities. Some Members of the Board attended the Annual African Corporate Governance conference held in Johannesburg, South Africa, while others participated in a course on Effective Risk

Management Oversight for Board Members & Executives and a course on Central Bank Governance: the Role of the Board, both of which were conducted in London, UK. The Bank also coordinated preparation of internal sessions for Board members at the Bank on various functional areas of its responsibilities, and a World Bank sponsored training on reserve management operations.

During the period under review, there were notable developments in the legal and regulatory framework administered by the Bank. These included review of prudential Regulations and Foreign Exchange Regulations, 1998. The review of the prudential regulations, which was conducted in collaboration with the Directorate of Banking Supervision, was intended to reflect developments in the market, to close gaps observed during the implementation process, and address stakeholders' concerns. The review Foreign Exchange Regulations aimed at removing restrictions on free movement of capital within the East African Community in line with Tanzania's commitments under the EAC Common Market Protocol. During the review process new Guidelines on Agent Banking were also developed and which officially became operational in January, 2013.

Other developments worth mentioning relate to the Bank's active participation in the constitutional review process; establishment and registration of the Mwalimu Nyerere Memorial Trust Fund; and the completion of the diagnostic review on the financial consumer protection framework in Tanzania which was conducted by the World Bank.

National Payment Systems

The Bank continued to operate and oversee the National Payment Systems (NPS) aimed at maintaining safety and efficiency in payments, clearing and settlement systems.

Major tasks undertaken during the period include provision of payments clearing and settlement



services, oversight of the systems, coordinating the development of the NPS legal and regulatory framework. Systems operated by the Bank include Tanzania Interbank Settlement System (TISS), Electronic Funds Transfers (EFT) and Electronic Clearing House Systems which process cheques. The Bank also continued to oversee payments and settlement systems which include the cards payment infrastructures, internet and mobile financial services.

In order to enhance efficiency of Government revenue collections, TISS and Tanzania Revenue Authority (TRA) revenue systems were interfaced to facilitate real time interchange of messages between the two systems.

As part of the initiatives to increase financial services accessibility, the legal framework for Mobile Financial Services (MFS) was enhanced by reviewing the Electronic Payment Schemes Guidelines as well as developing the Mobile Payments Regulations.

During the period under review, the volume of mobile payment services reached 778.3 million, valued at TZS 22,982.3 billion, an increase of 144.5 percent and 113.4 percent in volume and value, respectively. As at the end of June 2013, the number of registered mobile payment accounts were 29.13 million, out of which 9.3 million were active. Total balance held in the trust account amounted to 253.84 billion, while number of active agents in the networks reached 121,155. MFS continued to evolve with new services such as payment of taxes, utility bills, disbursement of loans and contributions using mobile phones.

Financial Sector Stability

During 2012/13, measures to strengthen macro prudential oversight and policy in the country were undertaken. First, the financial stability function in the Bank was elevated from a department to a directorate level to enhance financial system surveillance, crisis management and resolution. Second, the Tanzania Financial

Stability Forum (TFSF) was established in March 2013, bringing together domestic regulatory agencies in the financial sector. The Forum provides an avenue for cooperation and sharing of information among the regulatory agencies with the objective of ensuring stability of the financial system. Members of the Forum include the Ministry of Finance of the United Republic of Tanzania, the President's Office, Finance, Economy and Development Planning of the Revolutionary Government of Zanzibar, Capital Markets and Securities Authority, Tanzania Insurance Regulatory Authority, Social Security Regulatory Authority, Deposit Insurance Board and Bank of Tanzania.

During the period under view, the Financial Stability Report for March 2013 was produced. The Report offers useful insights and information to financial stability stakeholders. The Report observed that stability in the financial system is likely to be maintained in the next twelve months based on the expectation that the growth momentum in the domestic economy as well as recovery in advanced economies will be sustained.

At the East African Community level, the Bank participated in the discussions on the formation of working groups to facilitate harmonization of financial stability practices in the region. The discussions culminated in the approval of three working groups by the EAC Monetary Affairs Committee during its ordinary meeting in May 2013. The three Working Groups are Macro-prudential Analysis and Stress Testing, Macro-prudential Statistics and Crisis Management.

At the Sub-Saharan Africa level, the Bank participated in the meeting of the Financial Stability Board-Regional Consultative Group for Sub-Saharan Africa in February 2013, held in Nairobi, Kenya. The Meeting provided an opportunity to exchange views on vulnerabilities facing financial systems and discussed initiatives to promote financial stability in the region.



Procurement

The Bank Procurement activities were conducted smoothly in line with the Public Procurement Act, 2004 and its Regulations of 2005.

During the period under review, the Bank prepared and implemented its Annual Procurement Plan (APP). The plan had 86 tenders valued at TZS 42.89 billion. A total number of 93 tenders, including those for the Financial Sector Support Project were awarded during the period under review, out of which 78 tenders were from the APP. The actual value of awarded contract was TZS 69.5 billion. Procurement valued at TZS 13.4 billion were processed under minor value procurement and Government Procurement Services Agency (GPSA) through Purchase orders.

Economic Research and Policy

Research and Publications

In the fiscal year 2012/13 the Bank of Tanzania initiated and conducted a number of research activities with the broad objective of informing policy formulation and implementation. The Bank also organized a number of outreach seminars aimed at disseminating research output to the stakeholders and policy makers. Some of these activities were conducted in collaboration with other institutions, including the International Growth Center, Ministry of Energy and Minerals and President's Office, Planning Commission. Research activities undertaken during the year under review, include the following:

i. Inflation Forecasting in Tanzania

The primary objective of this study was to generate preliminary conditional inflation forecasts based on the structural inflation equations developed in an analytical work on "Food Prices and Inflation Dynamics in Tanzania". Following this study, regular inflation forecasts are generated and presented to the bi-monthly Monetary Policy Committee in order to inform monetary policy decisions.

ii. The Relative Importance of Foreign and Domestic Disturbances for Macroeconomic Fluctuations in Tanzania

The objective of the study was to examine the impact of foreign economic disturbances on the domestic short-term macroeconomic fluctuations. The findings show that foreign shocks exert notable impact on domestic macroeconomic fluctuations.

iii. The Interaction between Finance, Financial Stability and Economic Growth

The objective of this study was to assess the role of financial sector in promoting economic growth, and how instability in the financial sector could damage economic growth. Specifically, the study provided theoretical and empirical evidence on the link between finance and growth and identified potential costs of financial instability (financial crises) to the economic growth.

iv. Towards the SADC Monetary Union: Real Exchange Rate Misalignment and Nominal Exchange Rate Convergence

The objective of the study was to make an assessment of nominal exchange rate convergence as well as real exchange rate misalignments in the SADC countries. Generally the study found that most of the SADC countries maintain notable degree of external competitiveness.

During the year under review, the Bank organized a seminar on "**Harnessing the Gains from Natural Gas: Opportunities and Challenges for Tanzania**". The seminar was organized in collaboration with the International Growth Center (IGC), President's Office, Planning Commission, and the Ministry of Energy and Minerals. The broad objective of the seminar was to bring together policymakers and stakeholders in the natural gas sub-sector to discuss the opportunities and challenges posed by recent natural gas discoveries in Tanzania, identify existing knowledge gaps and propose way forward that would ensure sufficient preparedness before natural gas extraction begins.



Also the Bank of organized a Conference of Financial Institutions in November 2012 under the broad theme of **Financial Innovations and Financial Inclusion in Tanzania**. The Conference brought together an elite group of financial sector regulators, commercial bank executives and academicians to discuss a wide range of issues, including potential benefits and costs associated with financial innovations, implications of such innovations to the financial services providers' competition and related regulatory issues such as Know Your Customer (KYC), and whether these innovations have enhanced the role of commercial banks as financial intermediaries.

Data Warehouse Project

During 2012/13 the Bank of Tanzania continued with implementation of Data Warehouse, focusing on the preparation of requirements for the implementation of second phase of the project. Activities pursued during the year include: review of the first phase deliverables implementation of a pilot DWH; capacity building; procurement of contractor services for implementation of the second phase of the project; preparation of functional and technical documents; and preparations for procurement and provision of requisite software, hardware and other infrastructure for implementation of the second phase of the project.

Microfinance

During 2012/13 the Bank in collaboration with various microfinance stakeholders carried out a number of initiatives to promote financial inclusion. These included the following:

- i. **Developing a Financial Inclusion Strategy**
The Bank developed a financial inclusion definition, vision, set of core enablers to achieve the vision, priority areas and key indicators for Financial Inclusion. The Bank also established a national structure to coordinate financial inclusion activities in the country. The structure comprises of

Ministries, Regulatory Authorities, and agencies.

- ii. **Developing a National Financial Literacy Framework**

The Bank with support from Financial Sector Deepening Trust (FSDT) contracted a consultant M/S Marketworx Africa Ltd to prepare operational guidelines for implementation of the recommendations of the Financial Education Study which include setting up Financial Education Secretariat (FES).

- iii. **Developing a Consumer Protection Framework**

The Bank has initiated the process of developing a diagnostic study on Financial Consumers Protection Framework in Tanzania. This study is under the technical and financial support of the World Bank. The study will provide options for setting up a financial consumer protection framework across all financial sub-sectors in Tanzania.

- iv. **National Microfinance Policy**

The Bank in collaboration with the Ministry of Finance started an in-depth policy review of the National Microfinance Policy (2000). The review will include new developments in the sector such as technological innovations in telecommunication taking into account new products and processes including branchless banking, mobile and wireless money transfers.

- v. **Microfinance Act**

Bank is spearheading the process of developing Microfinance Act to provide for the licensing, regulatory and supervisory framework for credit business in the country. This assignment is done in collaboration with the Ministry of Finance.

- vi. **Microfinance Institutions National Wide Survey**

The Bank conducted a national wide survey aimed at updating the microfinance directory.



The directory provides basic information including identification of MFIs, physical location and some highlight on the MFIs performance.

vii. Informal Financial Institutions

The Bank in collaboration with Financial Sector Deepening Trust (FSDT) commenced a study on informal financial sector. The objective of the study is to assess and understand its institutional set up, evolution, specific characteristic, management operational procedures, products and targeted customers as well potential risks involved. This will enable setting up of supporting structures that will facilitate linkage with the formal and/or semi-formal financial system, thus enhancing financial inclusion.

Foreign Private Capital Inflows

During 2012/13, a sample survey of companies with foreign assets and/or liabilities was conducted by the Bank in collaboration with the Tanzania Investment Centre and the National Bureau of Statistics. The main objective of the survey was to monitor inflows of foreign private investment to Tanzania with a view to assess their impact on the country's economy; updating the country's balance of payments (BOP) and international investment position (IIP); assist in designing of effective investment promotion and facilitation strategies. The sample survey covered 350 companies in Tanzania Mainland and 380 companies in Zanzibar. The response rate was 85.4 percent and 89.5 percent for Tanzania Mainland and Zanzibar, respectively.

The main findings of the survey indicate that:

- i. The growth of foreign private investments remained strong as the stock of foreign investments rose at an annual average rate of 10.3 percent to USD 10,393.2 million in 2011 from the amount recorded in 2008.
- ii. Foreign Direct Investment (FDI) were mainly financed by retained earnings since 2009 compared to the previous years where loans were the major source of financing.

This significant shift is consistent with high levels of profits realized and indicates an increased investors' confidence and availability of investment opportunities in the country;

- iii. Electricity and gas activity, which received investment of less than USD 3.0 million in 2008 and 2009, experienced a sharp increase to USD 290.5 million in 2010 and USD 209.4 million in 2011 owing to ongoing investment in the gas exploration activities.
- iv. Agriculture activity which accounts for the largest share of GDP continued to record low levels of FDI while the traditional recipients namely: mining and quarrying, manufacturing, finance and insurance; and information and communication continued to register higher inflows;
- v. South Africa, the United Kingdom and Canada continued to be the dominant sources of foreign private investments for Tanzania as they accounted for an average of 71.5 percent of the total FDI inflows between 2008 and 2011;
- vi. The supply and reliability of electricity remained a challenge to most investors.

International Visitors' Exit Survey

During the year 2012/13, the Bank in collaboration with the Ministry of Natural Resources and Tourism (MNRT), National Bureau of Statistics (NBS), Immigration Department, and the Zanzibar Commission for Tourism conducted the 10th round of the Tourism Sector Survey. The survey covered 6,163 respondents. The results of the survey are used to estimate tourist earnings with a view to improving the compilation of National Accounts (NA) and Balance of Payments (BOP) statistics and obtain information for tourism promotion.

The main findings of the survey include:

- i. **Visitor's expenditure:** Total tourist expenditure during 2012 was USD 1,712.7 million, an increase of about 26 percent from the amount recorded in 2011. The overall expenditure per person per night was USD



290 compared to USD 286 recorded in 2011. Both the number of visitors and expenditure per person were higher in 2012 than in 2011. Visitors with higher expenditure were those who came for business and holidays.

- ii. **Source markets:** About 42 percent of the tourists in 2012 came from United States of America, Italy and the United Kingdom. These countries continue to be the top three main source of markets for Tanzania. However, the number of visitors from South Asia, East Asia and the Pacific, and the Middle East grew by 158.1 percent, 94.6 percent and 39.7 percent respectively. This indicates an increase in diversification of promotional efforts to regions other than the traditional source markets.
- iii. **Purpose of Visit:** Leisure and holiday was the major reason for visiting, accounting for about 81 percent of the total visitors in 2012.
- iv. **Activities and Areas Visited:** The activities that attracted most visitors were wildlife (44 percent), beach (25.3 percent) and mountain climbing (10.8 percent).

Management Information Systems

During 2012/13, the Bank continued to improve Information Technology (IT) delivery functions to enable the Bank achieve its business goals. The improvements and new developments were recorded in areas of IT infrastructure, office automation, business applications, maintenance, service support, and overall IT Governance. Notable developments included among others:

- i. Enhancement of internal controls on business systems
- ii. Prepared design for implementation of Microsoft SharePoint for improved collaboration and information management
- iii. Deployed Microsoft Exchange infrastructure to replace GroupWise for improved systems compatibility
- iv. Developed a Currency Management System (ICMS) in Zanzibar
- v. Developed a Bureaux de change module in the Bank supervision Information System

(BSIS) and Electronic Data Interchange (EDI)

- vi. Developed a system for analyzing information on Cross Border Trade.
- vii. Developed an automated Standing Order Instructions sub module in the Central Banking System (CBS).
- viii. Upgraded the Integrated Financial Management System (IFMS) from Release 11 to Release 12.
- ix. Enhanced the Government Securities System (GSS) to facilitate online bidding for treasury bill auction and BOT Central Depository System (CDS) portal.

Public Relations and Protocol

The Bank continued to communicate with its stakeholders and members of the public with a view to raising awareness on various issues related to its core functions, respond to their queries and obtain feedback.

Communication channels included the media, meetings, seminars, workshops, the Bank's website, publications and through trade fairs namely Saba Saba and Nane Nane. Awareness of Bank's activities on diverse issues including credit reference system, introduction of electronic government securities system (GSS), Agent Banking and inauguration of Tanzania Financial Stability Forum were conducted through the media and other communication avenues. The Governor of the Bank of Tanzania held a number of interviews with both local and international media on various economic and Central Bank issues.

The Bank continued to regularly communicate decisions of the Monetary Policy Committee (MPC) of the Board of Directors to Chief Executive Officers (CEOs) of banking and financial institutions through meetings held after every MPC.

The Bank extended corporate social responsibility gestures including the official inauguration of the Mwl. Nyerere Memorial Scholarship Fund,



donation to the Government of Zanzibar for victims of the sank ship MV Skagit and donations to various schools and other organizations for the needy.

Conference and Events Management

During 2012/13, the Bank hosted both local and international events at its conference centre located at the head office. Local events included those initiated by the Bank's functional units as well as meetings organized by the Bank jointly with other institutions. These institutions include, Dar es Salaam Stock Exchange (DSE), Capital Market and Securities Authority (CMSA), Social Securities Regulatory Authority (SSRA) and National Board of Accountant and Audit (NBAA). The Bank also hosted international meetings including the SADC, 21st Meeting of The Defence Sub Committee, WHO – Africa Annual General meeting, Alliance of Financial Inclusion (AFI) and USAID Regional Family Planning.

Regional Integration Initiatives

During 2012/13, the Bank implemented a number of initiatives as agreed in the Regional Economic Communities (RECs) namely the East African Community (EAC) and Southern Africa Development Community (SADC), as well as the Association of African Central Banks (AACB).

In the EAC, the Bank implemented a number of decisions under the umbrella of Monetary Affairs Committee (MAC). Such decisions included, those related to monetary policy, banking

supervision, financial markets, payment systems, information technology, and capacity building. The Bank also participated in the activities of the Secretariat of the National Committee for implementation of the Common Market Protocol, the High Level Task Force (HLTF) to develop mechanisms for operationalization of the Single Customs Territory, and the High Level Task Force (HLTF) charged with negotiations of the EAC Monetary Union Protocol.

The activities undertaken by the Bank in the context of the AACB include chairing the AACB Eastern Africa Sub region in 2012/13 and continued implementation of the AACB African Monetary Cooperation Program (AMCP). The Bank also took part in reviewing the Study Group Report for establishment of the African Central Bank.

The Bank also participated in the activities of the Committee of Central Bank Governors in SADC (SADC-CCBG) and other SADC forums including the SADC Peer Review Panel, SADC Development Fund and SADC Integrated Regional Electronic Settlement System (SIRESS).

The Bank also participated in the governance meetings of the Macroeconomic and Financial Management Institute of Eastern and Southern Africa (MEFMI) and its capacity building programs specifically the MEFMI fellow recruitment programs.



BRANCH ACTIVITIES

Arusha Branch

During the year ending June 2013, the branch conducted banking, economic and administrative activities to serve the Northern zone. The branch finalized studies on Tanzanite mining and Sunflower farming. One of the major findings on the Tanzanite mining study was that Tanzanite is being smuggled and exported in raw form. The study on sunflower performance highlighted the spread of sunflower disease called powdery white mildews and increased use of the warehouse receipt system. The branch also continued to undertake Informal Cross Border Trade survey at Namanga, Holili and Horohoro borders aimed at establishing the magnitude and flows of commodities in the informal cross border trade with neighbouring countries.

During the review period, the branch also disseminated Zonal Economic Performance report for year ending June 2012 to Regional Consultative Committees (RCC) in Manyara, Singida, Tanga and Kilimanjaro regions.

The branch performed banking and currency activities, which included clearing services to Commercial banks and managing Tanga Safe custody centre. The branch also participated in the farmers' Trade Fair (Nane Nane) where the general public was educated on currency security features and proper handling of bank notes.

In addition, the branch facilitated the 16th Conference of Financial Institutions (COFI), East Africa Community (EAC) Monetary Affairs Committee (MAC) meeting, Workshop on Risk Management, 35th Master Workers Council meeting, East Africa Community (EAC) Human Resources (HR) Symposium for Central Banks and Eastern and Southern Africa Anti-Money Laundering Group (ESAAMLG) Task Force meetings.

Mbeya Branch

During 2012/13, the branch performed banking and currency activities, which included clearing services to Commercial banks and managing Songea and Sumbawanga Currency Custody Centers.

The branch also participated in the 2012 Farmers Agricultural Exhibition (Nane Nane), which was held in Mbeya for the Southern Highlands Zone regions. Through this event, members of the public were educated on the security features of bank notes and how to recognize counterfeits as well as good practices of handling notes and coins. In addition, the branch disseminated information on the core functions of the Bank of Tanzania.

The branch continued to monitor financial and economic developments in the Southern Highlands Zone. It prepared quarterly and annual economic performance reports for Southern Highlands Zone. The branch participated in the Regional Consultative Meetings (RCCs) which deliberated on economic developments taking place in the zone. In collaboration with the National Bureau of Statistics, the branch conducted Informal Cross Border Trade (ICBT) Survey covering Tunduma, Kasumulu, Kasesya and Mbamba bay border posts.

Mwanza Branch

During 2012/13, the branch continued to provide banking and currency services to both government departments and commercial banks in the lake zone. It also participated in the Farmers Agricultural Exhibition (Nane nane) held in Mwanza. The exhibition was used to educate the public on the core functions of the Bank, disseminating various economic information, development on payment systems, deposit insurance, banking, security features of the 2010 banknotes series and identification of counterfeit banknotes.



The branch continued to monitor financial and economic developments in the Lake zone and conducted Informal Cross Border Trade (ICBT) survey covering Sirari, Mutukula, Manyovu and Rusumo border posts.

Zanzibar Branch

During 2012/13, the branch monitored financial and economic developments in Zanzibar and provided banking services to the government and financial institutions. Also, it carried out a survey on Zanzibar foreign private capital flows in collaboration with ZIPA and OCGS.

The branch also continued to monitor financial and economic developments in the Eastern zone covering Mtwara, Lindi, Morogoro and Coast

Regions, including conducting Informal Cross Border Trade (ICBT) survey in Mtwara region. In addition, sensitization programs were conducted in Lindi and Mtwara regions on security features of banknotes and identification of counterfeit banknotes.

Bank of Tanzania Training Institute

During 2012/13, the Institute continued to coordinate capacity building for the Bank staff and other financial institutions in Tanzania, as well as for other central banks in the East African region. A total of 31 courses were conducted, out of which 19 were for staff of the Bank (In-house), 15 were for staff of other financial institutions and 5 were for the East African Monetary Union (EAMU).



PART III

REPORT OF THE AUDITORS



BANK OF TANZANIA

**REPORT OF THE DIRECTORS
AND FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 30 JUNE 2013





REPORT OF THE DIRECTORS FOR THE YEAR ENDED 30 JUNE 2013

1. INTRODUCTION

The Directors present this report and the audited financial statements for the financial year ended 30 June 2013, which disclose the state of affairs of the Bank of Tanzania (the “Bank”).

In accordance with the Bank of Tanzania Act, 2006, the Board of Directors of the Bank of Tanzania is required to prepare financial statements showing the financial position of the Bank and the profit or loss for the year, changes in equity, cash flow and related notes.

In order to provide easy currency distribution in the country and attain clean money policy, the Bank opened two new currency safe custody centres in Bukoba and Pemba. As a result, as at 30 June 2013, the Bank was operating eight currencies custody centres in the country.

Finally, the Bank continued to monitor and disseminate economic activities at various regions in the country. Branches economic reports covering various regions were disseminated at various fora, including regional coordination committees and investors’ forums.

ESTABLISHMENT

The Bank of Tanzania was established by the Bank of Tanzania Act, 1965, that was passed by the National Assembly in December 1965. Subsequently, the Bank of Tanzania Act, 1965 was repealed and replaced by the Bank of Tanzania Act, 2006.

BANK’S VISION

The vision of the Bank is: “To be a world-class model Central Bank focused on its core objectives with a highly qualified and motivated staff that has access to the state-of-the-art technology.”

BANK’S MISSION

The Bank’s mission is: “To formulate, define and implement monetary policy directed to the economic objective of maintaining domestic price stability conducive to a balanced and sustainable growth of the national economy”.

2. STATUTE AND PRINCIPAL ACTIVITIES

Bank of Tanzania (BOT) is the Central Bank of the United Republic comprising Tanzania mainland and Zanzibar, and is wholly owned by the Government of the United Republic of Tanzania. Its operations are governed by the Bank of Tanzania Act, 2006.

A summary of functions and objectives of the Bank are to:

- Formulate, implement and be responsible for monetary policy, including foreign exchange rate policy, to issue currency, to regulate and supervise banks and financial institutions including mortgage financing, development financing, lease financing, and revocation of licenses and to deal, hold and manage gold and foreign exchange reserves of Tanzania;
- Compile, analyse, and publish the monetary, financial, balance of payments statistics and other statistics covering various sectors of the national economy;
- Regulate and supervise the clearing and settlement system;
- Act as a banker and fiscal agent of the Government of the United Republic and the Revolutionary Government of Zanzibar (‘the Governments’); and
- Ensure the integrity of the financial system and support the general economic policies of the Government and promote sound monetary, credit and banking conditions conducive to the development of the national economy.



REPORT OF THE DIRECTORS (Continued) FOR THE YEAR ENDED 30 JUNE 2013

3. REVIEW OF BANK'S PERFORMANCE AND BROAD GOALS

During the Financial year 2012/13 the Bank's Corporate Plan focused on attaining three broad goals that basically translate its primary (natural) mandates. These are:

- Maintaining price stability;
- Promoting integrity and stability of the financial system; and
- Strengthening corporate governance.

Basing on the three broad goals, the Bank's performance revealed the following:

Maintaining price stability

In maintaining price stability, the Bank set to attain a target of annual core inflation of 5.0 percent by June 2013 and maintain foreign currency reserve to cover 4.5 months of projected import of goods and services at all times.

During the year, both core and headline inflation rates declined from 8 percent and 17.2 percent recorded in June 2012 to single digits of 6.6 percent and 7.6 percent, respectively. The decline in headline inflation was on account of improved domestic food supply in Eastern Africa region, prudent monetary policy stance and fiscal consolidation coupled with stability in nominal exchange rate.

Official gross foreign reserves rose to USD 4,353.5 million as of 30 June 2013 compared to USD 3,797.1 million recorded as of 30 June 2012. This level of official reserves was sufficient to cover about 4 months of projected import of goods and services. When excluding Foreign Direct Investments (FDI) related imports, the level of reserves is sufficient to cover about 4.3 months of projected imports. Despite the fact that the actual import cover is below the target of 4.5 months set for 2012/13, it is within the statutory level of 4.0 months.

Current account increased to US 4,455.6 million in the year ending June, 2013 compared to USD 4,288.1 million recorded in the year ending June 2012, largely on good performance of traditional and manufactured goods exports. Notwithstanding, financial distress facing many of Tanzania's trading partners has resulted into downward pressure on the level of interest rates, hence low expectation on higher returns from foreign investments.

Promoting stability of the financial system

Financial stability is defined as a smooth operation of the system of financial intermediation between households, firms and the Government through a range of financial institutions. Stability in the financial system is evidenced by an effective regulatory infrastructure, effective and well developed financial markets, and effective and sound financial institutions.

During the year, the banking sector, continued to depict strong growth, safe and stable operations with steady growth in deposits, assets and capital. The banking sector continued to be liquid and profitable. Stress testing results on the biggest ten banks in terms of credit, foreign exchange, interest rates and liquidity risks indicated that they were resilient to the applied shocks.

During the year ended 30 June 2013 Non-Performing Loans (NPLs) decreased from 8.12 percent as at 30 June 2012 to 7.93 percent as at 30 June 2013. Most of the community banks continued to operate with impaired capital levels mainly due to loss making and growth not supported by proportionate capital.



REPORT OF THE DIRECTORS (Continued) FOR THE YEAR ENDED 30 JUNE 2013

3. REVIEW OF BANK'S PERFORMANCE AND BROAD GOALS (Continued)

Promoting integrity and stability of the financial system (Continued)

Banking financial institutions increased to 51 as at 30 June 2013 from 49 as at 30 June 2012 and the branches increased to 588 as at 30 June 2013 compared to 530 recorded by end June 2012. The Bank is finalizing the review of existing regulations and has introduced new guidelines for agency banking and consolidated supervision guidelines to incorporate new developments and challenges in the banking sector. Anti-Money Laundering Regulations, 2012 were issued by the Ministry of Finance and Economic Affairs during the year.

To ensure safety, effectiveness and efficiency of payment systems the Bank implemented various harmonization initiatives and standards on payment systems and infrastructure in line with the East Africa Community (EAC) and Southern African Development Cooperation (SADC) Central Banks' Memorandum of Understanding (MOU). The Bank also prepared Mobile Payment Regulations aimed at creating conducive regulatory environment. During the period, TIGO Pesa was allowed to operate multiple trust account with First National Bank (FNB), Stanbic Bank Tanzania Limited and CRDB Bank PLC with a view to widen payments system. In addition, Delivery Versus Payment (DVP) was achieved at 60 percent against the target of 100 percent.

The Bank continued to manage banking and currency services by adoption of good practices in printing, storage, distribution, processing as well as provision of efficient clearing, settlement and banking services to commercial banks, the Governments and other stakeholders. The clearing time remained at the level of T+1 (1 day) and T+2 (2 days) for high value and low value respectively which was below the target of T+0 (same day) set for both high value and low value to be achieved by June 2013. Performance on funds transfer processing time was T+0 as targeted. This was on account of implementation of Electronic Fund Transfer (EFT).

Strengthening corporate governance

The Bank's involvement in corporate governance is centred on effective management oversight, management of resources and properties, service delivery, management of business processes and risks, proactive engagements with stakeholders and re-focusing the Bank on core central banking functions.

The following are key achievements recorded during the year;

- Implemented changes to the organization structure whereby one directorate, Directorate of Financial Stability (DFS) and five departments namely, Budgeting and Financial Reports, Project Management, Crisis Management, Macro Surveillance and Micro Surveillance were established;
- Continued with initiatives for establishing new branches at Dodoma and Mtwara and strengthened operations of currency custody centres;
- Continued to take measures towards improving operational processes by implementing various ICT initiatives and projects including a sys aid, Microsoft outlook exchange, upgrade of Integrated Financial Management System (IFMS), Bloomberg portfolio analytical tool, interface of Central Banking System (CBS) and Society for Worldwide Inter Bank Financial Telecommunication (SWIFT), enhancement of Treasury Management System (TMS);
- Commenced implementation of the Human Resources Management Software (HRMS) as a measure to replace the Integrated Human Resources Information System (IHRS). The HRMS is expected to go live before end of January 2014;
- Adopted changes and developments that affect the Bank's financial reporting framework to ensure that the books of accounts and financial reports are compliant and consistent with the requirements of International Financial Reporting Standards (IFRS);
- Finalised the Corporate Risk Management (CRM) Framework;



REPORT OF THE DIRECTORS (Continued) FOR THE YEAR ENDED 30 JUNE 2013

3. REVIEW OF BANK'S PERFORMANCE AND BROAD GOALS (Continued)

- Continued to engage the stakeholders through workshops, conferences, media and Governor's monthly meetings on monetary policy developments with Chief Executive Officers of commercial banks and non-bank financial institutions; and
- Continued to protect national interest by fully participating in the review of EAC Common Market laws and regulations and on the negotiations of East African Monetary Union (EAMU) Protocol.

Other developments

Growth of currency in circulation

The position of currency in circulation as at 30 June 2013 was TZS 3,030,121.1 million as compared to TZS 2,705,223.5 million as at 30 June 2012, hence representing an increase of TZS 324,897.6 million equivalent to 12.0 percent.

Public education program

The Bank participated in various public education programs that aimed at sensitizing the public on the role and functions of the Bank. Further the Bank undertook public awareness campaigns on the bank notes and its security features.

4. COMPOSITION OF THE BOARD OF DIRECTORS

Members of the Board of Directors other than the Governor and Deputy Governors are appointed by the Minister for Finance of the United Republic of Tanzania, while the latter are appointed by the President of the United Republic of Tanzania. The following Directors served in the Board during the year.

No.	Name	Position	Age	Discipline	Date of Appointment	
1	Prof. Benno J. Ndulu	Governor and Chairman of the Board	63	Economist	10 July 2007	Tanzanian
2	Mr. Juma H. Reli ²	Deputy Governor	57	Finance	14 February 2005	Tanzanian
3	Mr. Lila H. Mkila ²	Deputy Governor	63	Statistician	26 June 2007	Tanzanian
4	Dr. Natu E. Mwamba	Deputy Governor	52	Economist	13 June 2011	Tanzanian
5	Prof. Haidari K. Amani	Member	65	Economist	08 January 2008	Tanzanian
6	Mr. Khamis M. Omar ¹	Member	48	Finance	20 April 2006	Tanzanian
7	Mr. Bedason Shallanda	Member	52	Economist	11 September 2010	Tanzanian
8	Mr. Yona S. Killagane	Member	59	Professional Accountant	08 March 2011	Tanzanian
9	Mrs. Esther Mkwizu	Member	61	Management Consultant	08 March 2011	Tanzanian
10	Mr. Athuman H. Mtengeti*	Secretary	60	Lawyer	08 March 2011	Tanzanian
11	Mr. Yusto E. Tongola**	Secretary	49	Lawyer	01 March 2013	Tanzanian

* Retired on 20 March, 2013.

**Appointed as Secretary to the Bank on 20 March, 2013

KEY

- Principal Secretary to the Treasury, Revolutionary Government of Zanzibar.
- Mr. Juma H. Reli and Mr. Lila H. Mkila were reappointed as Deputy Governors on 20 March 2013 for another three and four year terms respectively.



REPORT OF THE DIRECTORS (Continued) FOR THE YEAR ENDED 30 JUNE 2013

4. COMPOSITION OF THE BOARD OF DIRECTORS (Continued)

In accordance with Section 9(2) (c) of the Bank of Tanzania Act, 2006, the Permanent Secretary to the Treasury of the United Republic and Principal Secretary to the Treasury of the Revolutionary Government of Zanzibar are ex-officio members.

5. CORPORATE GOVERNANCE

Bank of Tanzania ascribes to the highest standards of corporate governance. The events of the past five years have led to unprecedented challenges for the Bank and the markets as a whole. The Bank through the Board of Directors and Management upholds and practices the principles of sound corporate governance.

To this end, the Bank's establishment Act, referred to as the Bank of Tanzania Act, 2006, has provided a framework for ensuring application of sound corporate governance principles and best practices by the Bank's Board of Directors and its Committees and Management in the course of managing the day to day affairs/operations of the Bank as summarized below:

- (i) In terms of the provisions of Section 9(1) of the Bank of Tanzania Act, 2006, the Bank's Board of Directors is the supreme policy making body in the Bank, and apart from its specified function of approving the budget of the Bank, it is expected to discharge other functions as may specifically be conferred or imposed upon it by the Act or any other written law.
- (ii) In the discharge of its functions, four Committees are currently assisting the Bank's Board of Directors. These are Monetary Policy Committee, Audit Committee, Banking Supervision Committee and Finance and Investment Committee.

(a) Monetary Policy Committee

The Monetary Policy Committee was established under the provision of Section 12(1) of the Bank of Tanzania Act, 2006. Its membership comprise of the Governor who is the Chairman, the Deputy Governors, and two Non-executive Directors. The Monetary Policy Committee assists the Board in the review of monetary policy targets; review of research papers and major economic and monetary policy changes before adoption by the Board. The Committee's mandate also cover review of the Governments' revenue and expenditure patterns; review of debt management operations and statutory reports of the Bank related to implementation of monetary and financial policies.

The Members of the Monetary Policy Committee as at 30 June, 2012 were as follows:-

No	Name	Position	Discipline	Nationality
1	Prof. Benno J. Ndulu	Chairman	Economist	Tanzanian
2	Mr. Juma H. Reli	Member	Finance	Tanzanian
3	Mr. Lila H. Mkila	Member	Statistician	Tanzanian
4	Dr. Natu E. Mwamba	Member	Economist	Tanzanian
5	Prof. Haidari K. Amani	Member	Economist	Tanzanian
6	Mrs. Esther Mkwizu	Member	Management Consultant	Tanzanian
7	Mr. Athuman H. Mtengeti*	Secretary	Lawyer	Tanzanian
8	Mr. Yusto E. Tongola**	Secretary	Lawyer	Tanzanian

* Retired on 20 March, 2013.

**Appointed as Secretary to the Bank on 20 March, 2013



REPORT OF THE DIRECTORS (Continued) FOR THE YEAR ENDED 30 JUNE 2013

5. CORPORATE GOVERNANCE (Continued)

(b) The Audit Committee

Established under the provisions of Section 12(1) of the Bank of Tanzania Act 2006, the Audit Committee is largely composed of Non-Executive Directors. The Chairman of the Committee is a Non-Executive Director. The Deputy Governor-Administration and Internal Control is the only Executive member of the Committee. The Terms of Reference for the Audit Committee cover four major areas, namely, Internal Control, Financial Reporting, Internal Audit and External Audit.

The Audit Committee's mandate under **Internal Control** covers evaluation of control environment and culture; the adequacy of the internal control systems and compliance with IFRS in the preparation of financial statements; the overall effectiveness of the internal control and risk management framework; and review of the effectiveness of the system for monitoring compliance with laws and regulations.

The mandate relating to **Financial Reporting** requires the Audit Committee to review significant accounting and reporting issues and their impact on the financial reports and ensure current financial risk areas are being managed appropriately. The Committee also ensures the adequacy of the financial reporting process and reviews the Bank's annual accounts before approval and adoption by the Board.

With regard to **External Audit**, the Audit Committee reviews the external auditors' proposed audit scope, approach and audit deliverables, draft financial statements before submission to the External Auditors for audit; and also reviews the proposed audit fee.

The Committee's mandate on Internal Audit covers review of the activities and resources of the internal audit function; effectiveness, standing and independence of internal audit function within the Bank; review of the internal audit plan; and follow up on implementation of internal audit findings and recommendations. The Audit Committee reports to the Board of Directors.

The Members of the Audit Committee as at 30 June 2013 were as follows:

No	Name	Position	Discipline	Nationality
1	Mr. Yona S. Killagane	Chairman	Professional Accountant	Tanzanian
2	Mr. Juma H. Reli	Member	Finance	Tanzanian
3	Prof. Haidari K. Amani	Member	Economist	Tanzanian
4	Mrs. Esther Mkwizu	Member	Management Consultant	Tanzanian
5	Mr. Athuman H. Mtengeti*	Secretary	Lawyer	Tanzanian
6	Mr. Yusto E. Tongola**	Secretary	Lawyer	Tanzanian

* Retired on 20 March, 2013.

**Appointed as Secretary to the Bank on 20 March, 2013.

(c) Banking Supervision Committee

The Banking Supervision Committee was also established under the provision of Section 12(1) of the Bank of Tanzania Act, 2006. Members of the Committee comprise the Governor who is the Chairman, the Deputy Governors, Permanent Secretary to the Treasury, Government of the United Republic of Tanzania and Principal Secretary to the Treasury, Revolutionary Government of Zanzibar and two Non-executive directors.



REPORT OF THE DIRECTORS (Continued) FOR THE YEAR ENDED 30 JUNE 2013

5. CORPORATE GOVERNANCE (Continued)

(c) Banking Supervision Committee (Continued)

The Banking Supervision Committee is responsible for: review of internal control and systems in banks and financial institutions; the Banking Supervision function; adequacy of the prevailing legal and regulatory framework; operating performance of banks, financial institutions and bureau de change with a view to ensuring safety and soundness in the banking system; financial stability reports before publication; and on emerging supervisory issues. The Committee advises the Board on appropriate policy, legislative and regulatory measures that promote a safe and sound banking system and high supervisory standards and practices.

The Members of the Banking Supervision Committee as at 30 June, 2013 were as follows:

No	Name	Position	Discipline	Nationality
1	Prof. Benno J. Ndulu	Chairman	Economist	Tanzanian
2	Mr. Juma H. Reli	Member	Finance	Tanzanian
3	Mr. Lila H. Mkila	Member	Statistician	Tanzanian
4	Dr. Natu E. Mwamba	Member	Economist	Tanzanian
7	Mr. Khamis M. Omar	Member	Finance	Tanzanian
8	Mr. Bedason Shallanda	Member	Economist	Tanzanian
5	Prof. Haidari K. Amani	Member	Economist	Tanzanian
6	Mr. Yona S. Killagane	Member	Professional Accountant	Tanzanian
7	Mr. Athuman H. Mtengeti*	Secretary	Lawyer	Tanzanian
8	Mr. Yusto E. Tongola**	Secretary	Lawyer	Tanzanian

* Retired on 20 March, 2013.

**Appointed as Secretary to the Bank on 20 March, 2013.

(d) The Finance and Investment Committee

The Finance and Investment Committee was established under the provision of Section 12 (1) of the Bank of Tanzania Act, 2006. Members of the Committee include the Governor who is the Chairman, the Deputy Governors, and three Non- Executive Members of the Board.

The Finance and Investment Committee is responsible for review of the proposed budgets, reallocation of funds involving capital expenditure and supplementary budget requests; quarterly budget performance reports; Financial Regulations and Staff by Laws; requests for disposal of immovable assets; and Annual Bank's Corporate Plan. The Committee also reviews requests for write off back of receivables and debts; financial policies and changes thereto; the appropriateness of the Bank's investment policy and assets allocation strategy; Risk Management Framework for the Bank's operations and Project Management framework.



REPORT OF THE DIRECTORS (Continued) FOR THE YEAR ENDED 30 JUNE 2013

5. CORPORATE GOVERNANCE (Continued)

(d) The Finance and Investment Committee (Continued)

The Members of the Finance and Investment Committee as at 30 June 2013 were as follows:

No	Name	Position	Qualification/Discipline	Nationality
1	Prof. Benno J. Ndulu	Chairman	Economist	Tanzanian
2	Mr. Juma H. Reli	Member	Finance	Tanzanian
3	Mr. Lila H. Mkila	Member	Statistician	Tanzanian
4	Dr. Natu E. Mwamba	Member	Economist	Tanzanian
5	Prof. Haidari K. Amani	Member	Economist	Tanzanian
6	Mr. Yona S. Killagane	Member	Professional Accountant	Tanzanian
7	Mrs. Esther Mkwizu	Member	Management Consultant	Tanzanian
8	Mr Athuman H. Mtengeti *	Secretary	Lawyer	Tanzanian
9	Mr. Yusto E. Tongola **	Secretary	Lawyer	Tanzanian

* Retired on 20 March, 2013.

**Appointed as Secretary to the Bank on 20 March, 2013.

6. MEETINGS

Responding to the challenges faced by the Bank, the Board held 12 meetings during the year ended 30 June 2013. In addition there were various meetings of the Board committees. All members of the Board showed themselves to be willing and able to devote their time required for the Board meetings.

Below is a summary indicating the number of meetings attended by members of the Board from 1 July 2012 to 30 June 2013.

		Number of meetings				
		Board	MPC	BSC	AC	FIC
	Number of meetings	12	7	6	13	9
	Names					
1	Prof. Benno J. Ndulu	12	7	5	N/A	9
2	Mr. Juma H. Reli	11	7	3	13	6
3	Mr. Lila H. Mkila	11	7	4	N/A	7
6	Dr. Natu E. Mwamba	11	7	4	N/A	9
4	Mr. Bedason Shallanda	11	7	5	N/A	N/A
5	Mr. Khamis M. Omar	12	7	5	N/A	N/A
7	Prof. Haidari K. Amani	12	7	5	13	9
8	Mrs. Esther Mkwizu	10	4	N/A	10	5
9	Mr. Yona S. Killagane	2	N/A	0	7	2
10	Mr Athuman H. Mtengeti *	8	3	3	10	4
11	Mr. Yusto E. Tongola **	4	4	3	3	5

* Retired on 20 March, 2013.

**Appointed as Secretary to the Bank on 20 March, 2013.



REPORT OF THE DIRECTORS (Continued) FOR THE YEAR ENDED 30 JUNE 2013

6. MEETINGS (Continued)

KEY

Board: Board of Directors

MPC: Monetary Policy Committee

BSC: Banking Supervision Committee

AC: Audit Committee

FIC: Finance and Investment Committee

7. 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.

8. CAPITAL STRUCTURE

Section 17 of the Bank of Tanzania Act, 2006 states that “the authorized capital of the Bank shall be one hundred billion shillings, provided that it may be increased by such amount as may be determined by the Board, and authorized by the Minister, by Notice published in the Government Gazette.” The capital of the Bank shall be subscribed and held only by the Government of the United Republic of Tanzania.

9. MANAGEMENT

Section 13(1) of the Bank of Tanzania Act, 2006 states that “the management of the Bank and the direction of its business and affairs is vested in the Governor and the Governor shall, in the exercise of such functions and direction, conform to the policy and other decisions made by the Board”.

The Governor is assisted by three Deputy Governors. The Deputy Governors head various functions under them which involve fourteen directorates, four independent departments, four branches and Bank’s training institute.

10. FUTURE DEVELOPMENT PLANS

The Bank will continue to implement three broad goals whereby strategies and key activities will be reformulated each year to reflect as accurate as possible, short and medium term corporate objectives in line with the Bank’s mandate and emerging national, regional and international economic developments. The Bank will continue to take advantages of new technologies and innovations.

Similar to the previous plans, the Bank will continue to place emphasis on maintenance of price stability and financial stability in view of the fact that the two have emerged as explicitly twin objectives for central banks after the experience of the global financial crisis.

Further, the Bank will continue to strengthen corporate governance in order to ensure effective management of Bank’s resources, properties, business processes and risks. The Bank will continue to make proactive engagements with stakeholders and provide necessary support services to facilitate attainment of the Bank’s vision and mission.



REPORT OF THE DIRECTORS (Continued) FOR THE YEAR ENDED 30 JUNE 2013

10. FUTURE DEVELOPMENT PLANS (Continued)

In addition, the Bank plans to:

- Continue implementing Medium Term Expenditure Framework (MTEF) as a multi-year budgeting instrument;
- Adopt a Balanced Scorecard (BSC) methodology as an instrument for performance measurement;
- Continue with construction of two additional branches at Dodoma and Mtwara;
- Construct and relocate Mwanza branch office;
- Open additional currency custody centres to ease currency distribution in the country;
- Modernise security monitoring systems at head office and branches;
- Acquire new software and to continue improving business operations through automation; and
- Acquire and continue maintaining its other existing assets.

11. RESULTS AND DIVIDEND

During the year the Bank operations registered a net operating loss of TZS 16,754.9 million (2012: TZS 52,893.1 million restated). The Banks accounting policy requires transfer of unrealized foreign exchange revaluation or gain and unrealized gain or loss to the Foreign Currency Revaluation Reserve and Securities Revaluation Reserve respectively. As a result, the Bank registered distributable profit amounting to TZS 80,252.2 million (2012: TZS 63,981.3 million)

12. FINANCIAL PERFORMANCE FOR THE YEAR

12.1 Financial results

The performance of the Bank is measured on the basis of the achievements in implementing its core functions as detailed in the Bank of Tanzania Act, 2006. During the year, the Bank made various achievements as explained under Para 3.0 of this report.

Further in the course of its operations, the Bank made a total comprehensive loss of TZS 11,252.7 million (2012: TZS 45,864.5 million restated). The decline in operating loss was attributed to depreciation of TZS against major currencies. As a result, unlike in the previous year when the TZS appreciated against the major currencies resulting into a net foreign exchange revaluation loss of TZS 153,545.3 million, in the year ended 2013 the Bank registered a net foreign exchange revaluation gain of TZS 82,945.0 million. Further the Bank recorded unrealized losses on financial assets measured at Fair Value Through Profit and Loss (FVTPL) amounting to TZS 55,115.2 million (2012: Unrealised gains of TZS 77,890.9 million) following decline in market prices since May 2013 due to improving macroeconomic outlook and discussion regarding tapering of quantitative easing by the Federal Reserve Bank.

12.2 Financial position

The financial position of the Bank is as set out in the statement of financial position shown on page 21. During the year total assets of the Bank increased by TZS 1,252,220.9 million (2012: TZS 369,264.5 million as restated). The major areas of increase include foreign currency marketable securities, Government securities and cash and cash equivalent amounting to TZS 756,749.3 million, TZS 446,637.0 million and TZS 289,786.6 million respectively.



REPORT OF THE DIRECTORS (Continued) FOR THE YEAR ENDED 30 JUNE 2013

12. FINANCIAL PERFORMANCE FOR THE YEAR (Continued)

12.2 Financial position (Continued)

On the other hand total equity and liabilities increased by TZS 1,252,220.9 million (2012: TZS 369,264.5 million restated). Major areas of increase include BOT liquidity papers and currency in circulation amounting to TZS 623,831.4 million and TZS 324,897.5 million respectively. Other major increase was deposits banks and non-banks financial institutions (TZS 187,520.2 million) and poverty reduction and growth facility (TZS 183,989.9 million).

13. RISK MANAGEMENT AND INTERNAL CONTROL

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

- The effectiveness and efficiency of operations;
- The safeguarding of the Bank's assets;
- Compliance with applicable laws and regulations;
- The reliability of accounting records;
- Business sustainability under normal as well as adverse conditions; and
- Responsible behaviors towards all stakeholders.

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

The non financial risks of the Bank were:

(a) Operational Risk

Operational risk is the risk of both financial and non-financial resulting from inadequate systems, management failures, ineffective internal control processes, fraud, theft and human errors.

The Bank addresses this risk inter alia through ensuring existence of Business Continuity Management (BCM) and sound internal control system which includes: operational and procedural manuals, ICT security policies, back up facilities, contingency planning, and independent internal audit function. Managing operational risk in the Bank is an integral part of day to day operations by the management. Management, Risk Management, Internal Audit Function, Audit Committee and the Board, closely monitors this risk.

The Bank has taken various measures such as segregation of duties, instituting codes of conduct and ethics and setting out benchmark limits. The Bank understands the fact that the lower the human intervention, the lower the operational risk. In view of this fact, the Bank has automated most of its major operations.

(b) Human Resource Risk

The particular nature of the activities of the Bank necessitates specialized knowledge in many areas. The Bank ensures that there is an adequate knowledge base for all specialized job requirements by investing significantly in human resource development in terms of capacity building and practical exposure. The Bank also organizes workshops, seminars, conferences and job attachments to its staff as an effort to improve its human resource requirements. It also revises its staff retention scheme to compete with the prevailing labour market.



REPORT OF THE DIRECTORS (Continued) FOR THE YEAR ENDED 30 JUNE 2013

13. RISK MANAGEMENT AND INTERNAL CONTROL (Continued)

(c) Legal Risk

Legal risk arises from any uncertainty of enforceability, whether through legal or judicial processes, of the obligations of the Bank's clients and counter parties. The Bank aims at minimizing such uncertainties through continuous consultations with all relevant parties.

In mitigating this type of the risk, the Bank ensures that all business agreements are contracted under Standard Industry Contracts, e.g. International Swaps and Derivatives Association (ISDA), International Securities Markets Association (ISMA), etc. Where new contracts and substantive changes to existing contracts are entered into, external lawyers are contracted. The Bank has in place a clear procedure of the delegation of authorities. Also strict code of conduct and ethics is used to minimize chances of causing legal disputes between the Bank and its counterparts.

(d) Reputational Risk

The Bank has an obligation to ensure that it performs its functions and maintains its reputation as a Central Bank in line with requirements of the provision of Section 5(1) of the Bank of Tanzania Act, 2006, Public Procurement Act, No. 21 of 2004 and Public Procurement Regulations, 2005.

In view of the above, the Bank's management ensures that to the best of its ability fulfils its fiduciary responsibilities. The Bank adheres to the best practices and applies principle of sound corporate governance.

It also ensures that all relevant employees have clear understanding of the appropriate processes in respect of the best practices and principles of good governance.

The Bank therefore sets out policies and guidelines that govern sound functional operations within the Bank. The performance of these policies and guidelines are periodically reported to different levels of the Bank's management for control and compliance monitoring.

The top management of the Bank has the necessary freedom and discretion to exercise central banking functions. However, this freedom is exercised within the context of fiduciary duties of good governance and by ensuring a proper balance between accountability and the best interests of the Bank and its various stakeholders.

The function of the Bank of overseeing and ensuring the integrity of the country's banking system exposes it to severe criticism whenever there is an incident of bank failure or systemic difficulty. The responsibilities of the Bank regarding monetary policy, the National Payment System (NPS) and the issuing of notes and coins also expose the Bank to significant reputation risk. The Bank adheres to international best practice and, to this end, maintains close liaison with international peers. The Bank strives towards full compliance with the principles for effective banking supervision as well as the core principles for systemically important payment systems. The risk related to financial instruments has been disclosed under note 48 of the financial statements. The Board assessed the internal control systems throughout the financial year ended June 2013 and is of the opinion that they met accepted criteria.

14. SOLVENCY

The Board of Directors confirms that applicable accounting standards have been followed and that the financial statements have been prepared on a going concern basis. The Board of Directors has reasonable expectation that the Bank of Tanzania has adequate resources to continue taking its statutory activities for the foreseeable future.



REPORT OF THE DIRECTORS (Continued)

FOR THE YEAR ENDED 30 JUNE 2013

15. EMPLOYEES WELFARE

15.1 Management and employees relationship

The relationship between the Bank and its employees continued to be good. Employees complaints raised during the year were resolved mainly through the use of consultative meetings/forums involving the management, trade union and employees through workers council. As a result healthy relationship continued to exist between management and trade union.

Complaints are resolved through meetings and discussions. Work morale is good and there were no unresolved complaints from employees. The Bank provides a number of facilities aiming at improving the working environment and living standards of its employees. Such facilities include: medical services, transport.

to and from work, house allowance, employee training and development, leave travel assistance, long service awards for employees who have been in employment for continuous period of twenty five and thirty five years.

The Bank of Tanzania is an equal opportunity employer with a total of 1,335 staff as at 30 June 2013 (2012: 1,349) out of which 58.8 percent (2012: 58.3 percent) are male and 41.2 percent (2012: 41.7 percent) are female.

15.2 Training facilities

The Bank has training facilities at the Bank of Tanzania Training Institute in Mwanza region. During the year, the Bank conducted a total of 52 (2012: 53) bank courses for the Bank, financial institutions and others. The Bank prepares annual training programs that cater for Bank's needs and address gaps in the knowledge of its staff and the market in general.

15.3 Medical Assistance

All members of staff with a maximum number of five beneficiaries for each employee were availed medical insurance guaranteed by the Bank. During the year ended 30 June 2013, these were provided by Jubilee Insurance Company (2012: Strategies Insurance).

15.4 Health and Safety

Effective health, safety and risk management is a priority for the Bank. The Bank's safety management system delivers a safe working environment by continuous and effective assessment. Health and safety incidences of the bank are monitored by the Bank's Medical Committee and Bank's Business Recovery Team (BBRT) respectively.

15.5 Financial Assistance to Staff

The Bank provides various loans to confirmed employees in accordance with the staff bylaws and financial regulations in force. These include house loans, motor vehicle loans, personal loans, computer loans and various advances.

15.6 Persons with Disabilities

Applications for employment by disabled persons are always considered, bearing in mind the aptitudes of the applicant concerned.

In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the Bank continues and appropriate training is arranged. It is the policy of the Bank that training, career development and promotion of disabled persons should, as far as possible, be identical to that of employees.



REPORT OF THE DIRECTORS (Continued) FOR THE YEAR ENDED 30 JUNE 2013

15. EMPLOYEES WELFARE (Continued)

15.7 Employees Benefit plan

The Bank has an arrangement whereby the employer and employees make monthly contributions to pension schemes. Such contributions are mandatory and aggregate to twenty percent of the employee's basic salary. The detail of benefits plan is provided under note No. 3 to the financial statements.

16. GENDER PARITY

The Bank is an equal opportunity employer. It gives equal access to employment opportunities and ensures that the best available person is appointed to any given position free from discrimination of any kind and without regard to factors like gender, marital status, tribes, religion and disability which does not impair ability to discharge duties. As at 30 June 2013 and 2012 the Bank had the following distribution of employees by gender.

Gender	2013	%	2012	%
Male	785	58.8	787	58.3
Female	550	41.2	562	41.7
Total	1 335	100.0	1 349	100.0

17. RELATED PARTY TRANSACTIONS

All related party transactions and balances are disclosed in Note 56 to these financial statements. The directors' emoluments have been disclosed in Note 56 to the financial statements.

18. ENVIRONMENTAL CONTROL PROGRAM

The Bank monitors the impact of its operations on the environment, which is mainly through the use of power, water and the generation of waste. The Bank minimizes its impact through the better use of its premises and inbuilt facilities to ensure that there is proper waste management.

19. CORPORATE SOCIAL RESPONSIBILITY

The Bank is committed to fulfilling part of its Corporate Social Responsibility (CSR) through supporting national activities in the United Republic of Tanzania and other areas of interest to the Bank. In this endeavour the Bank has in place donation guidelines that assist in the implementation of corporate social responsibility. During the year the Bank donated a total of TZS 418.4 million. (2012: TZS 355.8 million).

20. CONTRIBUTION AND SUBSCRIPTIONS

The Bank made various subscriptions and contributions to various organisations which included the African Rural and Agricultural Credit Association (AFRACA); African Association of Central Banks (AACB); Macroeconomic and Financial Management Institute (MEFMI); Capital Markets and Securities Authority (CMSA); Deposit Insurance Board (DIB); Financial Institutions Development Project (FIDP II); Tanzanian Institute of Bankers (TIB); Other Professional Associations; and Charities. During the year end 30 June 2013 such contributions and subscriptions amounted to TZS 2,965.9 million (2012: TZS 3,641.0 million).

21. SECRETARY TO THE BOARD

The Secretary to the Board is responsible for advising the Board on legal and corporate governance matters and, in conjunction with the Chairman, for ensuring good information flows between the Board, its Committees and Management. All members of the Board and Management have access to his legal advice and services.



REPORT OF THE DIRECTORS (Continued) FOR THE YEAR ENDED 30 JUNE 2013

22. COMPLIANCE TO LAWS AND REGULATIONS

In performing the activities of the Bank, various laws and regulations having the impact on the Banks operations are observed as a tool for financial management. These are Financial Regulations, Staff By Laws, Bank of Tanzania Act, 2006, Income Tax Act, 2004, Finance Act, Public Procurement Act, 2004 and related regulations.

23. SERIOUSLY PREJUDICIAL

During the year ended 30 June 2013 there was no serious prejudicial matters to report as required by Tanzania Financial Reporting Standard No. 1 (Directors' Report).

24. STATEMENT OF COMPLIANCE

The director's report has been prepared in full compliance with requirements of the Tanzania Financial Reporting Standards No. 1 (Directors Report).

25. AUDITORS

The Controller and Auditor-General (CAG) is the statutory auditor for the Bank of Tanzania pursuant to the provisions of Article 143 of the Constitution of the United Republic of Tanzania of 1977 (revised 2005), Sections. 30 -33 of the Public Audit Act No. 11 of 2008 and section 20(6) of the Bank of Tanzania Act, 2006. Deloitte & Touché, Certified Public Accountants were appointed by CAG to audit the financial statements of the Bank on his behalf, pursuant to Section 33 of the Public Audit Act, No 11 of 2008.

Approved by the Board of Directors on 16 December 2013, and signed on its behalf by:

Prof. Benno J. Ndulu
The Governor and Chairman of the Board

Yona S. Killagane
Director and Chairman of the Audit Committee



REPORT OF THE DIRECTORS (Continued) FOR THE YEAR ENDED 30 JUNE 2013

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and the requirements of the Bank of Tanzania Act, 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 these financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Financial Reporting Standards and in the manner required by the Bank of Tanzania Act, 2006. The Directors are of the opinion that financial statements give a true and fair view of the state of the financial affairs of the Bank and 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 Bank will not remain a going concern for at least the next twelve months from the date of this statement.

Approved by the Board of Directors on 16 December 2013, and signed on its behalf by:

Prof. Benno J. Ndulu
The Governor and Chairman of the Board

Yona S. Killagane
Director and Chairman of the Audit Committee



REPORT OF THE DIRECTORS (Continued) FOR THE YEAR ENDED 30 JUNE 2013

AUDIT REPORT ON THE FINANCIAL STATEMENTS

Board Chairman,
Bank of Tanzania,
P. O. Box 2929,
DAR ES SALAAM.

REPORT OF THE CONTROLLER AND AUDITOR GENERAL ON THE FINANCIAL STATEMENTS OF BANK OF TANZANIA FOR THE YEAR ENDED 30 JUNE 2013

I have audited the accompanying financial statements of the Bank of Tanzania which comprise the Statement of Financial Position as at 30 June 2013 Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory notes set out from pages 20 to 115 of this report.

Directors' responsibility for the financial statements

The Board of Directors of the Bank of Tanzania is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and the requirements of the Bank of Tanzania Act, 2006. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Responsibilities of the Controller and Auditor General

My responsibility as auditor is to express an independent opinion on the financial statements based on the audit. The audit was conducted in accordance with International Standards on Auditing (ISA), International Standards of Supreme Audit Institutions (ISSAIs) and such other audit procedures I considered necessary in the circumstances. These standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Bank of Tanzania preparation and fair presentation of the financial Statements 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 Bank of Tanzania internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

In addition, Sect. 10 (2) of the Public Audit Act (PAA) No. 11 of 2008 requires me to satisfy myself that the accounts have been prepared in accordance with the appropriate accounting standards and that; reasonable precautions have been taken to safeguard the collection of revenue, receipt, custody, disposal, issue and proper use of public property, and that the law, directions and instructions applicable thereto have been duly observed and expenditures of public monies have been properly authorized.

Further, Sect 44(2) of the Public Procurement Act No.21 of 2004 and Reg No. 31 of the Public Procurement (Goods, Works, Non-consultant services and Disposal of Public Assets by Tender) Regulations of 2005 requires me to state in my annual audit report whether or not the auditee has complied with the provisions of the Law and its Regulations.

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



REPORT OF THE DIRECTORS (Continued) FOR THE YEAR ENDED 30 JUNE 2013

REPORT OF THE CONTROLLER AND AUDITOR-GENERAL (Continued)

Unqualified Opinion

In my opinion, the financial statements present fairly, in all material respects, financial position of Bank of Tanzania as at 30 June 2013 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and Bank of Tanzania Act, 2006.

Report on Other Legal and Regulatory Requirements

Compliance with Public Procurement Act

In view of my responsibility on the procurement legislation, and taking into consideration the procurement transactions and processes I reviewed as part of this audit, I state that I did not find any material divergences by management from the requirements of the Public Procurement Act, 2004 and its related Regulations of 2005.

Ludovick S.L. Utouh
CONTROLLER AND AUDITOR GENERAL
National Audit Office
Dar es Salaam, Tanzania

20th
December 2013





STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2013

	Note	30.06.2013 TZS '000	30.06.2012 TZS '000 Restated
Operating income			
Interest income	5	258,102,919	234,539,201
Interest expenses	6	(78,069,855)	(44,053,040)
Net interest income		<u>180,033,064</u>	<u>190,486,161</u>
Foreign exchange revaluation gains	7	82,944,993	-
Net unrealised gains on Financial Assets-FVTPL	8	-	77,890,871
Fees and commissions	9	21,041,268	33,613,080
Recovery of impaired shares in Associate Company	10	344,571	-
Recovery from receivables	11	-	25,373,053
Other income	12	4,198,255	15,573,333
		<u>108,529,087</u>	<u>152,450,337</u>
Net operating income		<u>288,562,151</u>	<u>342,936,498</u>
Operating expenses			
Administrative expenses	13	39,504,444	38,719,319
Foreign exchange revaluation losses	7	-	153,545,350
Net unrealised losses on Financial Assets-FVTPL	8	55,115,157	-
Currency issue and related expenses	14	58,926,678	61,479,775
Personnel expenses	15	108,711,508	94,216,939
Depreciation of property and equipment	33	32,704,439	35,842,213
Amortization of intangible assets	34	2,595,594	3,279,263
Other receivables written off	16	-	18,853
Loss on disposal of property and equipment	33	38,807	151,594
Other expenses	17	7,720,449	6,974,414
Impairment losses	18	-	1,601,903
		<u>305,317,076</u>	<u>395,829,623</u>
Operating loss for the year		<u>(16,754,925)</u>	<u>(52,893,125)</u>
Other Comprehensive Income			
Items that will not be reclassified subsequently to profit or loss			
Net revaluation gain on equity investments	19	4,968,233	-
Remeasurement of defined benefit obligation	52	534,024	7,028,666
		<u>5,502,257</u>	<u>7,028,666</u>
Other comprehensive income		<u>5,502,257</u>	<u>7,028,666</u>
Total comprehensive loss		<u>(11,252,668)</u>	<u>(45,864,459)</u>



STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2013

	Note	30.06.2013 TZS '000	30.06.2012 TZS '000 Restated	30.06.2011 TZS '000 Restated
Assets				
Cash and balances with central banks & other banks	20	1,768,209,513	1,478,422,938	1,195,497,795
Escrow accounts	21	43,410,856	42,359,427	42,471,534
Items in course of settlement	22	1,456,137	34,815,938	5,776,431
Holdings of Special Drawing Rights (SDRs)	23	370,513,006	369,525,297	397,912,882
Quota in International Monetary Fund (IMF)	23	479,683,371	471,393,438	501,867,026
Foreign currency marketable securities	24	4,784,406,413	4,027,657,084	4,019,362,219
Equity investments	25	7,336,698	2,189,025	1,895,620
Government securities	26	1,497,107,651	1,050,470,656	1,000,864,589
Advances to the Government	27	75,456,879	283,004,718	348,369,754
Loans and receivables	28	187,208,501	183,100,745	101,000,624
Inventories	29	4,409,110	5,819,196	4,764,252
Investment in associate company	30	-	1	1
Deferred currency cost	31	138,446,612	139,540,818	64,169,465
Other assets	32	83,176,564	79,987,702	92,931,064
Property and equipment	33	794,173,809	812,728,800	831,687,449
Intangible assets	34	3,999,872	5,758,265	8,938,819
Total assets		<u>10,238,994,992</u>	<u>8,986,774,048</u>	<u>8,617,509,524</u>
Liabilities				
Currency in circulation	35	3,030,121,057	2,705,223,546	2,503,645,122
Deposits - banks and non-bank financial institutions	36	2,224,876,088	2,037,355,907	1,343,142,830
Deposits - Governments	37	-	8,899,318	13,806,368
Deposits - Others	38	198,310,200	334,134,239	274,379,716
Foreign currency financial liabilities	39	507,689,146	478,153,879	392,174,778
Poverty deduction and growth facility	40	723,094,344	539,104,400	578,194,213
Repurchase agreements	41	48,026,827	25,025,548	54,016,464
BoT liquidity papers	42	1,356,137,509	732,306,148	977,459,704
Provisions	43	5,692,539	3,731,306	3,612,788
Other liabilities	44	25,244,570	29,591,996	22,521,083
Retirement benefit obligation	45	88,934,981	83,950,965	82,048,279
IMF related liabilities	23	455,318,872	431,556,956	477,585,339
Allocation of Special Drawing Rights (SDRs)	23	459,452,774	451,512,468	480,700,836
Total liabilities		<u>9,122,898,907</u>	<u>7,860,546,676</u>	<u>7,203,287,520</u>
Equity				
Authorised and Paid up Capital	46	100,000,000	100,000,000	100,000,000
Reserves	48	<u>1,016,096,085</u>	<u>1,026,227,372</u>	<u>1,314,222,004</u>
Total equity		<u>1,116,096,085</u>	<u>1,126,227,372</u>	<u>1,414,222,004</u>
Total equity and liabilities		<u>10,238,994,992</u>	<u>8,986,774,048</u>	<u>8,617,509,524</u>

These financial statements were approved and authorised by the Board of Directors for issue on 16 December 2013 and were signed on its behalf by:

Name: Benno J Ndulu Title: Governor - Chairman Signature: [Signature]

Name: YONA S. KILLAGANE Title: DIRECTOR Signature: [Signature]



STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2013

Details	Share Capital (Note 46)	General Reserve (Note 48(a))	Retained Earnings	Capital Reserve (Note 48(b))	Foreign Exchange Equalisation Reserve (Note 48(c))	Reserve for Projects (Note 48(d))	Staff Housing Fund (Note 48(e))	Assets Revaluation Reserve (Note 48(f))	Securities Revaluation Reserve (Note 48(g))	Foreign Exchange Revaluation (Note 48(h))	Reserve for Dividends (Note 48(i))	Defined Benefit Reserves (Note 48(j))	Total
(Amounts in TZS'000)													
At 01 July 2012 (restated)	100,000,000	217,158,993	-	99,262,908	350,939,200	120,000,000	34,170,571	119,776,163	77,890,871	-	-	7,028,666	1,126,227,372
Loss for the year	-	-	(16,754,925)	-	-	-	-	-	-	-	-	-	(16,754,925)
Other comprehensive income	-	-	-	-	-	-	-	-	4,968,233	-	-	534,024	5,502,257
	100,000,000	217,158,993	(16,754,925)	99,262,908	350,939,200	120,000,000	34,170,571	119,776,163	82,859,104	-	-	7,562,690	1,114,974,704
Transfer of unrealised loss to foreign currency revaluation reserve*	-	-	41,892,007	-	-	-	-	-	-	(41,892,007)	-	-	-
Transfer of unrealised loss to foreign exchange equalisation reserve***	-	-	-	-	(41,892,007)	-	-	-	-	41,892,007	-	-	-
Transfer of unrealised fair value losses*	-	-	55,115,157	-	-	-	-	-	(55,115,157)	-	-	-	-
Staff Housing Compensatory Fund**	-	-	-	-	-	-	1,121,381	-	-	-	-	-	1,121,381
Appropriation of 2012/13 distributable profit	-	40,126,120	(80,252,239)	-	-	-	-	-	-	-	40,126,119	-	-
At 30 June 2013	100,000,000	257,285,113	-	99,262,908	309,047,193	120,000,000	35,291,952	119,776,163	27,743,947	-	40,126,119	7,562,690	1,116,096,085

* Unrealised losses on foreign currency revaluation reserve and unrealised fair value losses excluded from computation of distributable profit, please refer to Note 48

** Net contribution to Staff Housing Compensatory Fund

*** Foreign exchange equalisation reserve has been utilised to offset unrealised loss on foreign currency translation.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2012



Details	Share Capital (Note 46)	General Reserve (Note 46(a))	Retained Earnings	Capital Reserve (Note 46(b))	Foreign Exchange Reserve (Note 46(c))	Reserve for Projects (Note 46(d))	Staff Housing Fund (Note 46(e))	Assets Revaluation Reserve (Note 46(f))	Securities Revaluation Reserve (Note 46(g))	Foreign Exchange Reserve (Note 46(h))	Mwalimu Nyerere Fund	Reserve for Dividends	Defined Benefit Reserves (Note 46(h))	Total
(Amounts in TZS'000)														
At 01 July 2011 (as previously stated)	100,000,000	272,634,332	-	99,262,908	463,264,603	120,000,000	33,614,325	119,925,981	64,784,192	41,219,947	1,000,000	173,240,459	-	1,488,946,747
Prior year adjustment-Note 2(a)	-	(78,386,511)	-	-	-	-	-	-	-	-	-	-	-	(78,386,511)
At 01 July 2011 -Restated	100,000,000	194,247,821	-	99,262,908	463,264,603	120,000,000	33,614,325	119,925,981	64,784,192	41,219,947	1,000,000	173,240,459	-	1,410,560,236
Loss for the year (restated)	-	-	(52,893,125)	-	-	-	-	-	-	-	-	-	-	(52,893,125)
Transfer to Profit and Loss*	-	-	-	-	-	-	-	-	(64,784,192)	-	-	-	-	(64,784,192)
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-	7,028,666	7,028,666
At 30 June 2012	100,000,000	194,247,821	(52,893,125)	99,262,908	463,264,603	120,000,000	33,614,325	119,925,981	-	41,219,947	1,000,000	173,240,459	7,028,666	1,299,911,585
Transfer of realised foreign exchange revaluation gains	-	-	41,219,947	-	-	-	-	-	-	(41,219,947)	-	-	-	-
Transfer of foreign exchange revaluation loss to exchange revaluation reserve	-	-	153,545,350	-	(153,545,350)	-	-	-	-	-	-	-	-	-
Reversal of revaluation of disposed property	-	149,818	-	-	-	-	-	(149,818)	-	-	-	-	-	-
Transfer of unrealised fair value gains or losses to the Securities Revaluation Reserve	-	-	(77,890,871)	-	-	-	-	-	77,890,871	-	-	-	-	-
2010/11 Dividends paid to the Government	-	-	-	-	-	-	-	-	-	-	-	(173,240,459)	-	(173,240,459)
Payments to Mwalimu Nyerere Scholarship Deposit***	-	-	-	-	-	-	-	-	-	-	(1,000,000)	-	-	(1,000,000)
Staff Housing Compensatory Fund**	-	-	-	-	-	-	556,246	-	-	-	-	-	-	556,246
Transfer to General Reserve	-	22,761,354	(63,981,301)	-	41,219,947	-	-	-	-	-	-	-	-	-
At 30 June 2012 (restated)	100,000,000	217,158,993	-	99,262,908	350,939,200	120,000,000	34,170,571	119,776,163	77,890,871	-	-	-	7,028,666	1,126,227,372

* A total of TZS 64,784.2 million was transferred to profit and loss account when the Bank migrated to IFRS 9. This amount is included in the net gains in fair value of TZS 77,890.9 million recycled from equity.

** Net contribution to Staff Housing Compensatory Fund

*** This represents payment of TZS 1,000.0 million to the Mwalimu Nyerere Scholarship Fund out of distributable profit for 2010/11



STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2013

	<u>Note</u>	30.06.2013 TZS '000	30.06.2012 TZS '000
Cash flows from operating activities			
Cash generated from operating activities	47	304,227,244	(192,602,756)
Dividends paid to the Government		-	(173,240,459)
Transfer to Mwalimu Nyerere Deposit Fund		-	(1,000,000)
Net cash generated from/(used in) operating activities		304,227,244	(366,843,215)
Cash flows from investing activities			
Purchase of property and equipment		(14,204,401)	(18,823,733)
Proceeds from disposal of property and equipment		8,129	121,831
Purchase of intangible assets		(837,201)	(98,709)
Net increase in Government securities		(446,636,995)	(49,606,068)
Increase in foreign currency marketable securities		(761,175,520)	(8,294,866)
Acquisition of equity shares		(179,440)	(306,327)
(Increase)/decrease in quota in International Monetary Fund (IMF)		(8,289,933)	30,473,588
(Increase)/decrease in holdings of SDRs		(987,709)	28,387,585
Net cash outflows from investing activities		(1,232,303,070)	(18,146,699)
Cash flows from financing activities			
Increase in notes and coins issued		324,897,511	201,578,425
Increase/(decrease) in IMF related liabilities		23,761,916	(46,028,382)
Increase in foreign currency financial liabilities		213,525,211	46,889,289
Increase/(decrease) in allocation of SDRs		7,940,306	(29,188,368)
Increase in deposits		42,796,824	761,876,639
Increase/(decrease) in Repurchase Agreements (REPOs)		23,001,279	(28,990,916)
Increase/(decrease) in BOT liquidity papers		623,831,361	(245,153,556)
Net cash inflows from financing activities		1,259,754,408	660,983,131
Net increase in cash and cash equivalent		331,678,582	275,993,217
Unrealized foreign exchange revaluation loss/ gains		(41,892,007)	6,931,926
Cash and cash equivalents:			
At the beginning of the year		1,478,422,938	1,195,497,795
At the end of the year	20	1,768,209,513	1,478,422,938



NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 30 JUNE 2013

1. REPORTING ENTITY

Legal framework

The Bank of Tanzania was established under Section 4 of the Bank of Tanzania Act, 2006, to act as the Central Bank for the United Republic of Tanzania. Its main place of business is at 10 Mirambo Street, Dar es Salaam, Tanzania and it operates branches in Arusha, Mbeya, Mwanza and Zanzibar. The Bank is an independent institution with its own legal personality and tables its reports to the Minister for Finance.

The Bank's principal responsibilities are to:

- conduct monetary policy and manage the exchange rate policy of the Tanzania Shillings, taking into account the orderly and balanced economic development of Tanzania;
- regulate and supervise financial institutions carrying on activities in, or from within, Tanzania, including mortgage financing, lease financing, development financing, licensing and revocation of licenses;
- manage, in collaboration with other relevant supervisory and regulatory bodies, the clearing, payment and settlement systems of Tanzania;
- collect, compile, disseminate, on a timely basis, monetary and related financial statistics; and
- Hold and manage gold and foreign exchange reserves of Tanzania.

Under Section 17 of the Bank of Tanzania Act, 2006, the authorized capital of the Bank shall be one hundred billion shillings (TZS 100 billion), provided that it may be increased by such amount as may be determined by the Board, and authorized by the Minister for Finance, by notice published in the Gazette.

The capital of the Bank shall be subscribed and held solely by the Government of the United Republic of Tanzania. Further, the amount paid as capital of the Bank may be increased from time to time by transfer from the General Reserve of such amounts as the Board may, with the approval of the Minister, resolve. The paid up capital shall not be reduced.

Section 18(1) of the Bank of Tanzania Act, 2006 provides that, the Bank shall establish and maintain:

- (a) A General Reserve Fund;
- (b) A Foreign Exchange Revaluation Reserve;
- (c) other appropriate assets revaluation reserves or retained net unrealized gains reserves, set up under a decision of the Board to reflect changes in market values of the Bank's major assets and in accordance with the best international accounting practice; and
- (d) Other special reserves or funds from time to time from appropriation of net profit.

Under Section 18(2) of the Act, the Bank shall transfer to the General Reserve Fund twenty five per cent of the net profits until such time that the total capital of the Bank reach a sum equivalent to at least ten per cent of the total assets of the Bank less its assets in gold and foreign currencies, thereafter the Bank shall transfer not less than ten per cent of its net profits to the General Reserve Fund.

In terms of Section 18(3) of the Act, the Board shall determine, whenever the authorized capital, the General Reserve Fund, the Foreign Exchange Revaluation Reserve and other appropriate asset revaluation reserves or retained net unrealized gains reserves set up by the Board are below five per cent of monetary liabilities all profits shall be retained to the General Reserve Fund, the Foreign Exchange Revaluation Reserve and to any other asset revaluation reserve.



NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 30 JUNE 2013

1. REPORTING ENTITY (Continued)

Legal framework (Continued)

Section 18(4) of the Act provides that; unrealized profits or losses from any revaluation of the Bank's net assets or liabilities in gold, foreign exchange, foreign securities or any internationally recognised reserve asset as a result of any change in the par or other value of any currency unit shall be transferred to a special account to be called the Foreign Exchange Revaluation Reserve Account; the same procedure shall be applied to market value movements in relation to the Bank's other major assets when any of the underlying asset is eventually sold, any resultant realized components shall be transferred to the Statement of Comprehensive Income.

Section 18(5) of the Act, requires both realized and unrealized gains and losses to be included in the profit calculation but only the residual of any net realized profits of the Bank shall be paid, within three months of the close of each financial year, into the Consolidated Fund; subject to the condition that if at the end of any financial year any of the Governments (The Government of the United Republic and the Revolutionary Government of Zanzibar) is indebted to the Bank, the Bank shall first apply the remainder of its net realized profits to the reduction or discharge of the indebtedness and thereafter such amount as relates to the net realized profits of the Bank in the relevant financial year shall be paid out of the Consolidated Fund to the Treasury of the Government of the United Republic and the Revolutionary Government of Zanzibar in accordance with the formula agreed upon by the Governments.

Section 19(1) of the Act, provides that, where the Bank's Statement of Financial Position indicates that the amount of its assets is less than the amount of its liabilities and the statutory fund, the Minister shall, on behalf of the United Republic, issue to the Bank negotiable interest-bearing securities at market determined interest rates with a fixed maturity date to the amount necessary to restore the Bank's level of paid up capital.

In terms of Section 20(1) of the Act, the financial year of the Bank shall be the period commencing on 1 July of each year and the accounts of the Bank shall be closed on 30th June of each financial year. Furthermore, Section 20(2) of the Act provides that, the Bank's accounting policies, procedures and associated accounting records shall be consistent at all times with the best international accounting standards.

Section 20(6) of the Act, provides the annual external audit of the Bank to be performed by the Controller and Auditor General in accordance with International Accounting and Auditing Standards and in compliance with the Public Finance Act.

Section 23 of the Act provides that the Bank shall only be placed in liquidation or wound up pursuant to the Procedure prescribed in an enactment of Parliament but the provisions of the Companies Act and the Companies Decree shall not apply in relation therewith.



NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 30 JUNE 2013

2(a) PRIOR YEAR ADJUSTMENT

A prior year adjustment has been made in relation to understatement of the fair value of the defined benefit obligation for the year ended 30 June 2012 by TZS 75,481.3 million. The financial statements for the financial year ended 30 June 2011 and 30 June 2012 have been restated to correct this error. The effect of the restatement on those financial statements is summarised below:

Impact on statement of financial position:

	30.06.2011 TZS '000	Prior year adjustment TZS '000	30.06.2011 TZS '000
	as previously reported		as restated
Retirement benefit obligation	3,661,768	78,386,511	82,048,279
Reserves	1,392,608,515	78,386,511	1,314,222,004

	30.06.2012 TZS '000	Prior year adjustment TZS '000	30.06.2012 TZS '000
	as previously reported		as restated
Retirement benefit obligation	8,469,618	75,481,347	83,950,965
Reserves	1,101,708,719	75,481,347	1,026,227,372

Impact on total comprehensive loss for the year:

	30.06.2013 TZS '000	30.06.2012 TZS '000
<u>Impact on profit (loss) for the year</u>		
Increase in personnel expenses	3,269,908	461,734
Increase in loss for the year	<u>3,269,908</u>	<u>461,734</u>

	30.06.2013 TZS '000	30.06.2012 TZS '000
<u>Impact on other comprehensive income for the year</u>		
Increase in re-measurement of defined benefits obligations	(534 024)	(7 028 666)
Increase in other comprehensive income for the year	<u>(534 024)</u>	<u>(7 028 666)</u>
Net effect in total comprehensive loss for the year	<u>2,735,884</u>	<u>(6,566,932)</u>

The fair value of the defined benefit scheme for the year ended 30 June 2013 was determined by an independent Actuary as disclosed in Note 52.



NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 30 JUNE 2013

2(b) ADOPTION OF NEW AND REVISED INTERNATIONAL STANDARD (IFRS)

- i) **The following new and revised IFRSs have been applied in the current year and had no material impact on the amounts reported in these financial statements.**

Amendments to IAS 1
Presentation of Items of
Comprehensive Income

Amends IAS 1 Presentation of Financial Statements
Other to revise the way other comprehensive income
is presented.
The amendments:

Preserve the amendments made to IAS 1 in 2007 to require profit or loss and OCI to be presented together, i.e. either as a single 'statement of profit or loss and comprehensive income', or a separate 'statement of profit or loss' and a 'statement of comprehensive income' - rather than requiring a single continuous statement as was proposed in the exposure draft

Require entities to group items presented in OCI based on whether they are potentially re-classifiable to profit or loss subsequently. i.e. those that might be reclassified and those that will not be reclassified

The Bank has adopted the changes to IAS 1 effective 1 July 2012 and opted to continue with the one statement approach as one of the permitted options. The amendments have been applied retrospectively, and hence the presentation on other comprehensive income has been modified to reflect the changes. Other than these changes, the application of the amendment to IAS 1 does not result in any impact on profit or loss, other comprehensive income and total comprehensive income.

- ii) **New and revised IFRS in issue but not yet effective for the year ended 30 June 2013**

Effective for annual periods
beginning on or after

New and Amendments to standards:

IFRS 7, Offsetting Financial Assets and Financial Liabilities	1 January 2013
IAS 27, Separate Financial Statements (2011)	1 January 2013
IAS 28, Investments in Associates and Joint Ventures (2011)	1 January 2013
IAS 32, Offsetting Financial Assets and Financial Liabilities	1 January 2014
IFRS 10, Consolidated Financial Statements	1 January 2013
IFRS 11, Joint Arrangements	1 January 2013
IFRS 12, Disclosure of Interests in Other Entities	1 January 2013
IFRS 13, Fair Value Measurement	1 January 2013
Amendment to interpretations	
IFRIC 20, Stripping Costs in the Production Phase of a Surface Mine	1 January 2013



STATEMENT OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

2(b) ADOPTION OF NEW AND REVISED INTERNATIONAL STANDARD (IFRS) (Continued)

iii) Impact of new and amended standards and interpretations on the financial statements for the year ended 30 June 2013 and future annual periods

IFRS 7, Offsetting Financial Assets and Financial Liabilities

The amendments require the entity to disclose the right of offset and related arrangements (such as collateral posting requirements) for financial instruments under an enforceable master netting agreements or similar arrangements. The amendment to IFRS 7 is required for annual period beginning on or after 1 January 2013 and interim periods within those annual periods. The disclosure should be provided retrospectively for all comparative periods.

IFRS 12, Disclosure of Interests in Other Entities

IFRS 12 requires the extensive disclosure of information that enables users of financial statements to evaluate the nature of, and risks associated with, interests in other entities and the effects of those interests on its financial position, financial performance and cash flows.

- Significant judgements and assumptions - such as how control, joint control, significant influence has been determined.
- Interests in subsidiaries - including details of the structure of the group, risks associated with structured entities, changes in control, and so on.
- Interests in joint arrangements and associates - the nature, extent and financial effects of interests in joint arrangements and associates (including names, details and summarised financial information).
- Interests in unconsolidated structured entities - information to allow an understanding of the nature and extent of interests in unconsolidated structured entities and to evaluate the nature of, and changes in, the risks associated with its interests in unconsolidated structured entities.

IFRS 12 lists specific examples and additional disclosures which further expand upon each of these disclosure objectives, and includes other guidance on the extensive disclosures required.

iv) Impact of new and amended standards and interpretations on the financial statements for the year ended 30 June 2013 and future annual periods

IFRS 12, Disclosure of Interests in Other Entities

The standard is effective for annual periods beginning on or after 1 January 2013. The Bank will apply this amendment prospectively and the directors anticipate no impact to the Bank's financial statements unless the Bank acquires interest in other entities in the future periods.

IFRS 13, Fair Value Measurements

IFRS 13 replaces the guidance on fair value measurement in existing IFRS accounting literature with a single standard. The IFRS is the result of joint efforts by the IASB and FASB to develop a converged fair value framework. The IFRS defines fair value, provides guidance on how to determine fair value and requires disclosures about fair value measurements. However, IFRS 13 does not change the requirements regarding which items should be measured or disclosed at fair value.



STATEMENT OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

2(b) ADOPTION OF NEW AND REVISED INTERNATIONAL STANDARD (IFRS) (Continued)

iv) Impact of new and amended standards and interpretations on the financial statements for the year ended 30 June 2013 and future annual periods (Continued)

IFRS 13, Fair Value Measurements (Continued)

IFRS 13 applies when another IFRS requires or permits fair value measurements or disclosures about fair value measurements (and measurements, such as fair value less costs to sell, based on fair value or disclosures about those measurements).

With some exceptions, the standard requires entities to classify these measurements into a 'fair value hierarchy' based on the nature of the inputs:

- Level 1 - quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 - inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly or indirectly;
- Level 3 - unobservable inputs for the asset or liability.

The Directors believe the adoption of the standard when effective will not have a material impact to the financial statements.

IAS 28 Investments in Associates and Joint Ventures (2011)

This Standard supersedes IAS 28 Investments in Associates and prescribes the accounting for investments in associates and sets out the requirements for the application of the equity method when accounting for investments in associates and joint ventures.

The Standard defines 'significant influence' and provides guidance on how the equity method of accounting is to be applied (including exemptions from applying the equity method in some cases). It also prescribes how investments in associates and joint ventures should be tested for impairment.

The standard is effective for annual periods beginning on or after 1 January 2013. The Bank will apply this amendment prospectively. The directors, however, anticipate no material impact to the Bank's financial statements.

IAS 32, Offsetting Financial Assets and Financial Liabilities

The amendments to IAS 32 clarify existing application issues relating to offsetting requirements. Specifically the amendments clarify the meaning of 'currently has a legally enforceable right of offset' and 'simultaneous realisation and settlement'. The amendments to IAS 32 are effective for annual periods beginning on or after 1 January 2014 retrospective application required.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

2(c) EARLY ADOPTION OF STANDARDS

IFRS 9, Financial Instruments

IFRS 9 Financial Instruments issued in November 2009 and amended in October 2010 introduces new requirements for the classification and measurement of financial assets and financial liabilities and for de-recognition.

- IFRS 9 requires all recognised financial assets that are within the scope of IAS 39 Financial Instruments: Recognition and Measurement to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. All other debt investments and equity investments are measured at their fair values at the end of subsequent accounting periods.
- The most significant effect of IFRS 9 regarding the classification and measurement of financial liabilities relates to the accounting for changes in fair value of a financial liability (designated as at fair value through profit or loss) attributable to changes in the credit risk of that liability. Specifically, under IFRS 9, for financial liabilities that are designated as at fair value through profit or loss, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss.

IFRS 9 is effective for annual periods beginning on or after 1 January 2015, with earlier application permitted.

The Directors adopted IFRS 9 in the Bank's financial statements for the annual period beginning 1 July 2011. At the date of initial application of IFRS 9 a total of TZS 64,784.2 million was cycled from security revaluation reserve to the profit and loss account.

IAS 19, Employee Benefit (as revised) 2011

In the current year, the Bank has applied IAS 19 Employee benefits as revised in 2011 and the related consequential amendments for the first time.

IAS 19 (as revised in 2011) changes the accounting for defined benefit plans and termination benefits. The most significant change relates to the accounting for changes in defined benefit obligation and plan assets. The amendment require the recognition of changes in defined benefit obligations and in the fair value of plan assets when they occur, and hence eliminate the 'corridor approach' permitted under the previous version of IAS 19 and accelerate the recognition of past service cost. All the actuarial gains and losses are recognised immediately through other comprehensive income in order for the pension asset or liability recognised in the statement of financial position to reflect the full value of the plan deficit or surplus. Furthermore, the interest cost and expected return on plan assets used in the previous version of IAS 19 are replaced with 'net interest' amount under IAS 19 (as revised in 2011), which is calculated by applying the discount rate to the net defined benefit liability or asset. Please refer to note 2(a) the Bank's financial statements for the restated balances of the defined benefit liability.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Presentation of financial statements

The Bank presents its statement of financial position broadly in order of liquidity. An analysis regarding recovery or settlement within 12 months after the statement of financial position date (current) and more than 12 months after the statement of financial position date (non-current) is presented in note 49.6.1 (b).

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position only when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liability simultaneously. Income and expense is not offset in the profit or loss unless required or permitted by any accounting standard or interpretation, and as specifically disclosed in the accounting policies of the Bank.

Basis of preparation

The financial statements have been prepared on a historical cost basis except where otherwise stated or as required by International Financial Reporting Standards and Interpretations to those Standards for assets and liabilities to be stated at their fair value as disclosed in the accounting policies hereafter. The financial statements are presented in thousands of Tanzania Shillings (TZS '000) except where explicitly stated.

Statement of compliance

The financial statements of Bank of Tanzania have been prepared in accordance with International Financial Reporting Standards and Interpretations to those Standards issued by the International Accounting Standard Board (IASB) in so far as they are practically applicable to the Bank and comply with the requirements of the Bank of Tanzania Act, 2006.

Form of presentation

In exceptional circumstances, as prescribed by Section 41 of the Bank of Tanzania Act, 2006, the Bank may act as the “lender of last resort” to financial institutions in difficulty in order to prevent a loss of confidence spreading through the financial system as a whole. In some cases, confidence can best be sustained if the Bank’s support is disclosed only when the conditions giving rise to potential instability in the economy have improved. Although the financial effects of such operations are included in the financial statements of the Bank, these statements may not explicitly identify such support.

Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Bank and the revenue can be reliably measured. The following specific recognition criteria must be met before revenue is recognized:

Interest and similar income

For all financial instruments measured at amortised cost, interest income is recorded at the effective interest rate, which is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or financial liability. The calculation takes into account all contractual terms of the financial instrument (for example, prepayment options) and includes any fees or incremental cost that are directly attributable to the instrument and are an integral part of the effective interest rate, but not future credit losses.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The carrying amount of the financial asset or financial liability is adjusted if the Bank revises its estimates of receipts or payments. The adjusted carrying amount is calculated based on the original effective interest rate and the change in carrying amount is recorded as interest income or expense.

Once the recorded value of a financial asset has been reduced due to an impairment loss, interest income continues to be recognised using the original effective interest rate applied to the new carrying amount.

Fees and commission income

Fees and commissions are generally recognised on an accrual basis when the service has been rendered. Loan commitment fees for loans that are likely to be drawn down are deferred (together with related direct cost) and recognised as an adjustment to the effective interest rate on the loan. Commission and fees arising from negotiating or participating in the negotiation of a transaction for a third party is recognised on completion of the underlying transaction.

Dividend income

Dividend is recognised when the Bank's right to receive the payment is established.

Other income

Other income is recognised in the period in which it is earned.

Dividend payable

Dividend is recognized as a liability in the period in which it is declared. Proposed dividend is disclosed as a separate component of equity.

Employees' benefits including post-employment benefits

Short-term employment benefits such as salaries, social security contributions, and leave fare assistance are recognized in profit or loss when they fall due.

Statutory retirement benefits

The Bank has a statutory obligation to make contributions for retirement benefits to its employees. All eligible employees of the Bank are currently members of the social security schemes operating in Tanzania. The funds where employees are members are National Social Security Fund of Tanzania (NSSF), Parastatal Pension Funds (PPF) and Public Service Pensions Fund (PSPF). Under these schemes the Bank and employee contribute 18 percent and 2 percent respectively of employee's basic salary every month. New employees who are members of other funds are allowed to continue their membership to any statutory pension funds. The Bank contributed a total of TZS 8,455.0 million to the funds during the year ended 30 June 2013 (2012: TZS 7,711.4 million).



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Retirement benefit costs and termination benefits

The Bank signed a Voluntary Agreement (VA) with the Tanzania Union of Industrial and Commercial Workers (TUICO) which provides for a number of benefits on retirement and after attaining a number of years in service with the Bank. Employees are also eligible to post-employment benefits as stipulated in the Staff By Laws. The provisions in the VA and Staff by Law constitute a defined benefits plan which has been accounted and disclosed in accordance with the requirements of International Accounting Standards 19: Employee Benefits.

This is an unfunded defined benefit plan for qualifying employees. There are two categories of benefits to Banks staffs. The first is payable to staffs employed for unspecified period of time and second is to executive management who are under specific contracts. Benefits are paid upon retirement, death or withdrawal after working for at least 15 years of service with the Bank.

The arrangement provides for the following benefits to permanent and pensionable staffs,

- Gratuity payment equivalent 10 percent of the average monthly salary over the last four years of service for each complete month of service
- Service bonus payment equal to the multiples of 12, 18 and 24 months' basic salary averaged over the last four years of service for those with 15-19, 20-24 and above 25 years of service respectively.
- Other benefits include survivors' benefit payment equivalent to the three months' salary and TZS 3.6 million and on death of employees, the Bank pays burial assistance expenses equivalent to the higher of three months' salary and TZS 6.0 million.
- The Bank also pays long service awards equivalent to TZS 3.0 million and TZS 4.0 million on the 25th and 35th anniversaries of service respectively.

The Bank provides compulsory retirement age is 60 years with early retirement at age of 55 years at the discretion of the Bank.

The executive management do not qualify for the benefits applicable staffs employed for unspecified period of time except for the bonuses as stipulated under the staff by laws 2011.

The Bank provides for retirement benefit cost based on assessments made by independent actuaries. The first and most recent actuarial valuation was carried out as at 30th June 2013 by Alexander Forbes, Financial Services (East Africa), Nairobi -Kenya. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

Under IAS 19 measurement of scheme liabilities must be calculated under the projected unit credit method, which requires certain demographic and financial assumptions, including an assumption about future salary growth. The assumptions used are applied for the purposes of compliance with IAS 19 only.

Re-measurement comprising of actuarial gains and losses are reflected immediately in the statement of the financial position with a charge or credit recognised in Other Comprehensive income in the period in which they occur. Re-measurement recognised in Other Comprehensive Income is reflected immediately in retained earnings and will not be reclassified to profit or loss.

Past service cost is recognised in the profit or loss in the period of plan amendment.

Net interest is calculated by applying the discount rate at the beginning of the period to the net defined beginning obligation. In the absence of a deep corporate bond market in Tanzania, the Bank has used the discount rate for Tanzania long term bond yields as published in the Bank Monthly Economic Reviews.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Retirement benefit costs and termination benefits (Continued)

The Bank presents current service cost and net interest cost in personnel expenses. Curtailment gains and losses are accounted for as past service cost.

A liability of the termination benefits is recognised at the earlier of when the Bank can no longer withdraw the offer of termination benefits and when the Bank recognises any related restructuring costs.

Other employee benefits

The Bank provides free medical treatment to staffs and their dependants. The cost is charged to profit or loss. The estimated monetary liability for employees' accrued leave entitlement at the end of the reporting period is recognized as an expense accrual.

Provisions

Provisions are recognised when the Bank has a present legal or constructive obligation as a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Where the Bank expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is recognised in profit or loss net of any reimbursement. 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 the provision due to the passage of time is recognised as a finance cost.

Taxes

No provision for income tax is made in the Financial Statements as Section 10 Second Schedule of the Income Tax Act, 2004 exempts the Bank from taxation imposed by law in respect of income or profits. This exemption includes stamp duty in respect of instruments executed by or on behalf of the Bank.

Further, according to Section 22(1) and (2) of the Bank of Tanzania Act, 2006, the Bank is exempt from payment of any taxes, levies or duties in respect of its profits, operations, capital, property or documents or any transaction, deed, agreement or promissory note to which it is a party. The Bank is also exempt from payment of stamp duty or other duties in respect of notes and coins issued as currency under the Act.

However, effective 1 July 2012 the Bank is required to pay Value Added Tax (VAT) on goods or services provided to the Bank at a rate of 18 percent of 55 percent of the value of goods and services. However, this excludes goods and services related to the Bank's primary functions.

Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of the Bank are measured using the currency of the primary economic environment in which the Bank operates ("the functional currency"). The financial statements are presented in Tanzanian Shillings, which is the Bank's functional and presentation currency and all values are rounded to the nearest thousand (TZS'000) except where otherwise indicated.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currency translation (Continued)

(ii) Transactions and balances

Foreign currency transactions are translated into Tanzanian Shillings using the exchange rates prevailing at the dates of the transactions.

Taxes

Foreign exchange gains and losses resulting from the settlement of such transactions during the year and from the translation of monetary assets and liabilities denominated in foreign currencies at year-end are recognized in profit or loss.

Foreign exchange revaluation reserve under the legal framework

The realised foreign exchange gains and losses are separated from the unrealised. The unrealised part is excluded from distributable profits for the year and is carried in a separate reserve until realised in subsequent years thereby becoming part of the distributable profits. These are determined as follows;

- (a) For each major currency USD, GBP, EUR, AUD, CNY and SDR; cash inflows and outflows are determined at yearly intervals.
- (b) Proportions of outflows against the inflows on a First in First out (FIFO) basis are determined for the year and this is assumed to be the proportion of realised gains or losses that have to be separated from the accumulated realized and unrealized amount in the Foreign Currency Revaluation Reserve.
- (c) The realised amounts are computed based on the proportions determined in (b) above.

Investment in associate company

The Bank's investment in its associate is accounted for using the equity method of accounting. An associate is an entity in which the Bank has significant influence and which is neither a subsidiary nor a joint venture.

Under the equity method, the investment in the associate is carried in the Statement of Financial Position at cost plus post acquisition changes in the Bank's share of net assets of the associate. Goodwill relating to the associate is included in the carrying amount of the investment and is not amortised. The Statement of Comprehensive Income reflects the share of the results of operations of the associate. Where there has been a change recognised directly in the equity of the associate, the Bank recognises its share of any changes and discloses this, when applicable, in the statement of changes in equity. Profits and losses resulting from transactions between the Bank and the associate are eliminated to the extent of the interest in the associate. Where necessary, adjustments are made to bring the accounting policies in line with those of the Bank.

Property and equipment

Property and equipment are initially recorded at construction, acquisition or purchase cost plus direct attributable cost. Where an item of property and equipment comprises major components having different useful lives, they are accounted for separately. Property that is being constructed or developed for future use to support operation is classified as Work in Progress (WIP) and stated at cost until construction or development is complete, at which time it is reclassified as property and equipment in use.

Bank's immovable property (buildings) is subsequently measured at fair value less accumulated depreciation on buildings and impairment losses recognised after the date of the revaluation. Valuations are performed by external independent valuers to ensure that the fair value of a revalued asset does not differ materially from its carrying amount.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property and equipment (Continued)

Any revaluation surplus is recorded in other comprehensive income and hence, credited to the Asset Revaluation Reserve in equity, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in the profit or loss, in which case, the increase is recognised in the profit or loss. A revaluation deficit is recognised in the profit or loss, except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation reserve.

Revaluation of the Bank's immovable property is conducted after every five years. M/S EMACK Tanzania Ltd, professional and Independent valuers, carried out valuation of the Bank's immovable properties as at 30 June 2012. The valuation of Bank's immovable assets was made on the basis of open market values. However, where market data were not easily available, reliable depreciated replacement cost was adopted. This basis is in line with International Valuation Standards (IV No.1 and 2; 2005 and 2007 as amended in 2008).

Depreciation is charged to profit or loss on a straight-line basis to write off the cost of property and equipment to their residual values over their expected useful lives. These residual values and expected useful lives are re-assessed on an annual basis and adjusted for prospectively, if appropriate. The review of residual values takes into account the amount that the Bank would currently obtain on disposal of the asset after deducting the estimated cost of disposal if the asset were already of the age and condition expected at the end of its useful or economic life (whichever is earlier). Depreciation rates applicable as at 30 June 2013 were as follows:

Asset classification	Annual depreciation rate	Useful life
Office Premises	1.0%	100 years
Staff Club Premises	1.5%	67 years
Residential Premises	1.5%	67 years
Computer Servers	25.0%	4 years
Computer Printers	25.0%	4 years
Personal Computers	25.0%	4 years
Network Equipment		
Bullion Trucks and Armoured Vehicles	25.0%	
10.0%	4 years	
10 years		
Motor Vehicles	20.0%	5 years
Currency Processing Machines	10.0%	10 years
Machinery and Equipment	20.0%	5 years
Security Monitoring, Fire Detection and Fire Fighting Systems	25.0%	4 years
Office Furniture	20.0%	5 years

No depreciation charge is made to Capital Work-in-Progress. Property and equipment acquired during the year are depreciated from the date when they are available for use and cease to be depreciated at earlier of the date that the asset is classified as held for sale or the date that the assets are derecognised.

Property and equipment are derecognised when no economic benefits are expected from its use or disposal. The disposal methods applied include; sale, donation or scrapping. Gains or losses on disposal of property and equipment are determined by comparing net disposal proceeds if any with the carrying amount and are taken into account in determining operating profit or loss.

Intangible assets

Intangible assets consist of computer application software and computer application licence packages. Intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Intangible assets (Continued)

Intangible assets are amortised over the useful economic life and assessed for impairment at the reporting date to ascertain if there is an indication that the intangible asset may be impaired. Generally, cost associated with developing computer software programmes are recognised as an expense when incurred. Intangible assets acquired are measured on initial recognition at cost. Internally developed intangible assets are not capitalised unless they meet certain criteria. Internally developed software products include direct cost incurred by the Bank and are recognised as intangible assets upon meeting the following criteria cost:

- It is technically feasible to complete the software product so that it will be available for use;
- Management intends to complete the software product and use it;
- There is ability to use the software product;
- It can be demonstrated how the software product will generate probable future economic benefits;
- Adequate technical, financial and other resources to complete the development and to use the software product are available; and
- The expenditure attributable to the software product during its development can be measured reliably.

The useful lives of intangible assets are assessed to be finite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The annual rate of amortisation, which has been consistently applied, is 25 percent. The amortisation period and the amortisation method for an intangible asset are reviewed at the reporting date. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and treated as changes in accounting estimates. The amortisation expense on intangible assets is recognised in profit or loss. Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

Capital grant

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income over the period necessary to match the grant on a systematic basis to the cost that it is intended to compensate. When the grant relates to an asset, it is recognised as deferred income and released as income in equal instalments over the expected useful life of the related asset.

When the Bank receives non-monetary grants, the asset and the grant are recorded at gross amounts and released to the income statement over the expected useful life and pattern of consumption of the benefit of the underlying asset by equal annual instalments. When loans or similar assistance are provided by governments or related institutions with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as additional government grants.

Currency printing and minting expenses

Notes printing and coins minting expenses which include ordering, printing, minting, freight, carriage insurance and handling expenses cost are first deferred. Based on the currency issued into circulation, the respective proportional actual cost expenses incurred are released to profit or loss from the deferred currency expenses cost account.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Currency in circulation

Currency in circulation represents Tanzanian currency that has been issued into the Tanzanian economy by the Bank since inception. Currency in circulation is measured at the face value of notes and coins issued. Currency in Circulation is determined by netting off Notes and Coins issued against the balance held in the Bank of Tanzania vaults.

Impairment of non-financial assets

The Bank assesses at each reporting date whether there is an indication that a non financial asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Bank makes an estimate of the asset's recoverable amount. The recoverable amount is the higher of an asset's or cash generating unit's fair value less cost to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses of continuing operations are recognised in profit or loss in those expense categories consistent with the function of the impaired asset.

An assessment is made at each reporting date as to whether or not there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

Operating Lease

Where a significant portion of the risks and rewards of ownership are retained by the lesser, the lease is classified as operating lease. Payments made under operating lease are charged to profit or loss on a straight-line basis over the period of the lease.

As for the land owned by the Bank, the Bank obtained these on long term leasehold (mainly 99 years) from the Government.

No significant payments are made in advance to the Government other than Government fees/rates normally paid on lease application and renewal based on Government rates that are published from time to time and which are insignificant and not related to the value of land or period of occupation.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Sale and Repurchase Agreements (REPOs)

Repurchase agreements are contracts under which a party sells securities and simultaneously agrees to purchase the same securities at a specified future date at a fixed price. Resale agreements are contracts under which a party purchases securities and simultaneously agrees to resell the same securities at a future date at a fixed price.

It is the Bank's policy to take possession of securities purchased under resale agreements, which are primarily liquid government securities. The market value of these securities is monitored and, within parameters defined in the agreements, additional collateral is obtained when their fair value declines. The Bank also monitors its exposure with respect to securities sold under repurchase agreements and, in accordance with the terms of the agreements, requests the return of excess securities held by the counter party when fair value increases.

Repurchases and resale agreements are accounted for as collateralised financing transactions and recorded at the amount at which the securities were acquired or sold plus accrued interest.

REPOs continue to be recognised in the Statement of Financial Position and are measured in accordance with policies for financial liabilities.

The difference between sales and repurchase price is treated as interest expenditure and is recognized in profit or loss.

Financial assets measured at fair value through profit or loss

The Bank has designated marketable securities i.e. internally managed foreign securities and Reserve Advisory Management Program (RAMP) as at fair value through profit or loss. Changes in fair value of these instruments are recognised through the profit or loss. Refer to note 24 of the accounts for further details.

Foreign Exchange Equalization Reserve

The Bank has a policy whereby both net realized and unrealized exchange gains and losses are firstly recognized in profit or loss in accordance with the requirements of IAS 21 (The Effects of Changes in Foreign Exchange Rates). The net realized foreign exchange losses for the year arising from daily revaluation of foreign assets and liabilities are transferred to the Foreign Exchange Equalisation Reserve. Where the balance in the Foreign Exchange Equalization Reserve is insufficient to absorb the net realised loss, the first recourse is the General Reserve. The net unrealised gains or losses are transferred to the Foreign Currency Revaluation Reserve. Effective 30th June 2009 the Board determines the amount from the distributable profit to be transferred to the Foreign Exchange Equalization Reserve.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments - initial recognition and subsequent measurement

Reserve for Dividend

This reserve accommodates the amount declared as dividend payable to the Governments. In accordance with Section 18 (5) of the Bank of Tanzania Act, 2006, the remainder of the net profits of the Bank is paid to the Governments as dividend. However, this is subject to the condition that if at the end of any financial year any of the Governments indebtedness to the Bank, the Bank shall first apply the reminder of its net realized profits to the reduction or discharge of the Governments indebtedness.

Date of recognition

Purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the marketplace are recognised on the trade date, that is the date that the Bank commits to purchase or sell the asset.

Initial recognition of financial instruments

All financial instruments are measured initially at their fair value plus, in the case of financial assets and financial liabilities not at fair value through profit or loss, any directly attributable incremental cost of acquisition or issue

Classification of financial assets

Amortised cost

Debt instruments that meet the following conditions are subsequently measured at amortised cost less impairment loss (except for debt investments that are designated as at fair value through profit or loss on initial recognition).

The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets measured at fair value through profit or loss

Assets classified as FVTPL are measured at fair value. Gains and losses that arise as a result of changes in fair value are recognised in profit or loss, gains and losses that arise between the end of the last annual reporting period and the date an instrument is derecognised do not constitute a separate profit or loss on disposal. Such gains and losses will have arisen prior to disposal, while the item is still being measured at FVTPL, and are recognised in profit or loss when they occur. These are foreign currency marketable securities.

Fair Value through Other Comprehensive Income

On initial recognition, the Bank made an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. These are equity investment in AFREXIM and SWIFT.

Effective Interest Rate method

The effective interest rate method is a method of calculating the amortised cost of a debt instrument 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 and points paid or received that form an integral part of the effective interest rate, transaction cost and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. Income is recognised on an effective interest basis for debt instruments measured subsequently at amortised cost.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Effective Interest Rate method (Continued)

Interest income is recognised in profit or loss and is included in the “interest income” line item. This includes Government Securities, Loans and Advances, ESCROW and Items in course of settlement.

Financial liabilities

This represents issued financial instruments or their components, which are not held at fair value through profit or loss, financial liabilities that arise when a transfer of financial asset does not qualify for de-recognition or when the continuing involvement approach applies, commitments to provide a loan at below market interest rate and hedged items are classified at amortised cost. The Bank’s financial liabilities are measured at amortised cost using the effective interest rate method.

Financial assets

A financial asset (or, where applicable a part of a financial asset or part of a Bank of similar financial assets) is derecognised where:

- the rights to receive cash flows from the asset have expired; or
- the Bank has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement; and
- Either (a) the Bank has transferred substantially all the risks and rewards of the asset, or
(b) the Bank has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Bank has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Bank’s continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Bank could be required to repay. Where continuing involvement takes the form of a written and/or purchased option (including a cash-settled option or similar provision) on the transferred asset, the extent of the Bank’s continuing involvement is the amount of the transferred asset that the Bank may repurchase, except that in the case of a written put option (including a cash-settled option or similar provision) on an asset measured at fair value, the extent of the Bank’s continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. Where 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 recognised in profit or loss. These include Currency in Circulation; Deposits from Government, Banks and Financial institutions, BOT Liquidity papers, Poverty Reduction and Growth Facility, IMF liabilities and Repurchase Agreements.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

De-recognition of financial assets and financial liabilities

Determination of fair value

The fair value for financial instruments traded in active markets at reporting date is based on their quoted market price or dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction cost.

For all other financial instruments not listed in an active market, the fair value is determined by using appropriate valuation techniques. Valuation techniques include net present value techniques, comparison to similar instruments for which market observable prices exist, options pricing models and other relevant valuation models.

Impairment of financial assets

The Bank assesses at each reporting date whether or not there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the borrower or a group of borrowers is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Government Securities

The Bank assesses Government Securities investments individually to confirm whether or not there is objective evidence of impairment. If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the assets carrying amount and the present value of estimated future cash flows using the original effective interest rate.

The carrying amount of the asset is reduced and the amount of the loss is recognised in profit or loss. If, in a subsequent year, the amount of the estimated impairment loss decreases because of an event occurring after the impairment was recognised, any amounts formerly charged are credited to the 'Impairment losses on financial investments'.

Due from banks, loans and advances

Amounts due from banks, loans and advances are carried at amortised cost. The Bank first assesses individually whether or not there is objective evidence of impairment that exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Bank determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of financial assets (Continued)

Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the assets' carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in profit or loss. Interest income continues to be accrued on the reduced carrying amount based on the original effective interest rate of the asset. Loans together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Bank. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a future write-off is later recovered, the recovery is credited to the 'Impairment of loans and advances'.

The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate.

The calculation of the present value of the estimated future cash flows of a collateralised financial asset reflects the cash flows that may result from foreclosure less cost for obtaining and selling the collateral, whether or not foreclosure is probable. For the purpose of a collective evaluation of impairment, financial assets are grouped on the basis of the Bank's internal credit grading system that considers credit risk characteristics such as asset type, industry, geographical location, collateral type, past-due status and other relevant factors.

Future cash flows on a group of financial assets that are collectively evaluated for impairment are estimated on the basis of historical loss experience for assets with credit risk characteristics similar to those in the group. Historical loss experience is adjusted on the basis of current observable data to reflect the effects of current conditions that did not affect the years on which the historical loss experience is based and to remove the effects of conditions in the historical period that do not exist currently. Estimates of changes in future cash flows reflect, and are directionally consistent with, changes in related observable data from year to year (such as changes in unemployment rates, property prices, commodity prices, payment status, or other factors that are indicative of incurred losses in the Bank and their magnitude). The methodology and assumptions used for estimating future cash flows are reviewed regularly to reduce any differences between loss estimates and actual loss experience.

Other liabilities

Other liabilities are stated at their nominal value/cost, which approximates fair value due to the short term nature of the obligation.

Other assets

Other assets are measured at fair value through profit or loss.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash equivalent

Cash and cash equivalent comprise of demand and time deposit with central banks and commercial banks and holding of notes denominated in foreign currency. Cash and cash equivalent is carried at amortised cost in the statement of financial position. Due to their short term nature, the carrying amount approximates the fair value.

Inventories

The Bank owns all inventories stated in the statement of financial position. Inventories are valued at the lower of cost and net realizable value. Cost is determined using the weighted average cost method. Net realizable value is the estimated selling price in the ordinary course of business less estimated cost necessary to make the sale. Writing down of values of inventories is made for slow moving and obsolete stocks.

Offsetting of financial assets and liabilities

Unless there is a currently legally enforceable right to set-off the recognised amount and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously offsetting of financial assets and liabilities is not allowed.

Credit Guarantee Schemes

These are schemes operated in accordance with the rules governing them and administered by the Bank on behalf of the URT Government as stipulated in their respective agency agreements. The primary objective of the schemes is to facilitate access to the credit facilities by guaranteeing loans granted by the participating financial institutions to Small and Medium Enterprises, Exporters and Development Projects.

The rules of the schemes include a requirement for the financial institutions to properly assess the projects' viability, as to adequacy of loan security and approve the loan prior to applying for the guarantee. Because of the nature of the loan transactions, contingent liabilities exist in respect of possible default.

4. SIGNIFICANT ACCOUNTING JUDGEMENT AND ESTIMATES

The preparation of financial statements in conformity with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets, liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on the directors' best knowledge of current events and actions, actual results ultimately may differ from those estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. The most significant use of judgement and estimates are as follows:

a. Going concern

The Bank's management has made an assessment of the Bank's ability to continue as a going concern. The management is satisfied that the Bank has resources to continue in operation for the foreseeable future. Furthermore, the management is not aware of any material uncertainties that may cast significant doubt upon the Bank's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on a going concern basis.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

4. SIGNIFICANT ACCOUNTING JUDGEMENT AND ESTIMATES (Continued)

b. Impairment of assets carried at amortised cost

Impairment losses on loans, advances and Government Securities

The Bank reviews its financial assets measured at amortised cost at each reporting date to assess whether an impairment loss should be recognized in profit or loss. In particular, judgement by the directors is required in the estimation of the amount and timing of future cash flows when determining the level of impairment loss required. Such estimates are based on the assumptions about a number of factors and actual results may differ, resulting in future changes in the impairment.

The Bank makes judgment as to whether there is any observable data indicating that there is a measurable decrease in the estimated future cash flows in an individual asset in that portfolio. This evidence may include observable data indicating that there has been an adverse change in the payment status of borrowers, or national or local economic conditions that correlate with defaults on assets. Management uses estimates based on historical loss experience for assets with credit risk characteristics and objective evidence of impairment similar to those in the portfolio when scheduling its future cash flows. The methodology and assumptions used for estimating both the amount and timing of future cash flows are reviewed regularly to reduce any differences between loss estimates and actual loss incurred. Please see the details in note 3.

c. Impairment of marketable securities

Marketable securities are measured at fair value. As a result there is no impairment of marketable securities as all instruments measured at fair value through profit or loss are not impaired. Prior to application of IFRS 9 these were available for sale financial assets.

d. Impairment of other financial assets

The Bank adopted an incurred loss approach to impairment. Impairment losses are incurred only if there is objective evidence of impairment as a result of occurrence of one or more past events since initial recognition.

Impairment exists when the carrying amount exceeds its recoverable amount and the asset is written down to the recoverable amount. Future cash flows on a group of financial assets that are collectively evaluated for impairment are estimated on the basis of historical loss experience for assets with characteristics similar to those in the group. Historical loss experience is adjusted on the basis of current observable data to reflect the effects of current conditions that did not affect the years on which the historical loss experience is based and to remove the effects of conditions in the historical period that do not exist currently.

Estimates of changes in future cash flows reflect, and are directionally consistent with, changes in related observable data from year to year (such as changes in unemployment rates, property prices, commodity prices, payment status, or other factors that are indicative of incurred losses in the Bank and their magnitude). The methodology and assumptions used for estimating future cash flows are reviewed regularly to reduce any differences between loss estimates and actual loss experience.

e. Fair value of financial instruments

Where the fair values of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of mathematical models. The input to these models is taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. The judgements include considerations of liquidity and model inputs such as correlation and volatility for longer dated derivatives and discount rates. Please see the details in Note 47.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

4. SIGNIFICANT ACCOUNTING JUDGEMENT AND ESTIMATES (Continued)

f. Useful lives of property and equipment

Pursuant to the requirements of IAS 16 (Property, Plant and Equipment) and IAS 8 (Accounting Policies, Changes in Accounting Estimates and Errors) the Bank makes accounting estimation of the useful lives of assets based on the expected pattern of consumption of the future economic benefits and reviews its depreciation rates at each reporting date.

g. Retirement benefit cost and termination benefits

Under IAS 19 measurement of scheme liabilities must be calculated under the projected unit credit method, which requires certain demographic and financial assumptions, including an assumption about future salary growth. A degree of judgement is required in establishing market yields, long term expectations, the notional contribution rate and other inputs used in the actuarial valuation. Please see the details in Note 52.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

5 INTEREST INCOME

Interest income from foreign operations relates to interest earned from investments in foreign fixed income securities, money market operations and foreign deposits.

Interest on domestic investments relates to interest earned from investments in United Republic of Tanzania government bonds, stocks and discounted treasury bills.

	30.06.2013			30.06.2012		
	Received TZS '000	Accrued TZS '000	Total TZS '000	Received TZS '000	Accrued TZS '000	Total TZS '000
From foreign operations						
GBP investments	4,860,546	4,014,128	8,874,674	8,211,966	3,495,780	11,707,746
USD investments	27,564,776	8,385,351	35,950,127	36,702,680	10,599,086	47,301,766
EUR investments	9,792,092	11,572,275	21,364,367	11,934,972	12,449,299	24,384,271
AUD investments	8,282,841	3,246,639	11,529,480	-	-	-
CNY investments	1,048,854	788,048	1,836,902	-	-	-
Other foreign interest income	290,869	-	290,869	940,384	-	940,384
	51,839,978	28,006,441	79,846,419	57,790,002	26,544,165	84,334,167
From domestic operations						
Interest on domestic investments	99,012,230	37,997,026	137,009,256	75,531,040	22,095,802	97,626,842
Interest on loans and advances	-	41,026,288	41,026,288	51,056,166	-	51,056,166
Interest on staff loans	220,956	-	220,956	1,522,026	-	1,522,026
	99,233,186	79,023,314	178,256,500	128,109,232	22,095,802	150,205,034
	151,073,164	107,029,755	258,102,919	185,899,234	48,639,967	234,539,201

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

5 INTEREST INCOME (Continued)

Classification of interest income arising from financial instruments is indicated below:

	30.06.2013	30.06.2012
	TZS '000	TZS '000
Income from instruments measured at fair value	79,846,419	84,334,166
Income from instruments measured at amortised cost	178,256,500	150,205,035
	<u>258,102,919</u>	<u>234,539,201</u>

6 INTEREST EXPENSES

	30.06.2013			30.06.2012		
	Paid	Accrued	Total	Paid	Accrued	Total
	TZS '000	TZS '000	TZS '000	TZS '000		
Interest on BoT liquidity papers	5,092,224	71,400,467	76,492,691	2,417,486	38,267,939	40,685,425
Interest on repurchase agreements	1,161,174	26,827	1,188,001	2,216,425	25,548	2,241,973
Charges on IMF Drawings	389,163	-	389,163	1,125,642	-	1,125,642
	<u>6,642,561</u>	<u>71,427,294</u>	<u>78,069,855</u>	<u>5,759,553</u>	<u>38,293,487</u>	<u>44,053,040</u>

The Bank issues 35-Day, 91-Day, 182-Day and 364-Day Treasury Bills to mop up excess liquidity in the economy. The interest expense arising from liquidity mop up activities is shared between the Bank and the Government of the United Republic of Tanzania in accordance with the sharing ratios agreed in Memorandum of Understanding (MOU) in force.





NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

7. FOREIGN EXCHANGE REVALUATION GAINS/(LOSSES)

During the year realized and unrealized net foreign exchange revaluation gains amounted to TZS 82,944.9 million. This amount has been included in the statement profit and loss in determining the Bank's profit for the year in order to comply with the requirements of IAS 21-Accounting for the Effects of Changes in Foreign Exchange Rates. Out of the total net foreign exchange revaluations gain, an amount of TZS 41,892.0 million relating to unrealised loss has been transferred to the foreign exchange revaluation reserve.

	30.06.2013 TZS '000	30.06.2012 TZS '000
Reconciliation of realized and unrealized foreign exchange revaluation		
Net realized foreign exchange revaluation gains/(losses) during the year	124,837,000	(120,003,007)
Add: Unrealized foreign exchange revaluation (losses)/gains during the	(41,892,007)	7,677,604
	82,944,993	(112,325,403)
Less: Opening balance	-	(41,219,947)
Net foreign exchange revaluation gains/(losses) during the year	82,944,993	(153,545,350)

8 NET UNREALISED (LOSSES)/GAINS ON FINANCIAL ASSETS FVTPL

Financial Assets -FVTPL (USD)	(32,169,627)	42,227,510
Financial Assets -FVTPL (GBP)	(7,063,638)	12,631,650
Financial Assets -FVTPL (EUR)	(12,190,359)	23,031,711
Financial Assets -FVTPL (AUD)	(2,702,695)	-
Financial Assets -FVTPL (CNY)	(988,838)	-
Total	(55,115,157)	77,890,871

This represents the net decrease/increase in fair value of the measured at fair value through profit and loss. The value of this balance aggregated to TZS 55,115.2 million loss as at 30 June 2013 (2012: 77,890.9 million gain).

9 FEES AND COMMISSION

	30.06.2013 TZS '000	30.06.2012 TZS '000
Commission on buying and selling foreign currency	19,166,136	32,603,158
Bureau de change application fees	230,000	250,546
Bureau de change registration fees	50,000	63,200
Banks and financial institutions applications/licensing fees	-	2,000
Bureau de change penalty fees	42,000	19,500
Tanzania Interbank Settlement System (TISS) fees and charges	1,493,317	627,507
Tender application fees	33,815	47,169
Clearing House fines and penalties	26,000	-
	21,041,268	33,613,080

Commission on buying and selling foreign exchange relates to income received from buying or selling foreign currency and funds transfers by SWIFT.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

10 RECOVERY OF IMPAIRMENT LOSS ON INVESTMENT IN ASSOCIATE COMPANY

	30.06.2013 TZS '000	30.06.2012 TZS '000
Reversal of impairment	344,571	-

During the year the Bank recovered its shares in Mwananchi Gold Company Limited amounting to TZS 344.6 million which was previously impaired.

11 RECOVERY FROM RECEIVABLES

Recovery from Economic Empowerment Funds	-	14,831,046
Recovery from Secured Loan to Mwananchi Gold Company Limited	-	10,542,007
	-	25,373,053

The Bank recovered the funds granted to National Microfinance Bank Limited and CRDB Bank PLC in favor of economic empowerment program in the financial year ended 30 June 2012. Further, following the decision by Mwananchi Gold Company Limited to dispose its landed property to raise funds, part of the amount collected was used to liquidate obligations due the Bank.

12 OTHER INCOME

	30.06.2013 TZS '000	30.06.2012 TZS '000
Foreign operations		
Realized gains on de-recognition of foreign currency marketable securities	963,693	869,603
Income from equity investment	112,441	119,810
Gains on inter-bank foreign exchange market (IFEM) operations	-	11,870,014
Miscellaneous income	328,673	150,842
	1,404,807	13,010,269
Domestic operations		
Income – domestic operations	430,750	1,529,674
Rental income from staff quarters	572,050	626,455
Income from hostel accommodation	63,057	77,293
Income from cafeteria operations	23,482	33,309
Realised gain on Mwananchi Gold Company Limited Shares	1,064,706	-
Miscellaneous income	639,403	296,333
	2,793,448	2,563,064
Total other income	4,198,255	15,573,333



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

7 FOREIGN EXCHANGE REVALUATION GAINS/(LOSSES)

During the year realized and unrealized net foreign exchange revaluation gains amounted to TZS 82,944.9 million. This amount has been included in the statement profit and loss in determining the Bank's profit for the year in order to comply with the requirements of IAS 21-Accounting for the Effects of Changes in Foreign Exchange Rates. Out of the total net foreign exchange revaluations gain, an amount of TZS 41,892.0 million relating to unrealised loss has been transferred to the foreign exchange revaluation reserve.

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Net realized foreign exchange revaluation gains/(losses) during the year	124,837,000	(120,003,007)
Add: Unrealized foreign exchange revaluation (losses)/gains during the year	(41,892,007)	7,677,604
	82,944,993	(112,325,403)
Less: Opening balance	-	(41,219,947)
Net foreign exchange revaluation gains/(losses) during the year	82,944,993	(153,545,350)

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Financial Assets -FVTPL (AUD)	(2,702,695)	-
Financial Assets -FVTPL (CNY)	(988,838)	-
Total	(55,115,157)	77,890,871

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Tender application fees	33,815	47,169
Clearing House fines and penalties	26,000	-
	21,041,268	33,613,080

Commission on buying and selling foreign exchange relates to income received from buying or selling foreign currency and funds transfers by SWIFT.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

10 RECOVERY OF IMPAIRMENT LOSS ON INVESTMENT IN ASSOCIATE COMPANY

	30.06.2013 TZS '000	30.06.2012 TZS '000
Reversal of impairment	344,571	-

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	-	25,373,053

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Income from equity investment	112,441	119,810
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Income from hostel accommodation	63,057	77,293
Income from cafeteria operations	23,482	33,309
Realised gain on Mwananchi Gold Company Limited Shares	1,064,706	-
Miscellaneous income	639,403	296,333
	2,793,448	2,563,064
Total other income	4,198,255	15,573,333



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

13 ADMINISTRATIVE EXPENSES

	30.06.2013	30.06.2012
	TZS '000	TZS '000
Board expenses	1,154,253	965,600
Transport and traveling expenses	6,756,061	6,671,341
Maintenance - computer, software and related expenses	6,819,803	5,741,459
Maintenance - furniture, machinery and equipment	835,904	2,520,434
Maintenance - bank premises	4,649,988	5,276,899
Legal and investigation expenses	470,488	544,335
Audit fees	670,000	659,858
Audit related expenses	41,474	182,839
Fees, rates and security expenses	2,539,286	2,093,350
Water and electricity	4,888,562	4,500,527
Telecommunication and postage	1,630,521	1,441,125
Printing, stationery and office supplies	1,342,892	1,328,298
Meetings, conferences and seminars	4,866,501	4,153,566
Hospitality	135,435	224,600
Budget and annual accounts preparation expenses	172,535	174,535
Insurance expenses	1,243,825	1,089,327
Other administrative expenses	1,286,916	1,151,226
	39,504,444	38,719,319

14 CURRENCY ISSUE AND RELATED EXPENSES

Notes printing and related expenses (see Note 31)	50,094,783	53,927,176
Coins minting and related expenses (see Note 31)	3,390,629	2,698,612
Cost of currency issued in circulation	53,485,412	56,625,788
Currency transport, storage and handling	2,199,771	1,577,004
Maintenance of currency machines	3,146,804	3,162,516
Other currency expenses	94,691	114,467
	58,926,678	61,479,775

The amount of TZS 53,485.4 million (2012: TZS 56,625.8 million) in respect of notes printing and coins minting and related expenses respectively, refers to the proportionately amortized portion of deferred notes printing and coins minting cost for the currency notes and coins that were issued into circulation during the year. The amount of TZS 2,199.8 million (2012: TZS 1,577.0 million) are in respect of inland currency distribution expenses that include; transportation, handling, storage, and other related expenses incurred and recognized in the profit and loss and other comprehensive income during the year.

A total of TZS 3,146.8 million (2012: TZS 3,162.5 million) was incurred during the year in respect of currency machines maintenance expenses. Other currency related expenses aggregated to TZS 94.7 million (2012: TZS 114.5 million).



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

15 PERSONNEL EXPENSES	30.06.2013	30.06.2012
	TZS '000	TZS '000
Staff salaries and allowances	59,436,067	56,300,555
Contribution to PPF scheme	7,213,967	6,551,041
Contribution to NSSF scheme	1,241,052	1,160,403
Staff medical expenses	3,018,208	3,466,256
Staff training expenses	4,473,178	4,068,789
Staff uniforms expenses	128,959	131,745
Tanzania Union for Industrial and Commercial (TUICO) expenses	361,512	293,656
Workers Council expenses	841,872	857,038
Course functions & field trips expenses	14,962	15,030
Travel on leave expenses	5,983,207	3,774,350
Condolence, survivors' benefits and related expenses	517,071	684,608
Motor vehicles expenses	632,937	356,371
Long term service awards	248,200	220,380
Management car maintenance and other related expenses	4,619,526	4,024,205
Furniture grant expenses	589,333	232,317
HR planning policies expenses	1,160,959	1,132,966
Cafeteria expenses	1,171,252	981,179
Defined benefits costs*	17,059,246	9,966,050
	108,711,508	94,216,939

*Included in the defined benefits cost are expenses resulting from actuarial valuation of the Defined Benefit Obligation amounting to TZS 5,518 million (2012: 8,931.4 million)

16 OTHER RECEIVABLES WRITTEN OFF	30.06.2013	30.06.2012
	TZS '000	TZS '000
Write off from other receivables	-	18,853

The write off charged to profit or loss for the year relates to outstanding items which could not be cleared through the normal accounting procedures.

17 OTHER EXPENSES	30.06.2013	30.06.2012
	TZS '000	TZS '000
Foreign operations		
Foreign reserve management expenses	1,344,924	1,234,623
Financial markets development expenses	1,068,889	993,910
Loss on inter-bank foreign exchange market (IFEM) operations	1,493,460	-
Commission and fees on foreign operations	109,452	77,543
Realized losses on de-recognition of foreign currency marketable securities	635,595	862,733
Amortized premium	7,511	-
	4,659,831	3,168,809



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

17 OTHER EXPENSES (Continued)

	30.06.2013 TZS '000	30.06.2012 TZS '000
Domestic operations		
Contribution to professional associations, charities	2,043,858	2,031,625
Contribution to national development programs/projects	815,177	1,187,997
Commission and fees on domestic operations	-	316,172
Contributions to other institutions	35,060	15,317
Subscriptions	71,851	89,917
	2,965,946	3,641,028
Cheques issued expenses	94,672	164,577
	7,720,449	6,974,414

Analysis of contributions and subscriptions

African Association of Central Banks and African R ural and Agriculture Credit Association	19,312	40,733
Contribution to National Board of Accountants and Auditors (NBAA) and National Board of Material Management (NBMM)	71,851	292,300
Promotion of Tanzania Economy Abroad and Other Foreign Institutions	15,719	127,820
Contribution to Establishment of Tanzania Agricultural Development Bank	-	486,981
Contribution to African Research Consortium	-	156,981
Contribution - Committee of Central Bank Governors (CCBG)	15,748	14,999
Tanzania Institute of Bankers	466,400	424,000
Deposit Insurance Board	214,708	229,662
Second Generation of Financial Sector Reforms	708,137	510,536
Monetary and Economic Financial Management Institute	531,711	521,250
Capital Markets and Securities Authority	504,000	480,000
Donations and Other Contributions	418,360	355,766
	2,965,946	3,641,028

18 IMPAIRMENT LOSSES

Impairment of property and equipment	-	1,596,587
Loans and receivables	-	5,316
	-	1,601,903

19 COMPONENTS OF OTHER COMPREHENSIVE INCOME

Revaluation gain on equity investments	4,968,233	-
Remeasurement of defined benefit	534,024	7,028,666
	5,502,257	7,028,666



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

20 CASH AND CASH EQUIVALENT

	30.06.2013 TZS '000	30.06.2012 TZS '000
Cash balances with Central Banks	1,142,130,526	1,437,714,727
Demand, time deposits with commercial banks and foreign currency notes and coins	625,692,750	40,524,405
Accrued interest on deposits	386,237	183,806
	1,768,209,513	1,478,422,938

Cash and Cash Equivalent consist of demand deposits; two-day notice accounts and time deposits with maturities of less than three months and carry interest at market rates.

Demand and time deposits with commercial banks and foreign currency notes and coins consist of:

Demand deposits	623,505,124	11,778,602
Foreign currency notes and coins	2,187,626	1,655,755
	625,692,750	13,434,357

21 ESCROW ACCOUNTS

Tegeta Escrow Account	35,598,461	34,724,738
Bank of Tanzania Escrow	7,812,395	7,634,689
	43,410,856	42,359,427

Tegeta Escrow Account TZS 35,598.5 million.

This represents funds held by the Bank in foreign exchange as escrow agent of the United Republic of Tanzania and Independent Power Tanzania Limited (IPTL). Such funds which are held in the Tegeta escrow account in foreign currency had been invested in money markets instruments with a maturity not exceeding one year in accordance with the Escrow Agreement in force. As at 30 June 2013 the account had a balance of USD 22.2 million equivalent to TZS 35,598.5 million (2012: USD 22.1 million equivalent to TZS 34,724.7 million).

Bank of Tanzania Escrow TZS 7,812.4 million.

This account was opened under the memorandum of economic and financial policies arrangement of the United Republic of Tanzania Government. Under the arrangement it was agreed to establish an external escrow account into which the URT Government would pay a significant portion of the estimated debt service due to the relevant group of non-Paris creditors. The URT Government deposits the funds into the account pending agreement with creditors. In line with the arrangement, the funds are available to confirmed creditors.

The Government had deposited funds into the account only once way back in March 2003 USD 5.0 million equivalent to TZS 5,256.0 million. Some of the funds were utilized to settle due obligations before financial crises. The balance on the account earns interest. As at 30 June 2013 the account had a balance of USD 4.9 million equivalent to TZS 7,812.4 million (2012: USD 7.8 million) equivalent to TZS 7,634.7 million.

22 ITEMS IN COURSE OF SETTLEMENT

	30.06.2013 TZS '000	30.06.2012 TZS '000
BoT Net Clearing Account	1,456,137	34,815,938

This balance represents values of outward clearing instruments, which are held by the Bank while awaiting clearing by respective commercial banks. It includes values of clearing instruments such as inward and outward items and cheques deposited into Government accounts for settlement of various obligations in accordance with the rules and regulations as set out by each clearing centre.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

23 INTERNATIONAL MONETARY FUND (IMF) RELATED BALANCES

	30.06.2013		30.06.2012	
	Equivalent SDR '000	Equivalent TZS '000	Equivalent SDR '000	Equivalent TZS '000
Assets				
Holding of SDRs	153,632	370,513,006	158,660	369,525,297
Quota in IMF	198,900	479,683,371	198,900	471,393,438
	352,532	850,196,377	357,560	840,918,735
Liabilities				
IMF Account No. 1	188,900	455,312,514	188,900	431,550,931
IMF Account No. 2	3	6,358	3	6,025
	188,903	455,318,872	188,903	431,556,956
Allocation of SDRs	190,510	459,452,774	190,510	451,512,468
	379,413	914,771,646	379,413	883,069,424

Relationship

The Bank is the fiscal and depository agent of United Republic of Tanzania for transactions with the International Monetary Fund (IMF). Financial resources availed to Tanzania by the Fund are channeled through the Bank. Repayment of the IMF loans as well as charges is the responsibility of the Bank.

Currency of Transactions with the IMF

Borrowings from and repayments to the IMF are denominated in Special Drawing Rights (SDRs). The SDR balances in IMF accounts are translated into TZS and any unrealized gains or losses are accounted for in profit and loss account in accordance with IAS 21- (*Effects of changes in foreign exchange rates*).

Quota in IMF, Interest and Charges

Borrowings from the related Tanzania's quota are non interest bearing with no stated maturity, while borrowings from the General Resources Account of the IMF bears interest at rates set by the IMF on a weekly basis and are repayable according to the repayment schedules of the agreement. The interest rate as at 30 June 2013 was 0.8 percent (2012: 2.8 percent). A total of SDR 198.9 million equivalent to TZS 479,683.4 million (2012: SDR 198.9 million equivalent to TZS 471,393.4 million), is the Tanzania's quota in the IMF representing the reserve tranche held with the IMF. On a quarterly basis, the IMF pays remuneration (interest) to those members who have a remunerated reserve tranche position at a 1.9 percent to 2.33 percent annual floating rate.

Participation in the HIPC Initiative

The United Republic of Tanzania enjoys a debt relief program under the Highly Indebted Poor Countries (HIPC) initiative. Accordingly, the IMF administers a donor-contributed Fund in the form of a PRGF-HIPC Trust Umbrella Account for Tanzania. The facility is used to settle part of Tanzania's PRGF Loans as and when they fall due. As at 30 June 2013, the facility had a nil balance.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

24 FOREIGN CURRENCY MARKETABLE SECURITIES

These are financial assets consisting of foreign currency marketable securities that are internally managed and portfolio externally managed by the World Bank Treasury under a special program known as Reserve Advisory Management Program (RAMP). Majority of such securities are sovereign issues with a minimum credit rating of AA, bearing fixed interest and specified maturities. The balance of this reserve was as follows:

	30.06.2013 TZS '000	30.06.2012 TZS '000
Marketable Securities	4,756,786,209	4,000,348,340
Accrued interest	27,620,204	27,308,744
Total	4,784,406,413	4,027,657,084

Analysis of foreign currency marketable securities by concentration into sovereign issues, supranational securities and agency securities:

	30.06.2013 TZS '000	30.06.2012 TZS '000
Sovereign Issues		
USD	2,778,446,677	2,098,348,285
GBP	312,649,698	257,951,030
EUR	780,562,807	819,415,604
AUD	269,293,846	-
CNY	114,088,796	-
	4,255,041,824	3,175,714,919
Supranational Securities		
USD	217,196,958	191,638,586
GBP	25,651,852	18,542,831
EUR	84,684,562	54,476,312
AUD	12,897,888	-
	340,431,260	264,657,729
Agency Securities		
USD	108,785,587	516,451,366
GBP	15,269,661	15,255,650
EUR	37,257,877	28,268,677
	161,313,125	559,975,693
Total investments		
USD	3,104,429,222	2,806,438,237
GBP	353,571,211	291,749,511
EUR	902,505,246	902,160,593
AUD	282,191,734	-
CNY	114,088,796	-
Accrued interest	27,620,204	27,308,743
	4,784,406,413	4,027,657,084



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

25 EQUITY INVESTMENTS

	30.06.2013 TZS '000	30.06.2011 TZS '000
Equity investment in Afreximbank	7,056,734	1,882,698
Equity investment in SWIFT	279,964	306,327
	7,336,698	2,189,025

Equity investment in Afreximbank: TZS 7,056.7 million (2012: TZS 1,882.7 million)

The African Export-Import Bank (Afreximbank) is a supranational institution, established on 27 October 1993. The Bank holds an investment in the equity of Afreximbank. Afreximbank is a grouping of regional central banks and financial institutions designed to facilitate intra and extra African trade. The Bank's authorized equity interest in Afreximbank is 300 ordinary shares of par value of USD 10,000 each. As at 30 June 2013 the Bank paid a total of USD 1,200,000 (2012: USD 1,200,000). The proportion of the Bank equity interest to the total holding in this bank is 0.4 percent. These shares are measured at fair value through other comprehensive income.

Equity Investment in SWIFT: TZS 280.0 million (2012: TZS 306.3 million)

Society for Worldwide Interbank Financial Telecommunications (SWIFT) (the "Company") is a company founded in Brussels in 1973 to provide a network that enables financial institutions worldwide to send and receive information related to financial transactions in a secure, standardised and reliable environment.

SWIFT members hold interest in the cooperatives through shares. The Company manages the shares through the reallocation principle defined in its By-laws and general membership rules.

During the year ended 30 June 2013, there was no allocation of shares. During the year ended 30 June 2012, the Bank was allocated and paid for 47 shares with face value of EUR 3,300 each. The allocation was based on the volume of messages the Bank has sent and received through SWIFT.

The number of shares allocated to each member is determined at least after every three years according to the by laws of the Company and is proportional to the annual contributions paid for the network based services to the company. The members have the obligation to give up or take up the resulting change in shares. The by laws of the Company state that shares are only reimbursed when a member resigns, or when a member has to give up shares following reallocation. This Bank's investment is measured at fair value through other comprehensive income.

26 GOVERNMENT SECURITIES

	30.06.2013 TZS '000	30.06.2012 TZS '000
SSStocks	51,336,808	51,336,808
Treasury Bills	13,881,700	50,440,333
Special Treasury Bonds	1,188,148,228	720,853,823
Treasury EPA Stock	205,743,889	205,743,889
	1,459,110,625	1,028,374,853
Accrued interest	37,997,026	22,095,803
	1,497,107,651	1,050,470,656

The Bank holds various government fixed and variable income securities issued by the United Republic of Tanzania Government. Treasury special stocks and bonds are issued at face value, discount or premium. Treasury stocks are issued at a fixed coupon.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

26 GOVERNMENT SECURITIES (Continued)

Stocks

Advances granted to the Government which were to be repaid at the end of financial year 1994 were converted into five years 25% Special Stock 1993/98 of TZS 42,243.0 million. Thereafter in 1999 the stock plus the earned interest were restructured into two stocks namely 15% Special Treasury Stock 2018/19 with face value of TZS 51,333 million and 15% Special Treasury Stock 2012/13 with face value of TZS 3.5 million. The stocks have semi annual coupon payments.

Treasury Bills

This represents treasury bills discounted to the Bank. As at 30 June 2013 treasury bills discounted was TZS 13,881.7 million (2012: TZS 50,440.3 million)

Special Treasury Bonds

Treasury Special Bonds are long-term coupon instruments issued at fixed and variable coupon for Government financing. With exception of a bond with face of TZS 160,475.0 million (2012 balance after redemption TZS 9,800 million) other remaining bonds with a value of TZS 1,027,673.2 million have fixed coupon rate and the semi annual interest arising thereof forms part of the Bank's interest income.

The 10 Year Special Government Bonds 2009/2019 with a face values of TZS 150,000.0 million and TZS 323,000 million were issued on 2nd June 2009. The issue was made in accordance with Section 34, 35 and 69 of the Bank of Tanzania Act, 2006. The bonds carry an annual coupon of 8.0 percent payable semi annually. The purpose of the bond was to bridge Government revenue shortfall mainly attributed to the impact of the global financial crisis to the economy.

Other Special bonds of TZS 155,000 million with floating interest rate based on the prevailing average yield to maturity for 5 years with a cap of 14.92 percent issued by the Government to finance horticultural expansion project in Arusha.

The 5 years Special Government bond 2010/2015 with face value of TZS 5,475.0 million was rolled over from 5 years Government Bond with face value of TZS 36,500.0 million which matured in December 2010. This bond bears floating interest rate based on the prevailing average yield to maturity for 5 years with a cap of 14.92 percent. It is redeemed semi annually.

The Government issued a 10 year bond of face value 85,188.8 million which was rolled over from Loan Advances Realisation Trust (LART) Bonds on 30 June 2011. It carries 11 per cent interest payable semi-annually on 30 June and 31 December.

On 12 October 2012, the Government issued a 10-Year 2012/2022 Special Bond with a face value TZS 469,484.4 million with interest of 11.44 percent payable semi annually. The bond aimed at redressing the accumulated deficit position of the United Republic of Tanzania Government as at 30 June 2012.

The value of Special Bonds as at 30th June 2013 was TZS 1,188,148.2 million (2012: TZS 720,853.8 million).

Treasury EPA Stock

Treasury EPA Stocks represent External Payment Arrears (EPA) that date back to 1980's when the defunct National Bank of Commerce (NBC) had external commercial obligations that were in arrears for lack of foreign exchange. These were later on transferred to the Bank to facilitate their administration and control. According to the arrangement of sharing such obligations, the externalization of EPA obligations is done on the basis of agreed exchange rates. The exchange rate differential between the TZS exchange rate prevailing when the beneficiaries are paid and the rate ruling when the funds were initially deposited to the commercial banks resulted into exchange losses, which are recoverable from the Government. However, as the Government could not in the short term raise the required levels of TZS to compensate the Bank for the losses, the Government had given approval to convert the reported amount of EPA losses into EPA stocks.

The Government has effective from 1 August 2008 reissued two EPA Special Stocks namely EPA Special Stock 2002/2052 and EPA Special Stock 2005/2055 with values of TZS 4,352.8 million and TZS 65,646.1 million and replaced them with EPA Special Stock 2008/18 and EPA Special Stock 2008/23 respectively. Their tenures were reviewed from 50 years and 55 years to 10 years and 15 years with annual coupons of 7.5 percent and 8.0 percent payable semi-annually respectively. Furthermore, on 1 August 2008 the Government issued EPA Special Stock with face value of TZS 135,745.1 million to accommodate external payment arrears exchange losses incurred up to 31 December 2007. The stock has a maturity of 20 years with annual coupon of 8.5 percent payable semi annually. As at 30 June 2013 the aggregate position of Special EPA stocks was TZS 205,743.9 million (2012: TZS 205,743.9 million).



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

27 ADVANCES TO THE GOVERNMENT

	30.06.2013 TZS '000	30.06.2012 TZS '000
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Advances to the Government (URT) Note 37	75,456,879	283,004,718
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As at 30 June 2013, the overall United Republic of Tanzania (URT) Government position ended with a net deficit balance of TZS 75,456.9 million as summarised under Note 37. This position was attributable to overdrawn URT Government voted accounts. Advances were made in line with Section 34 of the Bank of Tanzania Act, 2006 and were solely for the purpose of providing temporary financial accommodation to the URT Government. Such advances bear interest at rates equivalent to the weighted average yield of short term maturities in accordance with as determined by the Bank in accordance with the Bank of Tanzania Act, 2006 and are repayable within one hundred and eighty days. Interest charged on advances amounted to TZS 41,026.3 million (2012: TZS 51,056.2 million).

28 LOANS AND RECEIVABLES

	30.06.2013 TZS '000	30.06.2012 TZS '000
--	------------------------	------------------------

Staff loans and advances	41,029,865	42,852,322
Accounts receivable	143,670,509	128,858,838
Secured loan to Mwananchi Gold Company Limited	-	10,593,102
Cash loss recoverable from NBC Limited	5,144,000	5,144,000
Intermediary accounts receivable	3,108,684	1,396,167
	192,953,058	188,844,429
Less: Write off	-	(18,853)
Provision for impairment	(5,744,557)	(5,724,831)
	187,208,501	183,100,745

Analysis of impairment by line items

Staff loans and advances	199,255	199,255
Accounts receivable	401,302	381,575
Cash loss recoverable from NBC Limited	5,144,000	5,144,000
	5,744,557	5,724,830

Movement in provision for impairment

Balance at the beginning of the year	5,724,830	40,905,639
Additional impairment on accounts receivable	39,453	5,316
Reversal during the year	(19,726)	(25,375,711)
Write-offs	-	(9,810,414)
Balance at the end of the year	5,744,557	5,724,830



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

28 LOANS AND RECEIVABLES (Continued)

The Bank did not pledge any loans and receivables as securities against liabilities in 2013 and 2012.

(a) Accounts Receivable: TZS 143,670.5 million.

Accounts receivable represent short term claims and which are expected to be recovered within a period not exceeding twelve months and outstanding transactions made on trade date. As at 30 June 2013, the account had a balance of TZS 143,670.5 million (2012: TZS 128,858.8 million). Major components under Accounts Receivable include the following: -

(i) Liquidity Management Receivable: TZS 41,746.7 million.

Included under accounts receivable is TZS 41,746.7 million (2012: TZS 21,432.9 million) relating to 2012/13 URT Government share in respect of liquidity management costs. The URT Government and Bank of Tanzania share of liquidity management cost is based on the formula contained in the Memorandum of Understanding in force.

(ii) Interest Receivable on overdrawn Government accounts: TZS 62,223.4 million.

During the year the URT Government net position was overdrawn by TZS 75,456.9 million (2012: TZS 283,004.7 million). Pursuant to Section 34 of the Bank of Tanzania Act, 2006, an amount of TZS 51,056.2 million was charged to the Government as interest on overdrawn position. Accordingly, interest aggregating to TZS 62,223.4 million is outstanding at 30 June 2013 (2012: 40,012.9).

(b) Staff Loans and Advances: TZS 41,029.9 million.

Employees of the Bank are entitled to loans and advances as approved in accordance with the Bank's Staff By - Laws and Financial Regulations in force. Staff loans are granted to employees to assist them in acquisition of residential houses, motor vehicles, computers and furniture. Staff advances are financial accommodation granted to employees to meet short term financial obligations. The advances/loans are granted at preferential rates of interest determined by the Bank presently at 5 percent fixed over the period of the loan. These loans and advances are recovered from the employees' salaries on a monthly basis. The facilities are secured against the borrowers' employment and terminal benefits. As at 30 June 2013 the balance of staff loans and advances was TZS 41,029.9 million (2012: TZS 42,840.9 million).

29 INVENTORIES

	30.06.2013 TZS '000	30.06.2012 TZS '000
The inventory balance consists of the following:		
Currency machine spare parts	2,109,581	3,618,077
Building, machinery and maintenance consumables	770,855	672,006
Stationery	394,213	337,333
Drugs and medicines	124,224	123,814
Copier parts and consumables	318,481	312,923
Inventory in Transit	-	11,697
Cheque books	365,558	388,231
ICT accessories and consumables	326,198	355,115
	4,409,110	5,819,196

All inventories held by the Bank as at 30 June 2013 were for the internal consumption and not intended for sale.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

30 INVESTMENT IN ASSOCIATE COMPANY

In June 2013, the Bank recovered its holdings of 3,000 unquoted ordinary shares of Mwananchi Gold Company Limited each with a par value of USD 40 which were impaired in 2006/07. Holding was equivalent to 35 percent of the total MGC Ltd shares.

MGC was a Limited liability locally registered company whose principal activities include to:

- Establish precious metals refinery plant's in Tanzania
- Buy unrefined and/or refined precious metals
- Keep in safe custody unrefined and refined precious metals
- Sell directly as broker of refined metals.

The investment in associate balance consists of the following:

	30.06.2013	30.06.2012
	TZS '000	TZS '000
Investment in Mwananchi Gold Company Limited	-	337,317
Share of Loss of Mwananchi Gold Company Limited	-	(337,316)
	<u>-</u>	<u>1</u>

Following unsatisfactory performance by the MGC Limited, the operations ceased in 2007.

Since its cessation efforts to revamp the company failed, the Board of the company agreed in principle, to pursue a scheme of arrangement with a view of bringing the operations of the company to an end in order to minimise further losses. The company has been placed under voluntary liquidation which will see the Bank realise its equity and finally complete the withdrawal of its stake in the company. The liquidation process is expected to be completed before the end of financial year 2013/14.

31 DEFERRED CURRENCY COST

The balance under this account represents deferred notes printing and coins minting expenses relating to costs of printed notes and minting coins that have not yet been released in circulation. During financial year 2012/13, the movement on deferred currency cost balance was as follows:

	30.06.2013	30.06.2012
	TZS '000	TZS '000
Balance as at the beginning of the year	139,540,818	64,169,465
Add: Cost of currency received during the year	52,391,206	131,997,141
Less: Cost of currency issued in circulation (Note 14)	(53,485,412)	(56,625,788)
Balance as at the end of the year	<u>138,446,612</u>	<u>139,540,818</u>

32 OTHER ASSETS

Prepayments	7,099,375	12,452,571
Export Credit Guarantee Fund investments account	52,955,305	49,314,111
SME contribution investment account	6,914,823	6,736,225
Staff Housing Fund investment account	1,972,198	-
Accrued Interest on ECGS investment	2,890,416	2,026,733
Development Finance Guarantee investments account	6,276,042	5,896,996
Staff imprest	3,033,356	1,643,598
Petty cash balances	71,500	66,500
Mwalimu J.K. Nyerere Memorial Scholarship		
Fund investments account	1,910,517	1,577,865
Others	97,786	311,260
	<u>83,221,318</u>	<u>80,025,859</u>
Less: Provision for impairment	(44,754)	(38,157)
	<u>83,176,564</u>	<u>79,987,702</u>



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

32 OTHER ASSETS (Continued)

Analysis of impairment by lines

	30.06.2013 TZS '000	30.06.2012 TZS '000
Prepayments	44,753	38,157

Movement in provision for impairment

During the year there was no additional impairment relating to other assets. The movement of impairment is indicated below:

	30.06.2013 TZS '000	30.06.2012 TZS '000
Balance at the beginning of the year	38,157	38,157
Transfer of impairment from loans and receivables	6,596	-
Balance at the end of the year	44,753	38,157

(i) Prepayment: TZS 7,099.4 million

The balance under prepayment for the year ending 30 June 2013 mainly covers TZS 3,404.6 million paid to Nandra Engineering and Construction Company Ltd as advance payment for construction of the Bank's branch in Mtwara, TZS 1,350.9 million paid to M/s Giesecke and Devrient FZE as advance payment for maintenance of currency machines and TZS 927.1 million paid to De La Rue Currency of United Kingdom for supply of currency notes (2012: TZS 4,635.4 million and TZS 6,022.9 million) paid to De La Rue Currency of United Kingdom and M/S CRANE AB of Sweden as advance payments for supply of currency notes respectively in accordance with the contract in force).

(ii) Export Credit Guarantee Investment Account: TZS 52,955.3 million

The balance represent funds invested in Treasury Bills in respect of Export Credit Guarantee Scheme fund. As at 30 June 2013 the account had a balance of TZS 52,955.3 million (2012: TZS 49,314.1 million).



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

33 PROPERTY AND EQUIPMENT

	Land and buildings	Machinery & equipment	Motor vehicles	Fixtures & fittings	Computers, servers & printers	Capital work in progress	Total
	TZS '000	TZS '000	TZS '000	TZS '000	TZS '000	TZS '000	TZS '000
Cost/valuation							
At 01 July 2012	691,988,955	208,984,088	14,269,395	7,195,524	15,502,796	37,463,062	975,403,820
Reclassification	(500,000)	(100,541)	-	-	-	600,541	-
Write off	(5,000)	-	(276,501)	-	10,000	-	(271,501)
Additions	1,273,931	1,218,917	1,771,537	216,156	808,065	8,915,795	14,204,401
Disposal	-	(209,535)	-	(16,006)	(628,488)	-	(854,029)
Transfers**	2,070,320	16,908,668	-	-	-	(18,978,988)	-
At 30 June 2013	694,828,206	226,801,597	15,764,431	7,395,674	15,692,373	28,000,410	988,482,691
Accumulated depreciation							
At 01 July 2012	7,155,274	134,211,636	6,378,420	4,466,093	10,463,597	-	162,675,020
Write off	(5,000)	(689)	(276,501)	-	10,000	-	(272,190)
Charges for the Year	5,667,199	23,527,298	1,028,248	880,676	1,601,018	-	32,704,439
Disposal	-	(192,626)	-	(14,330)	(591,431)	-	(798,387)
At 30 June 2013	12,817,473	157,545,619	7,130,167	5,332,439	11,483,184	-	194,308,882
Net Book Value							
At 30 June 2013	682,010,733	69,255,978	8,634,264	2,063,235	4,209,189	28,000,410	794,173,809

There were neither amounts nor restrictions on title of property and equipment held by the Bank as at 30 June 2013.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013 (Continued)**

33 PROPERTY AND EQUIPMENT (Continued)

<u>Cost/valuation</u>	Land and buildings TZS '000	Machinery & equipment TZS '000	Motor vehicles TZS '000	Fixtures & fittings TZS '000	Computers, servers & printers TZS '000	Capital work in progress TZS '000	Total TZS '000
At 01 July 2011	690,185,000	208,112,309	9,008,187	6,855,271	13,482,596	29,866,243	957,509,606
Additions	1,478,955	728,854	5,440,772	302,803	2,118,228	8,754,120	18,823,732
Disposal	(175,000)	(135,015)	(456,065)	(53,978)	(57,494)	-	(877,552)
Transfers**	-	177,398	-	91,428	(40,535)	(556,759)	(328,468)
At 30 June 2012	691,488,955	208,883,546	13,992,894	7,195,524	15,502,795	38,063,604	975,127,318
<u>Accumulated depreciation and impairment</u>							
At 01 July 2011	-	107,700,169	5,810,026	3,269,685	9,052,278	-	125,832,158
Charges for the Year	5,637,133	26,633,167	686,653	1,397,175	1,488,085	-	35,842,213
Disposal	(1,859)	(108,719)	(394,761)	(48,395)	(50,395)	-	(604,129)
Impairment	1,515,000	84,779	-	-	-	-	1,599,779
Transfers	5,000	(97,760)	-	(152,372)	(26,371)	-	(271,503)
At 30 June 2012	7,155,274	134,211,636	6,101,918	4,466,093	10,463,597	-	162,398,518
<u>Net book value</u>							
At 30 June 2012	684,333,681	74,671,910	7,890,976	2,729,431	5,039,198	38,063,604	812,728,800





NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

33 PROPERTY AND EQUIPMENT (Continued)

Property and equipment (movable) are stated at cost less accumulated depreciation and impairment losses if any. Bank's immovable properties (buildings) are stated in the financial statements at revalued amounts (fair values) less accumulated depreciation and impairment losses if any. If were measured using the cost model, the carrying amounts of land and buildings would be as follows.

Details

	30.06.2012	30.06.2011
	TZS '000	TZS '000
Cost	751,684,832	694,905,081
Accumulated depreciation and impairment	10,470,028	11,138,328
Carrying amount	741,214,804	683,766,753

Effective financial year 2007/8 valuation of the Bank's immovable property is conducted after five years. The last revaluation on the ,the Bank's immovable properties were valued on 30 June 2011 by EMACK (T) Limited., a professional registered valuation firm.

Work- in - progress relates to capital expenditure incurred in the extension of the Arusha office building, Mbeya and ,Currency shelves for Head Office and Zanzibar and currency processing machines. No depreciation is charged on capital work in progress until it is substantially completed. Based on the assessment made by the project quantity surveyors, it is anticipated that the above projects will be completed during financial year ending 30 June 2014.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013 (Continued)**

33 PROPERTY AND EQUIPMENT (Continued)

Reconciliation of items disposed during the period by class of assets

Loss on Disposal of Property and Equipment

CLASS OF ASSET	Cost	Accumulated	Cost of	Cash proceeds	30.06.2013	30.06.2012
	TZS'000	Depreciation TZS'000	disposal TZS'000	TZS'000	Net gain/loss TZS'000	Net gain/loss TZS'000
Land and buildings	-	-	-	-	-	(173,141)
Machinery & equipment	165,587	152,867	7	936	11,791	(15,316)
Motor vehicles	-	-	-	-	-	(5,778)
Fixtures & fittings	-	-	-	-	-	8,019
Computers, servers & printers	572,156	538,001	54	7,193	27,016	34,622
	737,743	690,868	61	8,129	38,807	(151,594)





NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

34 INTANGIBLE ASSETS

	Computer software TZS '000	Computer software - WIP TZS '000	Total TZS '000
2013			
<u>Cost</u>			
At 01 July 2012	22,899,956	161,861	23,061,817
Additions	260,477	576,724	837,201
Transfers	-	-	-
At 30 June 2013	23,160,433	738,585	23,899,018
<u>Accumulated amortisation</u>			
At 01 July 2012	17,280,861	22,691	17,303,552
Charges for the year	2,595,594	-	2,595,594
At 30 June 2013	19,876,455	22,691	19,899,146
<u>Net book value</u>			
At 30 June 2013	3,283,978	715,894	3,999,872
2012			
<u>Cost</u>			
At 01 July 2011	18,767,396	4,195,712	22,963,108
Additions	71,052	27,657	98,709
Transfers	4,061,508	(4,061,508)	-
At 30 June 2012	22,899,956	161,861	23,061,817
<u>Accumulated amortisation</u>			
At 01 July 2011	14,001,598	22,691	14,024,289
Charges for the year	3,279,263	-	3,279,263
At 30 June 2012	17,280,861	22,691	17,303,552
<u>Net book value</u>			
At 30 June 2012	5,619,095	139,170	5,758,265



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

35 CURRENCY IN CIRCULATION

	30.06.2013	30.06.2012
	TZS '000	TZS '000
Notes		
Notes issued	7,217,434,302	7,391,390,265
Less: Notes in Custody	(4,229,072,111)	(4,730,494,329)
Notes in Circulation (A)	<u>2,988,362,191</u>	<u>2,660,895,936</u>
Coins		
Coins issued	58,518,810	54,934,265
Less: Coins in Custody	(16,759,944)	(10,606,655)
Coins in Circulation (B)	<u>41,758,866</u>	<u>44,327,610</u>
	<u>3,030,121,057</u>	<u>2,705,223,546</u>

Currency in circulation represents the face value of notes and coins in circulation. Notes and coins held by the Bank as cash in main vault, intermediary vault and cashier/teller at the end of financial year have been netted off against the liability for notes and coins in circulation because they do not represent currency in circulation.

Furthermore, included under notes and coins in circulation figure of TZS 3,030,121.1 million, (2012: TZS 2,705,223.5 million) is the face value of TZS 99,386.9million representing banknotes that were phased out in 2003. These notes represent the liability of the Bank and are exchangeable at the Bank's counters.

36 DEPOSITS - BANKS AND NON - BANK FINANCIAL INSTITUTIONS

	30.06.2013	30.06.2012
	TZS '000	TZS '000
Deposit - commercial bank deposits		
Clearing	288,567,540	717,441,524
SMR	1,586,060,245	1,145,789,048
Domestic Banks Foreign Currency Deposits	340,100,698	153,567,983
Sub Total	<u>2,214,728,483</u>	<u>2,016,798,555</u>
Deposits - Non bank financial institutions		
Clearing	2,145,171	18,924,954
SMR	4,126,090	-
Domestic Non Banks Foreign Currency Deposits	3,876,344	1,632,398
Sub Total	<u>10,147,605</u>	<u>20,557,352</u>
Total Deposits	<u>2,224,876,088</u>	<u>2,037,355,907</u>

Statutory minimum reserve (SMR) is a statutory ratio for monetary policy. Commercial banks are required to hold at the Bank of Tanzania a prescribed percentage of their total deposits as prescribed in circular No.1



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

37 DEPOSITS - GOVERNMENTS

	30.06.2013 TZS '000	30.06.2012 TZS '000
Deposits - Voted		
URT Government	(263,866,358)	(528,973,745)
SMZ Government	(8,589,455)	4,324,434
Sub Total	(272,455,813)	(524,649,311)
Deposits - Un-voted		
URT Government	195,239,793	245,969,027
SMZ Government	1,759,141	4,574,884
Sub Total	196,998,934	250,543,911
Total URT Government	(68,626,565)	(283,004,718)
Total SMZ Government	(6,830,314)	8,899,318
Deposit Governments (Net)	(75,456,879)	(274,105,400)

As at 30 June 2013 the position of the Government of the United Republic of Tanzania (URT) and Revolutionary Government of Zanzibar (SMZ) voted accounts were overdrawn by TZS 263,868.4 million and TZS 8,589.5 million respectively. Pursuant to the provision of Section 34 of the Bank's Act, a total of TZS 41,026.3 million (2012: TZS 51,056.2 million) was charged during the year ended 30 June 2013 as interest on overdrawn Governments position in various periods at the interest rate equal to the average monthly rates charged on treasury bills. Government deposit balances are non-interest earning. The overdrawn position as at 30 June 2013 amounting to TZS 75,456.9 million (2012: TZS 283,004.7 million) has been reported as advance to the Government.

	30.06.2013 TZS '000	30.06.2012 TZS '000
38 DEPOSITS - OTHERS		
Export Credit Guarantee Fund	56,712,431	52,139,825
Small and Medium Enterprises Guarantee Fund	7,594,640	6,773,745
Redemption of Government Stock/Bonds	38,335	38,335
Tegeta Escrow	1,664,624	124,232,287
Development Finance Guarantee Fund	6,793,558	6,137,688
Debt Service cash cover	1,548,269	9,533,664
Deposit staff	9,380,278	6,484,876
Debt Conversion Scheme	2,098,960	2,098,960
Bank drafts issued	587,262	385,909
Deposit Insurance Fund	219,259	11,933,644
Economic Empowerment Programme	1,712,780	1,327,725
Tanzania Agriculture Development Bank	60,000,000	60,000,000
Mwalimu Julius K Nyerere Memorial Scholarship Fund	2,292,623	1,715,703
Mwananchi Gold Company Limited	4,947,083	-
Government obligations settlements	40,111,896	48,533,152
Miscellaneous deposits	319,783	510,308
	196,021,781	331,845,821
External Payment Arrears – NBC	2,288,419	2,288,418
	198,310,200	334,134,239



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

38 DEPOSITS - OTHERS (Continued)

Tegeta Escrow TZS Sub Account: TZS 1,664.6 million.

The Bank is a party to an ESCROW arrangement between Tanzania Electric Supply Company (TANESCO) and Independent Power Tanzania Limited (IPTL) for power purchase payments in favor of IPTL. The Bank receives deposits from TANESCO for such monthly power disputed bills claimed by IPTL.

During the year ended 30 June 2013 the Bank received TZS 16,500.0 million being deposits from TANESCO in respect of disputed claims from IPTL. In accordance with the ESCROW agreement, an amount of TZS 139,067.7 million was invested in Government financing papers (Treasury Bills) with tenure of 182 days. TANESCO and IPTL are still engaged in a legal tussle on the capacity charges, following disagreement in the interpretation of the Power Purchase Agreement (PPA). Resolution of the dispute will address the question of ownership of the funds that are held in the Escrow Account. As at 30 June 2013 the account had an net uninvested balance of TZS 1,664.6 million (2012: TZS 124,232.3 million). Details are as shown below:

	30.06.2013 TZS '000	30.06.2012 TZS '000
Balance as at the beginning of the year	124,232,287	105,969,256
Fund deposited	16,500,000	18,263,031
Funds invested in Treasury Bills	(139,067,663)	-
Balance as at end of the year	1,664,624	124,232,287

Development Finance Guarantee Fund: TZS 6,793.6 million.

Development finance guarantee fund consists of the following:

Capital contribution by the Government	56,500,000	59,148,895
Interest on refinancing loans	20,054,161	9,997,144
Interest earned on treasury bills	3,304,765	7,640,908
Sub Total	79,858,926	76,786,947
Less: Loans issued for refinancing facility	(73,065,368)	(70,649,259)
Net balance	6,793,558	6,137,688

Development Finance Guarantee Fund: TZS 6,793.6 million.

The Fund was established by the Government of the United Republic of Tanzania with the purpose of financing development projects that manufacture products for export purposes. The Government has taken such measure to support development of financing infrastructure in the economy that improve credit environment to exporters with viable export businesses but lacking adequate collateral to secure bank financing.

As at 30 June 2013, Government Capital contribution made in Financial Years 2003/04 and 2005/06 to the Fund amounted to TZS 56,500.0 million. Interest received and accrued on refinancing and restructured loans aggregated to TZS 15,232.2 million (2012: TZS 12,816.1 million) while a total of TZS 3,304.8 million (2012: TZS 2,648.9 million)was earned as interest aggregated from the funds invested in treasury bills. A total of TZS 73,065.4 million (2012:70,649.3 million) has so far been issued as loans for refinancing facilities to flowers and vegetable export companies. As at 30 June 2013 the Fund had a balance of TZS 6,793.6 million (2012: TZS 6,137.7 million)

Government Obligations Settlement: TZS 40,111.9 million

This represents Government cash cover in order to settle forex obligations. As at 30 June 2013 such funds aggregated to TZS 40,111.9 million (2012:TZS 48,533.2 million).



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

38 DEPOSITS - OTHERS (Continued)

Export Credit Guarantee Fund: TZS 56,712.4 million.

The balance under this fund consists of the following

	30.06.2013	30.06.2012
	TZS '000	TZS '000
Export Credit Guarantee Fund	64,392,856	57,202,715
Less: ECGS Receivable	(7,680,425)	(5,062,890)
Total	56,712,431	52,139,825

The Export Credit Guarantee Fund (the "Fund") was established by the Government of the United Republic of Tanzania in 2001 under the export credit guarantee scheme, in a bid to promote exports. The Fund provides guarantees to commercial banks to cover risk of default in repaying the loans by their borrowers. As at 30 June 2013 the Fund had a balance of TZS 56,712.4 million (2012: TZS 52,139.8 million) comprising of Government and the Bank's contributions and income from investment in treasury bills and guarantee fees.

Debt Service Cash Cover: TZS 1,548.3 million

These are URT Government funds for settling URT Government obligations and other services payable in foreign currency

Debt Conversion Scheme: TZS 2,099.0 million.

These are balances of debt conversion funds that are blocked in the account pending submission of progress reports by beneficiaries in respect of utilization of previous disbursements, so as to justify further disbursements. The balance has remained the same since no report has been received to facilitate payments.

Mwalimu Julius K Nyerere Memorial Scholarship Fund: TZS 2,292.6 million

Included in Deposit Others, is a balance of cash in respect of Mwalimu Julius K. Nyerere Memorial Scholarship Fund. The Fund was established by the Bank of Tanzania on 12 October, 2009 in honor of the life of the Father of the Nation Mwalimu Julius Kambarage Nyerere. The objective of the Fund is to sponsor the best performing students pursuing mathematics, science, accounting, finance and information technology degrees at the University level in Tanzania. As at 30 June 2013 a total of TZS 1,910.5 million (2012: TZS 1,577.9 million) in respect of the Fund's resources had been invested in Government treasury bills and treasury bonds as per Note 32. As a result the Fund had a balance of TZS 2,292.6 million (2012: TZS 1,715.7 million).

39 FOREIGN CURRENCY FINANCIAL LIABILITIES

Foreign Currency Financial Liabilities consist of the following:

	30.06.2013	30.06.2012
	TZS '000	TZS '000
Multilateral Debt Relief Initiative Fund	7,676,726	6,833,893
TEGETA Escrow	35,598,461	34,724,738
Special Projects	454,003,875	425,288,307
Multilateral Agencies	140,674	140,674
Central Banks Deposits	41,530	42,280
Other Foreign Currency Deposits	10,227,880	11,123,987
	507,689,146	478,153,879



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

39 FOREIGN CURRENCY FINANCIAL LIABILITIES (Continued)

Multilateral Debt Relief Initiative Funds: TZS 7,676.7 million

Multilateral debt initiative funds relate to debt relief relating to cancellation of Government of the United Republic of Tanzania indebtedness to the IMF under the IMF-Multilateral Debt Relief Initiative (MDRI). As at 30 June 2013, the fund had a balance amounting to TZS 7,676.7 million (2012: TZS 6,833.9 million).

TEGETA Escrow: TZS 35,598.5 million

The Bank is a party to an ESCROW arrangement between Tanzania Electric Supply Company (TANESCO) and Independent Power Tanzania Limited (IPTL) for power purchase payments in favor of IPTL. The Bank receives deposits from TANESCO for such monthly disputed power bills claimed by IPTL.

TANESCO and IPTL are still engaged in a legal tussle on the capacity charges, following disagreement in the interpretation of the Power Purchase Agreement (PPA). Resolution of the dispute will address the question of ownership of the funds that are held in the Escrow Account. As at 30 June 2013 the account had a balance of USD 22.2 million (2012: USD 22.2 million) equivalent to TZS 35,598.5 million (2012: TZS 34,724.7 million).

Special Projects Funds: TZS 454,003.9 million

These are United Republic of Tanzania Government funds received from donors for financing various Government projects. The projects are managed and monitored by the Ministry of Finance or other appointed project implementation agency. As at 30 June 2013 the total balance in respect of Special Project accounts aggregated to TZS 454,003.9 million (2012: TZS 425,288.3 million).

Multilateral Agencies TZS 140.7 million

These consists mainly of funds disbursed by the International Development Agency (IDA) to finance various economic operations. As at 30 June 2013, such balances amounted to TZS 140.7 million (2012: TZS 140.7 million).

Other Foreign Currency Deposits TZS 10,227.9 million

This mainly consists of balance in respect of Mwananchi Gold Company Ltd. As at 30 June 2013, the balance was TZS 932.4 million (2012: TZS 11,124.0 million).

40 POVERTY REDUCTION AND GROWTH FACILITY (PRGF)

	30.06.2013	30.06.2012
	TZS '000	TZS '000
Exogenous Shocks Facility - ESF (IMF Drawings)	<u>723,094,344</u>	<u>539,104,400</u>

This relates to funds disbursed by International Monetary Fund (IMF) to the Bank on behalf of the Government to support balance of payments. Repayment of these funds to IMF is effected in line with IMF repayment schedule. The funds attracts charges, which are paid on quarterly basis and borne by the Bank.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

40 POVERTY REDUCTION AND GROWTH FACILITY (PRGF) (Continued)

The Government of United Republic of Tanzania (URT) has entered into an Exogenous Shocks Facility -(ESF) arrangement with the IMF for SDR 218.79 million (USD 318.17 million) on 29 May 2009. Following approval, the Bank had on 12 June 2009 received a total of SDR 159,120,000 (USD 245,767,568.01) equivalent to TZS 318,195.1 million being the first tranche. The Bank further received SDR 39,780,000 (USD 63,377,454.32) equivalent to TZS 83,288.1 million and SDR 19,890,000 (USD 29,027,300.84) equivalent to TZS 40,200.3 million on 10 December 2009 and 14 June 2010 respectively. The first tranche is repayable in ten years, including five and half years grace period, payable semi annually in ten equal installments on 14 December and 14 June beginning 14 December 2014. The loan carry an interest of 0.5 percent per annum payable semi annually beginning 14 December 2009. During the year the Government received loan facility of SDR 74.6 million equivalent to TZS 181,472.8 million on 20 February 2013.

As at 30 June 2013 the balance of PRGF account was TZS 723,094.3 million (2012:TZS 539,104.4 million).

	30.06.2013 TZS '000	30.06.2012 TZS '000
41 REPURCHASE AGREEMENTS (REPOs)		
Repurchase Agreements	48,000,000	25,000,000
Accrued interest	26,827	25,548
	48,026,827	25,025,548

42 BOT LIQUIDITY PAPERS

BOT liquidity papers	1,284,737,042	694,038,209
Accrued interest	71,400,467	38,267,939
	1,356,137,509	732,306,148

As at 30 June, 2013 the maturities profile of BOT Liquidity Papers were follows:

35-Day Treasury Bills	5,965,455	3,892,500
91-Day Treasury Bills	76,849,985	58,315,768
182-Day Treasury Bills	378,066,470	233,098,653
364-Day Treasury Bills	823,855,132	398,731,288
	1,284,737,042	694,038,209

These are financial instruments issued by the Bank under the open market operations to mop up excess liquidity in the economy. They are issued in 35-day, 91-day, 182-day and 364-day maturities. Interest incurred on these instruments is accrued and recognized in profit and loss account as interest expenses.

	30.06.2013 TZS '000	30.06.2012 TZS '000 (restated)
43 PROVISIONS		
Provision for leave pay	5,692,539	3,731,306
	5,692,539	3,731,306



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

43 PROVISIONS (Continued)

Movements in provisions

30.06.2013	30.06.2012
TZS '000	TZS '000

Leave pay

Carrying amount at the beginning of the year

3,731,306	3,515,789
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Provision charged during the year

1,961,233	215,517
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Carrying amount at the end of the year

<u>5,692,539</u>	<u>3,731,306</u>
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44 OTHER LIABILITIES

Accounts payable

24,656,601	28,399,181
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Accruals

-	659,858
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Stale drafts payable

103,003	102,969
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Employees tax payable

183,395	125,968
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Others

301,571	304,020
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<u>25,244,570</u>	<u>29,591,996</u>
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45 RETIREMENT BENEFIT OBLIGATION

Movements in the present value of defined benefit obligation in the current year were as follows;

Retirement benefits obligation

88,934,981	83,950,965
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<u>88,934,981</u>	<u>83,950,965</u>
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Please refer to note 52 on details of the retirement benefit plan.

46 AUTHORISED AND PAID-UP SHARE CAPITAL

Authorized Capital

100,000,000	100,000,000
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Issued and Paid-up Capital

<u>100,000,000</u>	<u>100,000,000</u>
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The Authorized and paid up capital of the Bank is determined in accordance with Section 17(i) of the Bank of Tanzania Act, 2006.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

47 CASH GENERATED FROM/(USED BY) OPERATIONS

	30.06.2013 TZS '000	30.06.2012 TZS '000 (restated)
Loss for the year	(16,754,925)	(52,893,125)
<u>Adjustment for:</u>		
Other comprehensive income	5,502,257	-
Depreciation of property and equipment	32,704,439	35,842,213
Amortization of intangible assets	2,595,594	3,279,263
Transfer of securities revaluation reserve balance	-	(64,784,192)
Interest on staff housing investments	1,121,381	556,246
Net loss on disposal of property and equipment	38,807	151,594
Transfer of property and equipment	-	56,966
Unrealised foreign exchange revaluation loss/ gains	41,892,007	(6,931,926)
Provision for impairment	-	1,605,095
Increase in fair value of equity investment	-	12,923
Bad debts written off	-	18,853
	67,099,560	(83,086,090)
Changes in working capital		
(Increase) /decrease in Escrow assets	(1,051,429)	112,107
Increase in loans and receivables	(4,107,756)	(94,930,378)
Decrease in advances to the Government	207,547,839	65,365,036
Decrease/(increase) in deferred currency cost	1,094,206	(75,371,353)
(Increase)/decrease in other assets	(3,188,862)	12,943,362
Decrease/(increase) in inventories	1,410,086	(1,054,944)
Decrease/(increase) in items in course of settlement	33,359,801	(29,039,507)
Increase in other liabilities and provisions	2,063,799	12,459,011
Net changes in working capital	237,127,684	(109,516,666)
Net cash generated from/(used in) operations	304,227,244	(192,602,756)

48. RESERVES

General Reserve	257,285,113	217,158,993
Capital Reserve	99,262,908	99,262,908
Foreign Exchange Equalization Reserve	309,047,193	350,939,200
Reserve for Capital Projects	120,000,000	120,000,000
Staff Housing Fund	35,291,952	34,170,571
Assets Revaluation Reserve	119,776,163	119,776,163
Securities Revaluation Reserve	27,743,947	77,890,871
Reserves for Dividend	40,126,119	-
Staff Benefits Reserve	7,562,690	7,028,666
	1,016,096,085	1,026,227,372



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

48. RESERVES (Continued)

a. General Reserve

In accordance with Section 18(1) of the Bank of Tanzania Act, 2006, the Bank is required to maintain a General Reserve Fund. The amount maintained in this account relates to annual appropriation of distributable profits determined by virtue of Section 18(2) of the aforesaid Act. "The Bank shall transfer to the General Reserve Fund twenty five percent of the net profits until such time that the total capital of the Bank reach a sum equivalent to at least ten per centum of the total assets of the Bank less its assets in gold and foreign currencies. Thereafter, the Bank shall transfer not less than ten percent of profits to the General Reserve Fund. As at 30 June 2013 the reserve had a balance of TZS 257,285.1 million (2012: TZS 217,159.0 million restated).

b. Capital Reserve

The Capital Reserve was established in financial year 2001/02. On an annual basis the amount spent to finance capital projects from the Reserve for Projects account is transferred to this reserve. The reserve is permanent in nature and can only be available for enhancement of share capital when need arises. As at 30 June 2013 the reserve had the same balance as it was on 30 June 2012 of TZS 99,262.9 million.

c. Foreign Exchange Equalization Reserve

The reserve was established on 30 June 2006. The Foreign Exchange Equalization Reserve acts as a cushion against any significant future exchange losses, which may arise from any significant appreciation of Tanzania Shilling compared to other international currencies a condition which if left unabated may cause a high risk of a significant erosion of the Bank's net worth and financial stability.

The justification for the establishment of the aforesaid reserve as part of the equity of the Bank centres on the requirement of the Bank, among other business entities requiring management to ensure preservation of capital, in terms of mitigating risks that can cause capital impairment or impairment of the entity's assets. As at 30 June 2013 the total amount standing at the credit of the Foreign Exchange Equalization Reserve amounted to TZS 309,047.2 million (2012: TZS 350,939.2 million).

d. Reserve for Capital Projects

This reserve was established by a resolution of the Bank's Board of Directors in 1991/92. The purpose of the reserve is to provide funds for financing major capital projects of the Bank. On an annual basis, the Board determines the amount to be appropriated from the distributable profit to the reserve. As at 30 June, 2013 the reserve had a balance of TZS 120,000.0 million (2012: TZS 120,000.0 million).

e. Staff Housing Fund

The Staff Housing Fund was established by a resolution of the Board of Directors in 1989/90. The purpose of this fund is to provide housing loans to Bank's employees. On an annual basis, the Board determines the amount to be appropriated into the fund out of distributable profits. As at 30 June 2013, the fund had a balance of TZS 35,291.9 million (2012: TZS 34,170.6 million) that include interest on fund's investments.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

48. RESERVES (Continued)

f. Assets Revaluation Reserve

The Bank maintains Assets Revaluation Reserve to account for revaluation surpluses or deficits. To ensure compliance with requirement of International Accounting Standard (IAS 16), property, plant and equipment if an asset-carrying amount increases as a result of revaluation, the increase is credited directly to other comprehensive income. However, this amount is not available for distribution. Accordingly, it is appropriated in the asset revaluation reserve. If an asset's carrying amount decreases on account of revaluation, the decrease is recognized in profit or loss to the extent that it exceeds credit balance existing in the revaluation surplus in respect of that asset. As at 30 June 2013, the reserve had a balance of TZS 119,776.2 million (2012: TZS 119,776.2 million restated).

g. Securities Revaluation Reserve

The Bank maintains a Securities Revaluation Reserve to account for unrealized gains and losses arising from changes in fair value of financial instruments measures at fair value through profit or loss. As at 30 June 2013 the reserve had a balance of TZS 27,743.9 million (2012: TZS 77,890.9 million restated).

h. Foreign Currency Revaluation Reserve

In accordance with Section 18(4) of the Bank of Tanzania Act, 2006, unrealized gains or losses on foreign exchange are transferred to this reserve account. However, pursuant to the requirements of the International Accounting Standard the effects of changes in foreign exchange rates (IAS – 21), all realized and unrealized foreign exchange valuations should be taken to the income statement.

Both realized and unrealized gains and losses are therefore taken to Income Statement for purposes of computation of profit or loss for the year. Until such gains or losses are realized, they are not available for distribution; in the interim, the unrealized amounts are reflected in the Foreign Currency Revaluation Reserve. The separation of realized from unrealized exchange gains and losses is done by use of an “inventory accounting for foreign exchange net assets and liabilities”. During the year the Bank operations generated foreign exchange revaluation gains of TZS 82,945.0 million (2012: loss of TZS 153,545.3 million). Out of revaluation gains of TZS 82,945.0 million, net unrealised loss amount of TZS 41,892.0 million was transferred to foreign currency revaluation reserve. The balance of TZS 124,837.0 million related to realised gains forms part of the distributable profit for the year end 30 June 2013. As at 30 June 2013 the reserve had a zero balance (2012: TZS 0). During the year TZS 41,892.0 million was transferred to Foreign Exchange Equalisation Reserve.

i) Reserve for Dividend

This reserve accommodates the amount declared as dividend payable to the Governments. As at 30 June 2013 the reserve had the balance of 40,126.1 million compared to zero balance of previous year.

j) Defined Benefit Reserve

This reserve was established by the Board in 2012 in order to accommodate re-measurements arising from change in actuarial assumptions to ensure compliance with International Accounting standard on Employee Benefits (IAS 19 as revised in 2011). As at 30 June 2013 the reserve had a balance of TZS 7,562.7 million (2012: TZS 7,028.7 million restated).



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

49. RISK MANAGEMENT

49.1 Introduction

Risk is inherent in the Bank's activities but is managed through a process of identification, measuring, prioritization, monitoring and reviewing policies, subject to risk limits and other controls. This process of risk management is critical to the Bank's continued profitability and each individual within the Bank is accountable for the risk exposures relating to his or her responsibilities.

The Bank's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk and cash flow interest rate risk, credit risk and liquidity risk).

The Bank's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Bank.

Risk Management at the Bank forms an integral part of reserves management within the governance structure of the Bank starting from the level of the Board. Risk management is carried out under the Foreign Exchange Reserves Management Policy and Strategic Asset Allocation approved by the Board. The Finance and Investment Committee of the Board is responsible for reviewing the appropriateness of Foreign Reserve Management Policy and make recommendations to the Board. The Investment committee is responsible for approving and monitoring compliance with Foreign Exchange Reserves Management guidelines.

The independent risk control process does not include business risks such as changes in the environment, technology and industry. The Bank's policy is to monitor those business risks through the Bank's strategic planning process.

Strategy in using financial instruments

By nature, the Bank's activities necessitate the use of financial instruments. The Bank accepts deposits from commercial banks and the Government, the required minimum reserves from commercial banks operating in the United Republic of Tanzania. It also accepts or places short-term funds/securities through open market operations in order to achieve the reserve target and influence the short-term interest rates; the primary tool of monetary policy to establish price stability.

Foreign exchange deposits placed with the Bank and foreign exchange acquired by the Bank through the use of International Monetary Fund (IMF) resources, Interbank Foreign Exchange Market and through the Government of the United Republic of Tanzania constitute the sources of foreign exchange reserves of the Bank. The Bank holds foreign exchange reserves for the purposes of servicing foreign debts and other Government obligations as a fiscal agent of the Government of the United Republic of Tanzania and for servicing its own foreign exchange obligations. The Bank also holds foreign exchange reserves for liquidity against external shocks, implementation of monetary and exchange rate policies, and providing confidence to the markets. In view of the Bank's priorities of safe investment, liquidity and return, as stipulated by the Bank of Tanzania Act, 2006, the Bank with a prudent approach, subjects its foreign exchange reserves to investments in international markets.

In this framework, most of the financial risks to which the Bank is exposed arise while fulfilling its legal obligations, such as implementing monetary and exchange rate policies, managing foreign exchange reserves and rendering certain banking services to the banking sector and the Government of the United Republic of Tanzania.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

49. RISK MANAGEMENT(Continued)

49.1 Introduction (Continued)

The Bank is exposed to credit, market and liquidity risks due to the aforementioned operations. In the process of implementing monetary and exchange rate policies the Bank is exposed to financial risks arising from the change in cross currency exchange rates.

Financial risks that arise in the management of foreign exchange reserves result from market behaviour. The Bank endeavours to minimize such risks by managing them in accordance with the Strategic Asset Allocation framework. Foreign exchange reserves are managed by observing the investment criteria defined in the Investment Policies approved by the Board and in compliance with the targets and limits stipulated in the Investment Guidelines, which are reviewed by the Investment Committee once a year or whenever need arise.

49.2 Risk Management Structure

49.2.1 The Board of Directors

The Board of Directors is responsible for approving the risk management framework and policy to guide the management in managing and monitoring risks.

49.2.2 Management

Management is responsible for identifying, measuring, ranking, and monitoring the risks within the approved risk management framework and policy. In performing these roles the following functional departments are involved.

49.2.3 Risk Management Function

The risk management function is responsible for establishing and maintaining a comprehensive corporate wide risk management framework for mitigating and responding to risks. In discharging this responsibility it develops a Corporate Risk Management (CRM) framework, develop and implement action plans for risk mitigation in each functional unit and monitor implementation of risk management action plans in each functional unit.

49.2.4 Financial Markets Function

The Financial Markets Function is responsible for the development and implementation of the risk management framework for reserves management. It identifies measures and monitors risks arising from reserves management and implementation of monetary policy.

49.2.5 Internal Audit Function

Risk Management processes in the Bank is audited by the internal audit function, which examines both the adequacy of the procedures and the Bank's compliance with the procedures. Internal Audit discusses the results of all assessments with management, and reports its findings and recommendations to the Audit Committee.

49.3 Risk measurement and reporting systems

The Bank's financial risks are measured using a method which reflects both the expected loss likely to arise in normal circumstances and unexpected losses, which are an estimate of the ultimate actual loss based on statistical models.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

49. RISK MANAGEMENT(Continued)

49.3 Risk measurement and reporting systems (Continued)

The models make use of probabilities derived from historical experience, adjusted to reflect the economic environment. The Bank also runs worst case scenarios that would arise in the event that extreme events which are unlikely to occur do, in fact occur.

Monitoring and controlling risks is primarily performed based on limits established by the Bank. These limits reflect the business strategy and market environment of the Bank as well as the level of risk that the Bank is willing to accept. In addition, the Bank's policy is to measure and monitor the overall risk bearing capacity in relation to the aggregate risk exposure across all risk types and activities.

The compiled financial risk data is examined, analyzed and processed in order to identify risks and control them on a timely basis. This information is presented and explained to the Board of Directors. On a monthly basis, detailed reporting of interest, currency, liquidity and geographic risks takes place. The Finance and 49.3 Investment Committee of the Board receives quarterly investment reports, which cover inter alia comprehensive risk management reports.

A daily and weekly briefing is given to the surveillance and liquidity management meeting on; the performance of Treasury Bills and Treasury Bonds market, Repurchase Agreements, Inter Foreign Exchange Market (IFEM), interbank cash market, reserve money, daily liquidity forecast, government revenue and expenditure, utilization of market limits and any other risk developments.

49.4 Risk mitigation

As part of its overall risk management, the Bank uses various limits specified in its guidelines and policies to manage exposures resulting from changes in interest rates, foreign currencies, equity risk, credit risk and exposure arising from forecast transactions. Such limits specify various types of risk and the amount the Bank is willing and able to take.

Consequently, interest rate risk arising from foreign investment is mitigated by targeting average duration of the foreign assets and investing in low risk assets such as short-term government debt. Strategic currency risk is mitigated by limiting foreign assets to major reserves currencies in such a way that the weight of individual currency matches expected Government and the Bank's foreign obligations in that currency. To lessen the impact of the credit risk, the Bank engages with counterparts of high credit quality which have been rated by International Credit Rating Agencies. From time to time depending on the type of transaction, the Bank demands collateral of high market value to protect against credit risks. In the course of mitigating its financial risks, the Bank does not utilize derivative instruments. Derivative instruments may be used during monetary policy implementation.

49.5 Excessive risk concentration

Concentrations arise when a number of counter parties are engaged in similar business activities, or in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be affected similarly by the changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Bank's performance to developments affecting a particular industry or geographic location.

In order to avoid excessive concentrations of risk, the Bank's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. Identified concentrations of the credit risks are controlled and managed accordingly.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

49. RISK MANAGEMENT(Continued)

49.6.1 Financial risks

a) Credit risk

In its financial operations, the Bank is exposed to credit risk, defined as the probability of a complete or partial failure of a counterpart to fulfil his obligations arising from a financial transaction. Credit risk basically originates from the open market operations carried out in order to provide short term liquidity to banks within the framework of monetary policy implementation and from the investments made during foreign exchange reserve management.

Although the credit risk faced during the implementation of monetary policy is an inevitable risk, such risks are managed by securing the entire transaction amount, also including a certain margin by assets that have high credit quality and are tradable in the secondary markets.

The management of the credit risk that the Bank is exposed to in the foreign exchange reserve management is based on the principal of minimizing default probabilities of the counter parties and the financial loss in case of default. In this framework, the Bank confines its investment to leading international financial institutions and debtors that meet the minimum rating criteria specified in the Investment Policy based on credit ratings given by the International Credit Rating Agencies. The specified minimum rating criteria depends on whether the investment is short or long term in nature.

Accordingly, for short term investments, the Bank takes on exposure to issuers/issues having at least F1 according to Standard and Poor's (S&P) with a maturity up to one year while it can invest in securities issued or directly guaranteed by foreign governments and Supranational which have a long-term rating of at least 'A' according to S&P or an equivalent credit rating. The average maturity of the long term investments is guided by the Investment Guidelines which is reviewed and approved by the Investment Committee once a year.

Securities issued by the US, UK, German and France governments can constitute 100 percent of the Bank's foreign reserves. Investments in other selected OECD countries are limited to 10 percent of the investible foreign reserves. Sovereign agencies and supranational are limited to one third of the total reserves in a bid to protect the Bank against spread risks. By settling this overall credit risk limit within the scope of Investment Guidelines, the Bank aims to prevent credit risk from exceeding its risk tolerance.

The institutions eligible for transactions are chosen among those institutions meeting the minimum credit rating limitation set in the guideline, using the fundamental and the financial analysis methods. In all transactions executed with these institutions, credit risk exposure amounts that are calculated on the basis of transactions type are immediately reflected on their limits, and the use of these limits are regularly monitored and reported.

Overall, the credit risk assumed during reserve management remains at quite low levels as a great portion of reserves are invested in assets issued or directly guaranteed by the respective governments as well as by supranational institutions such as the World Bank, the European Investment Bank and Bank for International Settlements.

Total assets of the Bank exposed to credit risk as of 30 June 2013 and 30 June 2012 are presented in the table below according to the classification of assets (classification according to external credit rating is done based on credit ratings published by Standard and Poor's).



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

49. RISK MANAGEMENT(Continued)

49.6.1 Financial risks (Continued)

a) Credit risk (Continued)

	30.06.2013		30.06.2012	
	TZS '000	TZS Share (%)	TZS '000	TZS Share (%)
Central Banks:				
(AAA)	1,142,130,526	13.53%	1,437,714,727	17.92%
Foreign Commercial Banks:				
F1+	626,078,987	7.42%	40,708,211	0.51%
Escrow accounts				
Tegeta Escrow:				
A+	35,598,461	0.42%	34,724,738	0.43%
Bank of Tanzania Escrow:				
AA	7,812,395	0.09%	7,634,689	0.10%
Loans and Receivables :				
NR	187,208,501	2.22%	183,100,745	2.28%
Investment Securities:	6,271,519,100		5,078,127,740	
Marketable Securities:	4,784,406,413	56.69%	4,027,657,084	50.20%
AAA	2,029,255,690		4,027,657,084	
AA+	2,577,727,952			
AA	114,125,771			
Government Securities:				
NR	1,497,107,651	17.74%	1,050,470,656	13.09%
Advance to the Government:				
NR	75,456,879	0.89%	283,004,718	3.53%
Others				
NR	83,318,272	0.99%	957,911,397	11.94%
Total	8,439,118,085	100%	8,022,926,965	100%



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

49. RISK MANAGEMENT(Continued)

49.6.1 Financial risks (Continued)

a) Credit risk (Continued)

The sectoral classification of the Bank's credit exposure as at 30 June 2013 is as follows:

Details	Foreign Country		Supranational		Domestic		Foreign		Government		Tanzania		Total
	TZS '000	Treasury	Institutions	TZS '000	Financial Institutions	TZS '000	Financial Institutions	TZS '000	Guaranteed Agencies	TZS '000	Treasury	TZS '000	
2013													
Due from banks													
Central Banks	1,134,929,012		4,834,649		-		-		-		2,366,865		1,142,130,526
Commercial Banks	-		-		-		626,078,987		-		-		626,078,987
Escrow accounts			-		-		43,410,856		-		-		43,410,856
Loans and Receivables													
	-		-		187,208,501				-		75,456,879		262,665,380
Investment in securities													
Foreign Currency Marketable securities	4,279,712,530		342,869,987		-		84,057,692		77,766,204		-		4,784,406,413
Equity investments	-		-		-		7,336,698		-		-		7,336,698
Government securities	-		-		-		-		-		1,497,107,651		1,497,107,651
Others													
	-		-		-		-		-		1,062,697,525		1,062,697,525
Total	5,414,641,542		347,704,636		187,208,501		760,884,233		77,766,204		2,637,628,920		9,425,834,036

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013 (Continued)**

49. RISK MANAGEMENT(Continued)

49.6.1 Credit risk (Continued)

a) Credit risk (Continued)

The sectoral classification of the Bank's credit exposure as of 30 June 2012 is as follows:

Details	Foreign Country Treasury	Supranational Institutions	Domestic Financial Institutions	Foreign Financial Institutions	Government Guaranteed Agencies	Tanzania Treasury	Total
	TZS '000	TZS '000	TZS '000	TZS '000	TZS '000	TZS '000	TZS '000
2012							
Due from banks							
Central Banks	1,449,424,732	-	-	-	-	2,161,244	1,451,585,976
Commercial Banks	-	-	-	26,836,962	-	-	26,836,962
Escrow accounts	-	-	-	42,359,427	-	-	42,359,427
Loans and Receivables	-	-	183,100,745	-	-	283,004,718	466,105,463
Investment in securities							
Foreign Currency Marketable securities	3,569,997,688	271,953,222	-	31,108,174	154,598,001	-	4,027,657,085
Government securities	-	-	-	-	-	1,050,470,656	1,050,470,656
Equity investments	-	-	-	2,189,025	-	-	2,189,025
Others	-	-	-	843,107,760	-	-	843,107,760
Total	5,019,422,420	271,953,222	183,100,745	945,601,348	154,598,001	1,335,636,618	7,910,312,354





NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

49. RISK MANAGEMENT(Continued)

49.6.1 Financial risks (Continued)

a) Credit risk (Continued)

Geographical analysis of concentrations of assets and liability of the Bank as at 30 June 2013 is as follows:

2013	Tanzania	USA	UK	Other European Countries	Other Countries	Total
Assets	TZS '000	TZS '000	TZS '000	TZS '000	TZS '000	TZS '000
Cash and balances with central banks & other banks	98,821,517	885,039,229	125,050,759	31,626,281	1,592,740	1,142,130,526
Deposits with Commercial Banks	-	-	315,084,253	310,994,734	-	626,078,987
Escrow accounts	-	-	7,812,395	35,598,461	-	43,410,856
Items in course of settlement	1,456,137	-	-	-	-	1,456,137
Holdings of Special Drawing Rights (SDRs)	-	370,513,006	-	-	-	370,513,006
Foreign currency marketable securities	2,291,581,779	730,208,598	1,247,550,533	515,065,503	-	4,784,406,413
Equity investment	-	-	-	279,964	7,056,734	7,336,698
Government securities	1,497,107,651	-	-	-	-	1,497,107,651
Advances to the Government	75,456,879	-	-	-	-	75,456,879
Loans and receivables	192,953,058	-	-	-	-	192,953,058
Quota in International Monetary Fund (IMF)	-	479,683,371	-	-	-	479,683,371
Other assets	76,121,943	-	-	-	-	76,121,943
Total Assets	4,233,498,964	2,465,444,204	1,695,497,940	893,564,943	8,649,474	9,296,655,526
Liabilities						
Currency in circulation	3,030,121,057	-	-	-	-	3,030,121,057
Deposits - banks and non-banks financial institutions	2,224,876,088	-	-	-	-	2,224,876,088
Deposits - others	198,310,200	-	-	-	-	198,310,200
Foreign currency financial liabilities	507,689,146	-	-	-	-	507,689,146
Poverty deduction and growth facility	723,094,344	-	-	-	-	723,094,344
Repurchase agreements	48,026,827	-	-	-	-	48,026,827
BoT liquidity papers	1,356,137,509	-	-	-	-	1,356,137,509
Other liabilities	25,244,570	-	-	-	-	25,244,570
IMF related liabilities	455,318,872	-	-	-	-	455,318,872
Allocation of Special Drawing Rights (SDRs)	-	459,452,774	-	-	-	459,452,774
Total liabilities	8,568,818,614	459,452,774	-	-	-	9,028,271,388

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

49. RISK MANAGEMENT(Continued)

49.6.1 Financial risks (Continued)

a) Credit risk (Continued)

2012	Tanzania	USA	UK	Other European Countries	Other Countries	Total
Assets	TZS '000	TZS '000	TZS '000	TZS '000	TZS '000	TZS '000
Cash and balances with central banks & other banks	-	798,372,287	72,579,299	290,317,195	290,317,195	1,451,585,976
Demand, Foreign Currency Notes & Coins & Time deposits with Commercial Banks	-	20,767,060	13,836,951	31,133,140	3,459,238	69,196,389
Escrow accounts	34,815,938	-	7,634,689	34,724,738	-	42,359,427
Items in course of settlement	-	369,525,297	-	-	-	34,815,938
Holdings of Special Drawing Rights (SDRs)	-	2,716,002,750	295,178,600	994,268,679	22,207,055	369,525,297
Foreign currency marketable securities	-	-	-	-	2,189,025	4,027,657,084
Equity investment	1,050,470,656	-	-	-	-	2,189,025
Government securities	283,004,718	-	-	-	-	1,050,470,656
Advances to the Government	192,953,058	-	-	-	-	283,004,718
Loans and receivables	1	-	-	-	-	192,953,058
Investment in associate company	-	471,393,438	-	-	-	1
Quota in International Monetary Fund (IMF)	76,121,943	-	-	-	-	471,393,438
Other assets	-	-	-	-	-	76,121,943
Total Assets	1,637,366,314	4,376,060,832	389,229,539	1,350,443,752	318,172,513	8,071,272,950
Liabilities						
Currency in circulation	2,705,223,546	-	-	-	-	2,705,223,546
Deposits - banks and non-banks financial institutions	2,037,355,907	-	-	-	-	2,037,355,907
Deposits - Governments	8,899,318	-	-	-	-	8,899,318
Deposits - others	334,134,239	-	-	-	-	334,134,239
Foreign currency financial liabilities	478,153,879	-	-	-	-	478,153,879
Poverty Reduction and Growth Facility	539,104,400	-	-	-	-	539,104,400
Repurchase agreements	25,025,548	-	-	-	-	25,025,548
BoT liquidity papers	732,306,148	-	-	-	-	732,306,148
Other liabilities	29,591,996	-	-	-	-	29,591,996
IMF related liabilities	431,556,956	451,512,468	-	-	-	431,556,956
Allocation of Special Drawing Rights (SDRs)	-	-	-	-	-	451,512,468
Total liabilities	7,321,351,937	451,512,468	-	-	-	7,772,864,405





NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

49. RISK MANAGEMENT(Continued)

49.6.1 Financial risks (Continued)

a) Credit risk (Continued)

Credit quality per class of financial assets

The credit quality per class of financial assets is managed by the Bank using internal ratings. The table below shows the quality by class of asset for all financial assets exposed to credit risk, based on the Bank's credit rating system. The amount presented is gross of impairment allowances..

30.06.2013

Details	Neither past due nor impaired TZS '000	Past due but not impaired TZS '000	Individually impaired TZS '000	Total TZS '000
Cash and cash equivalents	1,768,209,513	-	-	1,768,209,513
Marketable Securities	4,784,406,413	-	-	4,784,406,413
Escrow accounts	43,410,856	-	-	43,410,856
Equity Investment	7,336,698	-	-	7,336,698
Loans and Receivables	181,463,944	-	5,744,557	187,168,680
Other assets	76,065,689	-	44,754	98,548,644
Total	6,860,893,113	-	5,789,311	6,889,080,804

30.06.2012

Details	Neither past due nor impaired TZS '000	Past due but not impaired TZS '000	Individually impaired TZS '000	Total TZS '000
Cash and cash equivalents	1,478,422,938	-	-	1,478,422,938
Escrow accounts	42,359,427	-	-	42,359,426
Marketable Securities	4,027,657,084	-	-	4,027,657,084
Investment in Associate Company	337,317	-	337,316	1
Equity Investment	2,189,025	-	-	2,189,025
Loans and Receivables	166,815,054	10,542,007	5,743,684	183,100,745
Other assets	80,232,084	206,228	38,157	79,787,699
Total	5,798,031,782	10,748,235	6,119,157	5,813,516,918



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

49. RISK MANAGEMENT(Continued)

49.6 Financial risks (Continued)

49.6.1 Credit risk (Continued)

As at 30 June 2013, aging analysis of loans and receivables is as follows:

Details	Total	Neither past due nor impaired	Less than 30 days	31 to 60 days	61-90 days	91-120 days	> 120 days
2013	192,953,058	187,208,501	-	-	-	-	5,744,557
2012	188,844,429	183,150,745	-	-	-	-	5,743,684

See Note 28 for more detailed information with respect to allowance for impairment losses on loans and receivables and other assets.

The Bank does not hold collateral for financial liabilities pledged as security.

Individually assessed allowances

The Bank determines the allowances appropriate for each individually significant loan or advance on an individual basis. Items considered when determining allowance amounts include the sustainability of the counterparty's business plan, its ability to improve performance once a financial difficult has arisen, projected receipts and the expected payout should bankruptcy ensure, the availability of other financial support, the realisable value of collateral and timing of the expected cash flows. Impairment allowances are evaluated at each reporting date, unless unforeseen circumstances require more careful attention.

The maximum exposure to credit risk at the reporting date without taking account of any collateral held or other credit enhancements (that is netting agreements that do not qualify for offsetting in accordance with IAS 32) is as follows:

Details	30.06.2013 Gross Maximum Exposure TZS '000	30.06.2012 Gross Maximum Exposure TZS '000
Cash and cash equivalents	1,768,209,513	1,478,422,938
Escrow accounts	43,410,856	42,359,427
Marketable Securities	4,784,406,413	4,027,657,084
Government Securities	1,497,107,651	1,050,470,656
Advances to the Government	75,456,879	283,004,718
Loans and Receivables	192,953,058	188,844,429
Other Assets	76,050,443	67,506,788
Holding on Special Borrowing Rights	370,513,506	369,525,297
Quota in Internal Monetary Fund IMF	479,683,371	471,393,438



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

49. RISK MANAGEMENT(Continued)

49.6.1 Financial risks (Continued)

c)Liquidity Risk (Continued)

Liquidity risk is the risk that the Bank though solvent, either does not have sufficient resources available to meet its obligations when they fall due, or can secure them only by converting assets to cash at a price lower than their fair value. Thus inability of the Bank to meet its own foreign exchange obligations and that of government timely without incurring huge price concession is reflected as liquidity risk.

Due to its nature of business (externalization of the government obligations), a huge amount of expected foreign cash flows is not reflected in the Statement of Financial Position. As a result, assets-liabilities management may not be effective. Thus to manage this risk, the Bank divides its foreign exchange reserves into Liquidity, Investment and Stable trenches. The liquidity tranche is intended to meet both anticipated and unanticipated monthly cash outflows requirements thus matching both on and off Statement of Financial Position foreign assets and liabilities. The tranche is monitored on a daily basis. It is comprised of highly liquid short term financial instruments.

The table below analyses the assets and liabilities of the Bank into relevant maturity Banking based on the remaining period at Statement of Financial Position date to contractual maturity date.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

49. RISK MANAGEMENT(Continued)

49.6.1 Financial risks (Continued)

b) Liquidity risk (Continued) - by Contractual maturity analysis of financial instruments

2013 Assets	Up to 1 Month TZS '000	From 1 to 3 Months TZS '000	From 3 to 12 Months TZS '000	From 1 to 5 Years TZS '000	Over 5 Years TZS '000	Total TZS '000
Cash and balances with central banks & other banks	1,520,385,788	247,823,725	-	-	-	1,768,209,513
Escrow accounts	43,410,856	-	-	-	-	43,410,856
Items in course of settlement	1,456,137	-	-	-	-	1,456,137
Holdings of Special Drawing Rights (SDRs)	370,513,006	-	-	-	-	370,513,006
Foreign currency marketable securities	32,006,935	488,575,203	761,913,131	3,455,848,000	46,063,144	4,784,406,413
Equity investment	-	-	-	-	7,336,698	7,336,698
Government securities	-	-	37,997,026	-	1,459,110,625	1,497,107,651
Advance to the Government	-	-	75,456,879	-	-	75,456,879
Loans and receivables	-	8,430,797	139,346,094	16,354,018	17,293,214	181,424,123
Quota in International Monetary Fund	-	-	-	-	479,683,371	479,683,371
Other assets	5,241,293	-	63,857,518	-	-	69,098,811
Total assets	1,973,014,016	744,829,725	1,078,570,648	3,472,202,018	2,009,487,053	9,278,103,458
Liabilities						
Currency in circulation	1,212,048,423	909,036,317	909,036,317	-	-	3,030,121,057
Deposit - banks and non banks financial institutions	2,224,876,088	-	-	-	-	2,224,876,088
Deposit others	43,014,029	114,631	137,241,232	17,940,307	-	198,310,199
Foreign currency financial liabilities	418,459,212	101,527,007	76,199,366	126,908,759	-	723,094,344
Poverty Reduction and Growth Facility	-	-	6,072,613	488,640,596	429,120	495,142,329
Repurchase Agreements	48,026,827	-	-	-	-	48,026,827
BOT liquidity papers	5,965,454	76,849,985	1,273,322,070	-	-	1,356,137,509
Defined benefit obligation	-	-	5,746,570	83,188,411	-	88,934,981
Other liabilities	8,220,590	6,477,321	-	1,666,464	8,880,195	25,244,570
IMF Related Liabilities	-	-	6,358	455,312,514	-	455,318,872
Allocation of Special Drawing Rights (SDRs)	-	-	45,945,277	91,890,555	321,616,942	459,452,774
Total Liabilities	3,960,610,623	1,094,005,261	2,453,569,803	1,265,547,606	330,926,258	9,104,659,550
Net Liquidity gap	(1,987,596,607)	(349,175,537)	(1,374,999,155)	2,206,654,412	1,678,560,795	173,443,908





NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

49. RISK MANAGEMENT(Continued)

49.6.1 Financial risks (Continued)

b) Liquidity risk (Continued) -by Contractual maturity analysis of financial instruments

2012	Up to 1 Month	From 1 to 3 months	From 3 to 12 months	From 1 to 5 Years	Over 5 Years	Total
Assets	TZS '000	TZS '000	TZS '000	TZS '000	TZS '000	TZS '000
Cash and balances with central banks & other banks	834,406,815	644,016,123	-	-	-	1,478,422,938
Escrow accounts	42,359,427	-	-	-	-	42,359,427
Items in course of settlement	34,815,938	-	-	-	-	34,815,938
Holdings of Special Drawing Rights (SDRs)	-	4,108,168	365,417,129	-	-	369,525,297
Foreign currency marketable securities	36,662,328	52,236,382	641,207,618	3,297,550,756	-	4,027,657,084
Equity investment	-	-	-	-	2,189,025	2,189,025
Government securities	-	-	-	844,726,767	205,743,889	1,050,470,656
Advance to Government	-	-	283,004,718	-	-	283,004,718
Loans and receivables	16,987,232	68,816,222	-	97,297,291	-	183,100,745
Quota in International Monetary Fund	-	-	-	471,393,438	-	471,393,438
Other assets	1,710,098	1,820,470	64,004,563	-	-	67,535,131
Total assets	966,941,838	770,997,365	1,353,634,028	4,710,968,253	207,932,914	8,010,474,397
Liabilities						
Currency in circulation	386,460,507	1,159,381,519	1,159,381,520	-	-	2,705,223,546
Deposit – banks and non banks financial institutions	900,845,025	773,265,166	1,031,113,355	-	-	2,705,223,546
Deposit - Governments	2,882,956	1,920,115	4,096,247	-	-	8,899,318
Deposit - Others	55,403,937	73,314,730	88,936,449	116,479,123	-	334,134,239
Foreign currency financial liabilities	95,630,776	238,562,153	109,236,212	34,724,738	-	478,153,879
Poverty Reduction and Growth Facility	-	2,654,402	3,339,046	456,069,298	77,041,654	539,104,400
Repurchase agreements	25,025,548	-	-	-	-	25,025,548
BOT liquidity papers	-	3,892,500	728,413,648	-	-	732,306,148
Defined benefit obligation	-	-	4,984,016	78,966,949	-	83,950,965
Other liabilities	6,061,969	8,751,830	14,778,177	-	-	29,591,996
IMF Related Liabilities	-	-	-	431,556,956	-	431,556,956
Allocation of Special Drawing Rights (SDRs)	-	-	-	451,512,468	-	451,512,468
Total Liabilities	1,472,310,738	2,261,742,415	3,144,278,670	1,569,309,532	77,041,654	8,524,683,009
Net Liquidity gap	(505,368,900)	(1,490,745,050)	(1,790,644,642)	3,141,658,720	130,891,260	(514,208,612)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

49. RISK MANAGEMENT(Continued)

49.6.1 Financial risks (Continued)

b) Liquidity risk (Continued)

The table below shows analysis of assets and liabilities according to when they expect to be recovered or settled:

	Less than 12 months	Over 12 months	Total
	TZS '000	TZS '000	TZS '000
2013			
Assets			
Cash and balances with central banks & other banks	1,768,209,513	-	1,768,209,513
Escrow accounts	43,410,856	-	43,410,856
Items in course of settlement	1,456,137	-	1,456,137
Holdings of Special Drawing Rights (SDRs)	-	370,513,006	370,513,006
Foreign Currency Marketable securities	520,582,138	4,263,824,275	4,784,406,413
Equity investment	-	7,336,698	7,336,698
Government securities	-	1,497,107,651	1,497,107,651
Advance to the Government	75,456,879	-	75,456,879
Loans and receivables	153,561,269	33,647,232	187,208,501
Quota in International Monetary Fund	-	479,683,371	479,683,371
Other assets	83,176,564	-	83,176,564
Total assets	2,645,853,357	6,652,112,233	9,297,965,590
Liabilities and equity			
Currency in circulation	3,030,121,057	-	3,030,121,057
Deposit - banks and non banks financial institutions	2,224,876,088	-	2,224,876,088
Deposit - Others	180,369,892	17,940,307	198,310,199
Foreign currency financial liabilities	596,185,585	126,908,759	723,094,344
Poverty reduction and growth facility	6,072,613	717,021,731	723,094,344
Repurchase agreements	48,026,827	-	48,026,827
BOT liquidity papers	1,356,137,509	-	1,356,137,509
Other liabilities	25,244,570	-	25,244,570
IMF related liabilities	-	455,318,872	455,318,872
Allocation of Special Drawing Rights (SDRs)	45,945,277	413,507,497	459,452,774
Total liabilities	7,512,979,419	1,730,697,166	9,243,676,585
Net Liquidity gap	(4,867,126,062)	4,921,415,067	54,289,005



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

49. RISK MANAGEMENT(Continued)

49.6.1 Financial risks (Continued)

b) Liquidity risk (Continued)

The table below shows analysis of assets and liabilities according to when they expect to be recovered or settled:

	Less than 12 months	Over 12 months	Total
	TZS '000	TZS '000	TZS '000
2012			
Assets			
Cash and balances with central banks & other banks	1,478,422,938	-	1,478,422,938
Escrow accounts	42,359,427	-	42,359,427
Items in course of settlement	34,815,938	-	34,815,938
Holdings of Special Drawing Rights (SDRs)	-	369,525,297	369,525,297
Foreign currency marketable securities	730,106,328	3,297,550,756	4,027,657,084
Equity investment	-	2,189,025	2,189,025
Government securities	-	1,050,470,656	1,050,470,656
Advance to the Government	283,004,718	-	283,004,718
Loans and receivables	85,803,454	97,297,291	183,100,745
Investment in associate company	-	1	1
Quota in International Monetary Fund	-	471,393,438	471,393,438
Other assets	67,535,131	12,463,990	79,999,121
Total assets	2,722,047,934	5,300,890,454	8,022,938,388
Liabilities and equity			
Currency in circulation	2,705,223,546	-	2,705,223,546
Deposit - banks and non banks financial institutions	2,037,355,907	-	2,037,355,907
Deposit - Governments	8,899,318	-	8,899,318
Deposit - Others	204,839,027	129,295,212	334,134,239
Foreign currency financial liabilities	95,630,776	382,523,103	478,153,879
Poverty Reduction and Growth Facility	5,993,449	533,110,951	539,104,400
Repurchase agreements	25,025,548	-	25,025,548
BOT liquidity papers	732,306,148	-	732,306,148
Other liabilities	29,591,995	-	29,591,995
IMF Related liabilities	-	431,556,956	431,556,956
Allocation of Special Drawing Rights (SDRs)	-	451,512,468	451,512,468
Total liabilities	5,844,865,714	1,927,998,690	7,772,864,404
Net Liquidity gap	(3,122,817,780)	3,372,891,764	250,073,984



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

49. RISK MANAGEMENT (Continued)

49.6.1 Financial Risk (Continued)

c) Interest Risk (Continued)

The interest rate risk is the exposure of the Bank to possible adverse movements in interest rates. The parallel changes in the level of interest rates account for about 90 percent of the total interest rate risk. The remainder resulted from the changes in the shape which is steepening or flattening and curvature of the interest rate curves. The interest rate risk is managed through duration targeting. Duration measures sensitivity of a portfolio value to movements in market yields. Duration of 1.5 indicates that the portfolio's value will change by approximately 1.5 percent if rates change by 1 percent.

The policy target duration is 2 years with deviation allowance of ± 1.5 months. As of 30 June 2013 portfolio duration stood at 2.3 years while that of 30 June 2012 was 2.5 years.

The Bank uses both price value of one basis point (PVO1) and Value at Risk (VaR) measures to assess and monitor interest rate risk. The PVO1 measures approximate change in value of the portfolio for a one basis point (0.01 percent) change in yield. The use of PVO1 has limitations. Firstly, it is a good measure when the term structure is flat. Secondly, it assumes the movements in yield are parallel across maturity spectrum. Thus the Bank complements it with VaR.

VaR is a probability-based measure of risk, which provides an estimate of the potential loss in value of the Bank's positions due to adverse interest rate movements over a defined time horizon with a specified confidence level. For the VaR numbers reported below, a one month time horizon and a 95 percent confidence level were used. This means that there is a 5 percent chance that the monthly income would fall below the expected monthly income by an amount at least as large as reported VaR. Historical data were used to estimate the reported VaR numbers. To better reflect current asset volatilities, the Bank weighted historical data to give greater importance to more recent observations. Because of such reliance on historical data, VaR is most effective in estimating risk exposures in markets in which there are no sudden fundamental changes in market conditions.

The table below shows various risk measured parameters

Portfolio Characteristics					
	30.06.2013			30.06.2012	
Positions of securities	174		174	192	192
Base currency	USD		TZS '000	USD	TZS '000
Market value of Marketable Securities	2,708,844,230		4,784,406,413	2 656 602 091	4,027,657,084
Duration	2.30 years		2.3 years	2.5 years	2.5 years
Spread Duration	0.5 years		0.5 years	0.5 years	0.5 years

The tracking errors and VaR was as per breakdown below

Details	30.06.2013			30.06.2012	
	USD		TZS '000	USD	TZS '000
Monthly Tracking Error				9 471 482	14 859 903
95 percent Monthly VaR	(36,651,336)		(58,840,614)	(15 579 202)	(24 442 365)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

49. RISK MANAGEMENT(Continued)

49.6.1 Financial risks (Continued)

c) Interest Risk (Continued)

Although VaR is an important tool for measuring market risk, the assumptions on which the model is based do give rise to some limitations, including the following:

- A 95% confidence level does not reflect losses that may occur beyond this level. Even within the model used there is a 1% probability that losses could exceed the VaR.
- A one month holding period assumes that it is possible to hedge or dispose of positions within that period. This may not be realistic in a situation where there is severe market illiquidity.
- VaR data is calculated on an end-of-day basis and does not reflect exposures that may arise on positions during the day.
- The model uses historical data from 1 July 2012 to 30 June 2013 as a basis for determining the possible ranges of outcomes and may not always cover all possible scenarios, especially those of an exceptional nature.

The Bank back tests its VaR by comparing actual profit or loss to the VaR estimation. The results of the back-testing process are one of the methods by which the Bank monitors the ongoing suitability of its VaR model.

The Bank also undertakes stress tests on positions on its statement of financial position. The results of the stress testing complement the VaR measure in informing management about financial risk on the statement of financial position.

Price value of 1 BPS in USD

Details	30.06.2013		30.06.2012	
	USD	TZS '000	USD	TZS '000
USD	352,846	566,469	369 022	578, 963.89
EUR	139,561	223,154	138 900	340 ,112.02
GBP	52,853	83,482	48 404	95, 599.25
	545,260	873,105	556 326	1, 014, 675

The Bank invests in some securities, which trade on spread to the foreign government treasuries. To assess the relative risk of spread products, the Bank measures Credit Risk of one basis point (CR01). The CR01 measures changes in the value of spread product for a one basis point widening of spread. A spread is a difference in yield to maturity between government and spread securities of the same characteristics.

The Table below indicates the spread risks for comparative period in each of the three major currencies.

	30.06.2013		30.06.2012	
	USD	TZS '000	USD	TZS '000
USD	93,329	149,305	92 500	145 125
EUR	36,275	57,795	129 058	316 011
GBP	7,715	12,843	15 931	31 464
Total	137,319	219,943	237 489	492 601

For measuring the sensitivity of the Bank's foreign exchange reserves to interest rate risk, the table below shows the sensitivity of the Bank's foreign reserves values in USD given 10, 20 and 30 basis points parallel change in yield curves of three major foreign reserves currencies i.e. USD, EUR and GBP.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

49. RISK MANAGEMENT(Continued)

49.6.1 Financial risks (Continued)

c) Interest Risk (Continued)

BPS	USD	EUR	GBP	Total USD	Total TZS '000
10	(933,287)	(362,745)	(77,153)	(1,373,185)	(2,204,552)
20	(1,866,574)	(725,419)	(154,306)	(2,746,299)	(4,408,991)
30	(2,799,862)	(1,087,043)	(208,313)	(4,095,218)	(6,574,586)

30.06.2012 (Amounts in USD equivalent)

BPS	USD	EUR	GBP	Total USD	Total TZS '000
10	(1 104 885)	(144 281)	(101 282)	(1 350 448)	(2 118 732)
20	(2 209 770)	(288 563)	(202 564)	(2 700 897)	(4 237 464)
30	(3 314 655)	(389 560)	(273 462)	(3 977 676)	(6 240 616)

Yield decrease in 1 BPS

30.06.2013 (Amounts in USD equivalent)

BPS	USD	EUR	GBP	Total USD	Total TZS '000
10	933,287	362,745	77,153	1,373,185	2,204,552
20	1,866,574	725,419	154,306	2,749,266	4,408,991
30	2,799,862	1,087,043	208,313	4,095,218	6,574,586

30.06.2012 (Amounts in USD equivalent)

BPS	USD	EUR	GBP	Total USD	Total TZS '000
10	1 104 885	144 281	101 282	1 350 448	2 118 732
20	2 209 770	288 563	202 564	2 700 897	4 237 464
30	3 314 655	389 560	273 462	3 977 676	6 240 616

It is also possible to stress test Bank's foreign reserves portfolio to mimic a variety of the extreme yet probable market conditions. To that end, the Bank considered three main scenarios i.e. spread widening, curve steepening and flattening by 50 basis points. The result of stress testing scenarios is as shown on the table below.

30.06.2013 (Amounts in USD equivalent)

BPS	USD	EUR	GBP	Total USD	TZS '000
Spread widening by 50	(4,666,436)	(1,813,725)	(385,765)	(6,865,926)	(11,022,764)
Curve Steepening by 50	(1,429,671)	(585,819)	(296,450)	(2,311,940)	(3,711,658)
Curve Flattening by 50	1,429,671	585,819	296,450	2,311,940	3,711,695

30.06.2012 (Amounts in USD equivalent)

BPS	USD	EUR	GBP	Total USD	TZS '000
Spread widening by 50	(2,789,437)	(1,899,170)	(526,592)	(5,215,199)	(8,277,824)
Curve Steepening by 50	(1,176,638)	(1,590,863)	(257,228)	(3,024,728)	(4,801,000)
Curve Flattening by 50	(1,879,838)	(1,434,618)	(233,220)	(3,547,676)	(5,631,048)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

49. RISK MANAGEMENT(Continued)

49.6.1 Financial risks (Continued)

c) Interest Risk (Continued)

Cash flow and fair value interest rate risk

Interest sensitivity of assets and liabilities

For accounting purposes, cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates, both in the United Republic of Tanzania and abroad. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. The exposures to both kinds of interest rate risk arise in the course of the Bank's activities. Based on the sensitivity of the 10 % deviation of the exchange rate against major currencies the impact on the Banks profit and equity was TZS 11,945.6 million. The deviation for 2012 was 4% and the impact in both equity and profit was TZS 19.309.9 million.

49.6.4 Currency risk

The exchange rate risk (or currency risk) refers to the loss of the portfolio value or purchasing power of the portfolio occasioned by adverse foreign exchange rate movements. The Bank foreign reserves portfolio is denominated in a number of currencies whose exchange rates are subject to fluctuation on international foreign exchange market.

The Bank is exposed to this risk in the context of its holding of foreign exchange reserves, intervention in the local inter-bank foreign exchange market (IFEM) and foreign exchange transactions in the international foreign exchange market. Often, currency exposures are not out rightly hedged, but the currency risk is controlled through a target currency composition whose criteria are specified in the approved Foreign Exchange Reserves Policy and stated in the Bank's Financial Guidelines. The currency positions of the Bank as of 30 June 2013 and 2012 which provides the Bank's assets, liabilities and equity at carrying amounts, categorized by currency is summarized below.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

49. RISK MANAGEMENT(Continued)

49.6.1 Financial risks (Continued)

d) Currency risk (Continued)

2013	GBP	USD	EUR	SDR	TZS	Others	Total
	TZS '000	TZS '000	TZS '000	TZS '000	TZS '000	TZS '000	TZS '000
Assets							
Cash and balances with central banks & other banks	265,559,243	1,365,107,408	20,277,128	-	-	117,265,734	1,768,209,513
Escrow accounts	-	43,410,856	-	-	-	-	43,410,856
Items in course of settlement	-	13,545	(27,322)	-	1,469,914	-	1,456,137
Holdings of Special Drawing Rights (SDRs)	-	-	-	370,513,006	-	-	370,513,006
Foreign Currency Marketable securities	357,505,706	3,512,843,208	914,057,499	-	-	-	4,784,406,413
Equity Investment	-	7,056,734	279,964	-	-	-	7,336,698
Government securities	-	-	-	-	1,497,107,651	-	1,497,107,651
Advances to the Government	-	-	-	-	75,456,879	-	75,456,879
Loans and receivables	-	-	-	-	187,208,501	-	187,208,501
Quota in International Monetary Fund (IMF)	-	-	-	479,683,371	-	-	479,683,371
Other assets	-	-	-	-	83,176,564	-	83,176,564
Total assets	623,064,949	4,928,431,752	934,587,269	850,196,377	1,844,419,509	117,265,734	9,297,965,589
Liabilities							
Currency in circulation	-	-	-	-	3,030,121,057	-	3,030,121,057
Deposit - banks and non banks financial institutions	-	343,977,042	-	-	1,880,899,046	-	2,224,876,088
Deposit - Governments	-	-	-	-	-	-	-
Deposit - others	-	-	-	-	198,310,200	-	198,310,200
Foreign currency financial liabilities	-	507,689,146	-	-	-	-	507,689,146
Poverty Reduction and Growth Facility	-	-	-	723,094,344	-	-	723,094,344
Repurchase Agreements	-	-	-	-	48,026,827	-	48,026,827
BOT liquidity papers	-	-	-	-	1,356,137,509	-	1,356,137,509
Other liabilities	-	-	-	-	25,244,570	-	25,244,570
IMF related liabilities	-	-	-	-	455,318,872	-	455,318,872
Allocation of Special Drawing Rights (SDRs)	-	-	-	459,452,774	-	-	459,452,774
Total liabilities	-	851,666,188	-	1,182,547,118	6,994,058,081	-	9,028,271,387
Net balance sheet position	623,064,949	4,076,765,564	934,587,269	(332,350,741)	(5,149,638,572)	117,265,734	269,694,202
Scenario of 10% appreciation	62,306,495	4,239,836,186	93,458,727	(33,235,074)	(514,963,857)	11,726,573	26,969,420

During the year a sensitivity of 10% was used (2012: 8.5%).





NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

49. RISK MANAGEMENT(Continued)

49.6.1 Financial risks (Continued)

d) Currency risk (Continued)

2012	GBP	USD	EUR	SDR	TZS	Others	Total
	TZS '000	TZS '000	TZS '000	TZS '000	TZS '000	TZS '000	TZS '000
Assets							
Cash and balances with central banks & other banks	146,108,707	1,075,465,177	250,995,960	-	-	5,853,094	1,478,422,938
Escrow accounts	-	42,359,427	-	-	-	-	42,359,427
Items in course of settlement	-	-	-	-	34,815,938	-	34,815,938
Holdings of Special Drawing Rights (SDRs)	-	-	-	369,525,297	-	-	369,525,297
Foreign Currency Marketable securities	295,178,600	2,817,871,290	914,607,194	-	-	-	4,027,657,084
Equity Investment	-	1,882,698	306,327	-	-	-	2,189,025
Government securities	-	-	-	-	1,050,470,656	-	1,050,470,656
Advances to the Government	-	-	-	-	283,004,718	-	283,004,718
Loans and receivables	-	-	-	-	183,100,745	-	183,100,745
Quota in International Monetary Fund (IMF)	-	-	-	471,393,438	-	-	471,393,438
Other assets	-	-	-	-	79,987,702	-	79,987,702
Total assets	441,287,307	3,937,578,592	1,165,909,481	840,918,735	1,631,379,759	5,853,094	8,022,926,968
Liabilities							
Currency in circulation	-	-	-	-	2,705,223,546	-	2,705,223,546
Deposit - banks and non banks financial institutions	-	155,200,381	-	-	1,882,155,526	-	2,037,355,907
Deposit - Governments	-	-	-	-	8,899,318	-	8,899,318
Deposit - others	-	-	-	-	334,134,239	-	334,134,239
Poverty Reduction and Growth Facility	-	-	-	539,104,400	-	-	539,104,400
Repurchase Agreements	-	-	-	-	25,025,548	-	25,025,548
BOT liquidity papers	-	-	-	-	732,306,148	-	732,306,148
Other liabilities	-	-	-	-	29,591,998	-	29,591,998
IMF Related Liabilities	-	-	-	-	431,556,956	-	431,556,956
Allocation of Special Drawing Rights (SDRs)	-	-	-	451,512,468	-	-	451,512,468
Total liabilities	-	155,200,381	-	990,616,868	3,443,669,733	-	7,294,710,525
Net balance sheet position	441,287,307	3,782,378,211	1,165,909,481	(149,698,133)	(1,812,289,974)	5,853,094	728,216,443
Scenario of 8.5% appreciation	37,509,421	321,502,148	99,102,306	(12,724,341)	(154,044,648)	497,513	61,898,398



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

49. RISK MANAGEMENT(Continued)

49.7 Non Financial Risks (Continued)

49.7.1 Operational Risk

Operational risk is the risk of loss in both financial and non-financial resulting from inadequate systems, management failures, ineffective internal control processes, fraud, theft and human errors.

The Bank addresses this risk inter alia through ensuring existence of Business Continuity Management (BCM) and sound internal control system which includes: operational and procedural manuals, ICT security policies, back up facilities, contingency planning, and independent internal audit function. Managing operational risk in the Bank is an integral part of day to day operations by the management. Management, Internal Audit Function, Audit Committee and the Board, closely monitors this risk.

The Bank has taken various measures such as segregation of duties, instituting codes of conduct and ethics and setting out benchmark limits. The Bank understands the fact that the lower the human intervention, the lower the operational risk. In view of this fact, the Bank has automated most of its major operations.

49.7.2 Human Resource Risk

The particular nature of the activities of the Bank necessitates specialized knowledge in many areas. The Bank ensures that there is an adequate knowledge base for all specialized job requirements by investing significantly in human resource development in terms of capacity building and practical exposure. The Bank also organizes workshops, seminars, conferences and job attachments to its staff as an effort to improve its human resource requirements. It also revises its staff retention scheme to compete with the prevailing labour market.

49.7.3 Legal Risk

Legal risk arises from any uncertainty of enforceability, whether through legal or judicial processes, of the obligations of the Bank's clients and counter parties. The Bank aims at minimizing such uncertainties through continuous consultations with all relevant parties.

In mitigating this type of the risk, the Bank ensures that all business agreements are contracted under Standard Industry Contracts, e.g. ISDA, ISMA, etc. Where new contracts and substantive changes to existing contracts are entered to, external lawyers are contracted. The Bank has in place a clear procedure of the delegation of authorities. Also strict code of conduct and ethics is used to minimize chances of causing legal disputes between the Bank and its counterparts.

49.7.4 Reputational Risk

The Bank has an obligation to ensure that it performs its functions and maintains its reputation as a Central Bank in line with requirements of the provision of Section 5(1) of the Bank of Tanzania Act, 2006, Public Procurement Act, No. 21 of 2004 and Public Procurement Regulations, 2005.

In view of the above, the Bank's management ensures that to the best of its ability fulfils its fiduciary responsibilities. The Bank adheres to the best practices and applies principle of sound corporate governance. It also ensures that all relevant employees have clear understanding of the appropriate processes in respect of the best practices and principals of good governance.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

49. RISK MANAGEMENT(Continued)

49.7 Non Financial Risks (Continued)

49.7.1 Operational Risk (Continued)

The Bank therefore sets out policies and guidelines that govern sound functional operations within the Bank. The performance of these policies and guidelines are periodically reported to different levels of the Bank's management for control and compliance monitoring.

The top management of the Bank has the necessary freedom and discretion to exercise central banking functions. However, this freedom is exercised within the context of fiduciary duties of good governance and by ensuring a proper balance between accountability and the best interests of the Bank and its various stakeholders.

The function of the Bank of overseeing and ensuring the integrity of the country's banking system exposes it to severe criticism whenever there is an incident of bank failure or systemic difficulty. The responsibilities of the Bank regarding monetary policy, the National Payment System (NPS) and the issuing of notes and coins also expose the Bank to significant reputation risk. The Bank adheres to international best practice and, to this end, maintains close liaison with international peers. The Bank strives towards full compliance with the principles for effective banking supervision as well as the core principles for systemically important payment systems.

50. DETERMINATIONS OF FAIR VALUE AND FAIR VALUE HIERARCHY

Financial instruments recorded at fair value

Estimated fair value is the amount at which an instrument could be exchanged in a current transaction between willing parties other than enforced or liquidation sale. The following is a description of how fair values are determined for financial instruments that are recorded at fair value using valuation techniques. These incorporate the Bank's estimate of assumptions that a market participant would make when valuing the instruments.

Foreign currency marketable securities

The marketable securities are quoted in actively traded markets which is the best evidence of fair value. The valuation techniques employ only observable market data.

Unquoted equities securities.

These Investments are valued using the market approach. The inputs to this methodology are observable inputs based on recent transactions. The data used were from recently published accounts of these entities. These were then corroborated to arrive at the fair values at the reporting date.

Fair value of financial assets and liabilities not carried at fair value

Below are the methodologies and assumptions used to determine fair values for those financial instruments which are not recorded at fair value in the financial statements.

Assets and liabilities for which fair value approximates carrying value

For financial assets and financial liabilities that have a short term maturity (less than three months) it is assumed that the carrying amounts approximate their fair value. This assumption is also applied to Cash and Cash Equivalent, Escrow accounts, Items in course of settlements, Deposits, repurchase agreements and BoT Liquidity Papers and other Deposits without a specific maturity.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

50. DETERMINATIONS OF FAIR VALUE AND FAIR VALUE HIERARCHY (Continued)

Government securities

The fair value of Government securities carried at amortised cost are estimated by using the interest rates that discount future cash flows to zero.

Fair value of financial assets and liabilities

IFRS 7 specifies a hierarchy of valuation techniques based on whether inputs used in the valuation techniques of financial instruments are observable or unobservable. Financial instruments are grouped into 3 levels based on the degree to which fair value data / input is observable.

- **Level 1 fair value measurements:** are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities. This level includes listed debt instruments on exchanges for example Foreign Currency Marketable securities. .
- **Level 2 fair value measurements:** are those derived from inputs other than quoted prices that are observable for the asset or liability, either directly (i.e. as a price) or indirectly (i.e. derived from prices). Input data for this category is sourced mainly from Bloomberg and the Dare salaam Securities Exchange.
- **Level 3 fair value measurements:** are those derived from valuation techniques that include inputs that are not based on observable market data (unobservable inputs).

Fair value hierarchy

The following table analyses within the value hierarchy the Bank are measured at fair value as at:

30 June 2013:

Description	Level 1 (TZS '000')	Level 2 (TZS '000')	Level 3 (TZS '000')
Foreign currency marketable securities	4,784,406,413	-	-
Equity Investments	-	7 ,336, 698	-
Total	4,784,406,413	7 ,336, 698	-

30 June 2012:

Description	Level 1 (TZS '000')	Level 2 (TZS '000')	Level 3 (TZS '000')
Foreign currency marketable securities	4,027,654,084	-	-
Total	4,027,654,084	-	-

There were no transfers between levels 1, 2 and 3 in the period.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

51. CLASSIFICATION OF FINANCIAL ASSETS AND LIABILITIES

Financial assets and financial liabilities are measured on an ongoing basis either at fair value or amortised cost. A summary of significant accounting policies in Note 3 describes how classes of financial instruments are measured and how income and expenses, including fair value gains are recognised. The following table analyses the carrying amounts of the financial assets and liabilities by category:

	Amortised Cost	FVTPL	FVOCI	Total	Fair values
	TZS '000	TZS '000	TZS '000	TZS '000	TZS '000
2013					
Financial assets					
Cash and balances with central banks & other banks	1,768,209,513	-	-	1,768,209,513	1,768,209,513
Escrow Accounts	43,410,856	-	-	43,410,856	43,410,856
Items in course of settlement	1,456,137	-	-	-	-
Holdings of Special Drawing Rights (SDRs)	370,513,006	-	-	370,513,006	370,513,006
Foreign Currency Marketable securities	-	4,784,406,413	-	4,784,406,413	4,784,406,413
Equity instruments	-	-	7,336,698	7,336,698	7,336,698
Advance to the Government	75,456,879	-	-	75,456,879	75,456,879
Government securities	1,497,107,651	-	-	1,497,107,651	1,497,107,651
Loans and receivables	41,029,865	-	-	41,029,865	41,029,865
Quota in International Monetary Fund (IMF)	479,683,371	-	-	479,683,371	479,683,371
Financial liabilities					
Currency in circulation	3,030,121,057	-	-	3,030,121,057	3,030,121,057
Foreign currency financial liabilities	507,689,146	-	-	507,689,146	507,689,146
Deposit - Governments	2,224,876,088	-	-	2,224,876,088	2,224,876,088
Deposit - others	198,310,200	-	-	198,310,200	198,310,200
Poverty deduction and growth facility	723,094,344	-	-	723,094,344	723,094,344
Repurchase agreements	48,026,827	-	-	48,026,827	48,026,827
BoT liquidity papers	1,356,137,509	-	-	1,356,137,509	1,356,137,509
Other liabilities	5,692,539	-	-	5,692,539	5,692,539
IMF related liabilities	25,244,570	-	-	25,244,570	25,244,570
Allocation of Special Drawing Rights (SDRs)	455,318,872	-	-	455,318,872	455,318,872



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

51. CLASSIFICATION OF FINANCIAL ASSETS AND LIABILITIES (Continued)

	Amortised Cost	FVTPL	OCI	Total	Fair values
	TZS '000	TZS '000	TZS '000	TZS '000	TZS '000
2012					
Financial assets					
Cash and balances with central banks & other banks	1,478,422,938	-	-	1,478,422,938	1,478,422,938
Escrow Accounts	42,359,427	-	-	42,359,427	42,359,427
Items in course of settlement	34,815,938	-	-	34,815,938	34,815,938
Holdings of Special Drawing Rights (SDRs)	369,525,297	-	-	369,525,297	369,525,297
Foreign Currency Marketable securities	-	4,027,657,084	-	4,027,657,084	4,027,657,084
Equity instruments	-	-	2,189,025	2,189,025	2,189,025
Advance to the Government	283,004,718	-	-	283,004,718	283,004,718
Government securities	1,050,470,656	-	-	1,050,470,656	1,050,470,656
Loans and receivables	183,100,745	-	-	183,100,745	183,100,745
Quota in International Monetary Fund (IMF)	471,393,438	-	-	471,393,438	471,393,438
Financial liabilities					
Currency in circulation	2,705,223,546	-	-	2,705,223,546	2,705,223,546
Foreign currency financial liabilities	478,153,879	-	-	478,153,879	478,153,879
Deposits - banks and non-bank financial institutions	2,037,355,907	-	-	2,037,355,907	2,037,355,907
Deposits - Governments	8,899,318	-	-	8,899,318	8,899,318
Deposits - Others	334,134,239	-	-	334,134,239	334,134,239
Poverty Reduction and Growth Facility	539,104,400	-	-	539,104,400	539,104,400
Repurchase agreements	25,025,548	-	-	25,025,548	25,025,548
BoT liquidity papers	732,306,148	-	-	732,306,148	732,306,148
Other liabilities	29,591,998	-	-	29,591,998	29,591,998
IMF related liabilities	431,556,956	-	-	431,556,956	431,556,956
Allocation of Special Drawing Rights (SDRs)	451,512,468	-	-	451,512,468	451,512,468



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

52. RETIREMENT BENEFIT PLAN

Defined Benefit Plan

The Bank maintains unfunded retirement benefit plan. Under the plan employees are entitled to benefits upon meeting requirements as stipulated in the Bank's Financial Regulations, 2011 and Staff by Laws, 2011.

The plan typically exposes the Bank to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment Risk	The present value of the defined benefit obligations is calculated using a discount rate determined by the yield on long term Government bond. The higher the discount rate the higher the defined benefits obligations payable by the Bank.
Interest Rate Risk	A decrease in the long term government bond interest will increase the plan liability.
Longevity Risk	The present value of the defined benefits obligations is calculated by reference to the best estimate of the mortality rate of plan members both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability
Salary Risk	The present value of the defined benefits obligations is calculated by reference to the future salaries of the members. As such an increase/decrease in the salary of the members will increase the plan's liability.

The principle assumptions used for the purposes of the actuarial valuation were as follows.

Year end	30.06.2013	30.06.2012
Discount rate (% p.a)	15.3%	15.2%
Expected return on scheme assets (% p.a)	n/a	n/a
Non-Executives - Future salary increase (% p.a)	6.0%	6.0%
Executives-Future salary increases (% p.a)	3.0%	3.0%
Future increases in Long Service Award (% p.a)	0.0%	0.0%
Mortality (pre-retirement)	A1949-1952	A1949-1952
Mortality (post-retirement)	n/a	n/a
Withdrawals (voluntary)	At rates consistent with similar arrangements	At rates consistent with similar arrangements
Ill-Health	At rates consistent with similar arrangements	At rates consistent with similar arrangements
Compulsory Retirement Age (years)	60	60



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

52. RETIREMENT BENEFIT PLAN (Continued)

Defined Benefit Plan (Continued)

Amount recognized in statement of profit or loss and other comprehensive income in respect of this defined benefit plans are as follows.

	30.06.2013	30.06.2012
	TZS '000	TZS '000
		(restated)
Current service cost	2,585,666	2,705,196
Net interest cost	12,248,994	11,092,571
Components of defined benefits cost re-cognised in profit or loss	14,834,660	13,797,767
Re-measurement on defined benefit liability:		
Actuarial gain arising from changes in financial assumptions	(534,024)	(7,028,666)
Components of defined benefit cost recognised in other comprehensive income	(534,024)	(7,028,666)
Total	14,300,636	6,769,101

The current service cost and net interest expense for the year are included in the personnel expenses in profit or loss. The re-measurement of the net defined liability is included in other comprehensive income.

The amount included in the statement of financial position arising from the Banks obligation in respect of its defined benefit plan is as follows:

	30.06.2013	30.06.2012
	TZS '000	TZS '000
		(restated)
Present value of unfunded obligations	88,934,981	83,950,965
Defined Benefit Obligation recognised in the Statement of Financial Position	88,934,981	83,950,965

Movements in the present value of defined benefit obligation in the current year were as follows:

	30.06.2013	30.06.2012	30.06.2011
	TZS '000	TZS '000	TZS '000
		(restated)	(restated)
Opening benefit obligation	83,950,965	82,048,279	85,422,695
Current service cost	2,585,666	2,705,196	-
Interest cost	12,248,994	11,092,571	-
Actuarial (gain)/loss in experience	(103,859)	(113,825)	-
Actuarial (gain)/loss in assumptions	(430,165)	(6,914,841)	-
Benefits paid	(9,316,620)	(4,866,415)	(3,374,416)
Closing benefits obligation	88,934,981	83,950,965	82,048,279



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

52. RETIREMENT BENEFIT PLAN (Continued)

Defined Benefit Plan (Continued)

Sensitivity analysis

The results of the actuarial valuation are more sensitive to changes in the financial assumptions than changes in the demographic assumptions. In preparing the sensitivity analysis of the results to the discount used, we have relied on the duration of the liability. Based on this methodology, the one percent change in the discount rate will result into an increase in the defined benefits obligations to TZS 93,418.8 million (2012: TZS 88,459.9 million).

Since the bulk of benefits payable under the arrangement are salary related, the sensitivity of a liability to a change in the salary escalation assumption is not expected to be materially different. However, the impact of a change in salary escalation is expected to be less than the impact of a change in the discount rate as a portion of the liability. In this case long service awards would not be affected by a change in the salary escalation rate.

Effect on Bank's cash flow

The benefits arrangement is unfunded and the Bank pays benefits from the defined benefit obligation as and when they arise. The timing of the benefit payments from the arrangement will be influenced by the age at which employees leave the Bank.

Duration

The weighted average duration of the liability as at 30 June 2013 is 5.1 years (2012; 5.4 years).

53. CAPITAL

Section 17 of the Bank of Tanzania Act, 2006 states that "the authorized capital of the Bank shall be one hundred billion shillings, provided that it may be increased by such amount as may be determined by the Board, and authorized by the Minister, by Notice published in the Government Gazette."

The capital of the Bank is subscribed and held only by the Government of the United Republic of Tanzania. The equity of the Bank includes share capital and reserves. During the year, movement of equity is as shown below and further details are provided in the statement of changes in owners' equity on page 22

Details	30.06.2013 TZS '000	30.06.2012 TZS '000
Capital	100,000,000	100,000,000
Reserves	1,016,096,085	1,026,227,372
Total	1,116,096,085	1,126,227,372



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

53. CAPITAL (Continued)

The Bank is not subject to any capital adequacy regulatory requirements concerning the level of capital in relation to assets it holds, although the Bank of Tanzania Act, 2006 sets out how the statutory annual net profit for the year shall be allocated. The principal source of capital increase is through retention of un-distributable element of the profit.

The Bank is not for profit organization, nor does it seek profit maximization. Instead it seeks to make profit commensurate with normal market returns in areas where it conducts normal commercial operations.

Capital is not actively managed and the relative low risk nature of most of the Bank's activities means that it is not capital intensive. Its purpose is to cover unexpected losses. The most significant unexpected losses are likely to rise out of the support operations and the Bank's role as the lender of last resort, or from losses on price movements and changes in exchange rates on the Bank's foreign investments.

54. CONTINGENT LIABILITIES

Contingent liabilities arise in the normal course of the Bank's business activities. In order to meet the financial needs of the government, the Bank enters into various irrevocable commitments and contingent liabilities. Even though these obligations may not be recognised on the statement of financial position, they do contain credit risk and are therefore part of the overall risk of the Bank.

54.1 Outstanding Legal Matters

In the ordinary course of business the Bank is subject to threatened or actual legal proceedings. All such material cases are periodically reassessed to determine the likelihood of the Bank incurring a liability. In those instances where it is concluded that it is more likely that a payment will be made, a provision is established to management's best estimate of the amount required to settle the obligation at the relevant statement of financial position date. In some cases it will not be possible to form a view, either because the facts are unclear or because further time is needed to properly assess the merits of the case and no provisions are held against such cases. However the Bank does not currently expect the final outcome of any such case to have a material adverse effect on its financial position.

Pursuant to the Bank of Tanzania Act, 2006 the Bank of Tanzania is a Banker to the Government of the United Republic of Tanzania. Arising from that responsibility there is a legal dispute relating to a transaction involving the Government of the United Republic of Tanzania and D.P. Valambhia in which the Bank was involved in its capacity as a Banker to the Government of the United Republic of Tanzania. A Garnishee Order was issued by the High Court of Tanzania on 4 June 2001 ordering the Bank of Tanzania to pay a decree holder USD 55,099,117.66 from funds of the Government of the United Republic of Tanzania in the custody of the Bank of Tanzania.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

54. CONTINGENT LIABILITIES (Continued)

54.3 Outstanding Legal Matters (continued)

Pursuant to the Order, the Government instituted court proceeding against the decree holder and the Bank on the same matter. The assets/properties of the Bank and the Government under the custody of the Bank are granted immunity against execution and attachment, subject to the provisions of the Act.

On the basis of the above facts, it is the opinion of the directors that the assets/properties of the Bank are well safeguarded. Accordingly, there are no other significant legal cases requiring disclosure.

The court proceedings have not been concluded.

On the basis of the above facts, it is the opinion of the directors that the assets/properties of the Bank are well safeguarded. Accordingly, there are no other significant legal cases requiring disclosure.

54.3 External Payment Arrears Deposit Account

During the 1970s and 1980s there was a serious shortage of foreign currencies in the country, which required the Government to control and prioritise foreign payments (forex). Tanzania importers were required to remit equivalent amount of TZS with the then National Bank of Commerce (NBC) for the required amount of forex and subject to availability of forex and priority, the forex amount would be remitted to the intended overseas suppliers.

However due to the forex shortage not all funds deposited with the then NBC by private and public importers were remitted to the overseas suppliers' accounts.

In 1985, the Government of the United Republic of Tanzania formally assumed the responsibility of handling liabilities arising from External Payment Arrears deposit account (EPA) from the then NBC. The Bank was given the responsibility to manage EPA liabilities on behalf of the Government of the United Republic of Tanzania. As at 30 June 2013 the balance in this liability account has remained at the same level as it was in the previous year of TZS 2,288.4 million since the Bank has suspended all transactions relating to EPA pending reconciliation and resolution of the remaining external payment arrears. In order to undertake reconciliation and resolution of the remaining balance, on 14 April 2009 the Bank engaged a consultant, M/S Lazard Freres's & CIE to assist in the process.

The objectives of the exercise were:

- a) To ascertain how the remaining debt as at 2004 has been handled.
- b) To compile and establish the current stock of the remaining EPA debts.
- c) To develop, jointly with the Ministry of Finance and Economic Affairs and Bank of Tanzania, a strategy and action plan to handle the unsettled claims.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

54. CONTINGENT LIABILITIES (Continued)

54.3 External Payment Arrears Deposit Account (Continued)

The Consultant submitted an inception report in August 2009 which was not accepted by the Bank.

Further, the original contract expired on 14 January 2010 while the consultant was yet to provide the expected contract deliverables. Subsequent follow ups on the matter with the consultant's assignment proved futile. Due to non-responsiveness of the consultant to the Bank's subsequent follow ups, on 25 July 2011, the Bank wrote to the World Bank to seek for their advice on the way forward, which was not provided.

- On 25 August 2011, the consultant wrote to the Bank demanding renewal of the expired contract; to include:
- Upward revision of the price of the contract to USD 843,700 from the original amount of USD 663,950;
- Implicitly complaining for not being paid initial fee amounting to USD 175,000 after submitting inception report; and
- Revising some items on the original contract.

Based on the original contract, the consultant would have been paid initial fee after submitting an inception report that is acceptable to the client. However, the earlier submitted report fell short of the required standard and the consultant was notified.

On 14 April 2012 the Bank officially informed the consultant about the expired contract and that the Bank had no intention to renew the same.

The consultant was further informed that since the inception report that was submitted in August 2009 was not accepted by the client, there is no any accrued liability to the Bank.

The Bank's further efforts to solicit detailed information from the World Bank on work that was done by M/S Lazard Freres during the Debt Buyback Scheme that ended in year 2004 have proved futile. The efforts were aimed at obtaining information that would have paved way for another consultant to be engaged to perform the assignment. The Bank later sought legal advice on how to bring EPA to a close. On the basis of legal advice that was obtained, and following a Board of Directors Resolution, on 20th November 2012 the Bank officially wrote to the Minister for Finance to transfer operations and management of the External Payment Arrears Account and public debt back to the Ministry of Finance. The transfer was in line with the Bank's program for shedding-off non-core activities

54.3 Export Credit Guarantee Scheme (ECGS)

The Bank is an agent of the Government on the operationalisation of the Export Credit Guarantee Scheme. The scheme is charged with the responsibility of considering guarantee applications from financial institutions, and on behalf of the Principal, issue guarantees to financial institutions covering short and long term finance to exporters as long as the capital funds in the ECGS accounts are not leveraged more than 1:5. As a result there is a contingent liability under this scheme in respect of guarantees, limited to five times the balance of the Fund in accordance with the agency agreement in force. As at 30 June 2013 outstanding guarantees aggregated to TZS 233,151.0 million (2012: TZS 300,100.9 million) while the balance of the Fund as at 30 June 2013 was TZS 56,738.4 million (2012: TZS 52,138.8 million). The movement of the Fund during the year is as summarized below:



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

54. CONTINGENT LIABILITIES (Continued)

54.3 Export Credit Guarantee Scheme (ECGS) (Continued)

	30.06.2013 TZS '000	30.06.2012 TZS '000
Balance of funds		
Capital	19,155,186	21,772,722
Surplus	37,583,193	30,366,122
Total	56,738,379	52,138,844

54.4. Small & Medium Enterprises - Credit Guarantee Scheme

The Bank operates this scheme by issuing guarantees on behalf of the Government to financial institutions covering medium and long-term finance to SMEs on a pilot as long as the capital funds in the CGS-SME accounts are not leveraged more than 1:3. There is a contingent liability under this scheme in respect of guarantees, limited to three times the balance of the Fund in accordance with the Agency agreement in force. As at 30 June 2013 outstanding guarantees had a value aggregating to TZS 574.9 million (2012: TZS 825.0 million) while the balance of the fund as at 30 June 2013 was TZS 7,594.6 million (2012: TZS 6,773.7 million).

55. OUTSTANDING COMMITMENTS

55.1 Uncalled and unpaid Capital to Afrexim Bank

The Afrexim bank was established on 27 October 1993. The major function of the bank is to finance and facilitate trade among African countries and between Africa and the rest of the world. The Bank's authorized equity interest in Afrexim bank is 306 ordinary shares of par value USD 10,000 each payable in five equal instalments. Two instalments with value of USD 1.2 million have been called and paid up.

As at 30 June 2013, the Bank had a commitment of USD 1.8 million in respect of three instalments of uncalled and unpaid capital attached to its shareholding in the Afrexim bank. The Bank proportion of equity total holding in the Afrexim bank is 0.4 percent.

55.2 Capital commitments

As at 30 June 2013, the Bank's capital commitments in respect of, Property and Equipment, Intangible Assets and major capital projects aggregated to TZS 65,513.1 million (2012: 42,937.7 million). The major capital expenditure commitments items is as reflected herewith below:

	30.06.2013 TZS '000	30.06.2012 TZS '000
Particulars		
Office buildings	7,735,000	4,650,000
Residential buildings	8,302,465	2,456,200
Machinery and equipment	11,097,900	8,334,900
Information, communication and Technology (ICT)	2,499,444	1,025,800
Motor vehicles	4,634,000	3,002,100
Furniture and fittings	464,345	197,600
Intangible assets	3,857,387	4,602,100
Work in progress	26,922,600	14,425,000
Total	65,513,141	38,693,700



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

55. OUTSTANDING COMMITMENTS (Continued)

55.2 Capital commitments (Continued)

The above commitments have been included and approved for payment in accordance with the 2013/2014 Approved Budget Estimates.

55.3 Post-employment benefits

Effective July 2008 the Bank has a medical insurance arrangement, which covers retired employees and their spouses. At the reporting date the Bank had insurance commitment amounting to TZS 56.8 million (2012: TZS 37.7 million) involving eleven retired staff with their spouses who retired since financial year 2009/10.

56. RELATED PARTY DISCLOSURES

In the course of its operations, the Bank enters into transactions with related parties, which include the Government of the United Republic of Tanzania, the ultimate shareholder of the Bank, the Deposit Insurance Fund and key management personnel. The related party transactions during the year are as follows:

56.1 Loans and emoluments to key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Bank. The Bank's key management personnel are the Governor, Deputy Governors', Non Executive Directors and Directors.

The Bank extends loan facilities to the Governor, the Deputy Governors and its members of staff. Loans and advances (Note 27) include advances to employees that as at 30 June 2013 amounted to TZS 56,371.5 million (2012: TZS 55,668.4 million). The advances are granted at preferential rates of interest determined by the Bank presently at 5 percent fixed over the period of the loan. The following is the break down of loans and emoluments granted to key management personnel.

	30.06.2013 TZS '000	30.06.2012 TZS '000
i. Loans to Senior Management (i.e. Governor, Deputy Governors and Directors)		
At start of the year	430,588	828,000
Loans granted during the year	925,772	494,863
Loans repaid during the year	(964,874)	(892,275)
Balance end of the year	391,486	430,588
ii Emoluments to Senior Management Personnel (Governor, Deputy Governors and Directors)		
Salaries, allowances and benefits	3,608,040	2,438,043
Post-employment benefits	1,220,000	911,144
Total	4,828,040	3,349,187



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

56. RELATED PARTY DISCLOSURES (Continued)

56.1 Loans and emoluments to key management personnel (Continued)

In accordance with Section 15 of the Bank of Tanzania Act, 2006, remuneration of the Governor and Deputy Governors is determined by the President of the United Republic of Tanzania. The Board determines remuneration of directors including Secretary to the Bank. As at 30 June 2013, the number of key management personnel was 29 (2012: 27).

56.2 Directors' remunerations

During the year ending 30 June 2013, emoluments paid to the members of the Board amounted to TZS 950.2 million (2012: TZS 887.3 million). These emoluments include salaries and benefits of Non – Executive directors. As of 30 June 2013 and 30 June 2012 there were no loans advanced to the Non-Executive Directors of the Board. Further, there were no related party transactions with Non-Executive Directors of the Board.

56.3 Government of the United Republic of Tanzania

Transactions entered into with the Government include:

- (a) No interest and no Bank charges on Government deposits accounts;
- (b) Cost sharing of liquidity management cost arising from issue and redemption of liquidity papers and Repurchase Agreements in accordance with the memorandum of understanding in force.
- (c) Settlement of foreign currency denominated obligations;
- (d) Financial accommodation on temporary short falls in Government revenue;
- (e) Other duties including agency of the Government as provided under the Bank of Tanzania Act, 2006.

As at the close of business on 30 June 2013, the following balances, which are included in the statement of financial position in various categories, were outstanding:

	30.06.2013	30.06.2012
	TZS '000	TZS '000
Due from Governments of Tanzania (Note 27)	75,456,879	344,954 ,118
IMF funds on-lent to the Government (Note 23)	479,683,371	471, 393 ,438
Deposits-RGZ (Note 37)	-	8, 899, 318
Investments in Government Securities (Note 26)	1,497,107,651	1,050,470,656
Structured Financing Facility (Note 38)	73,065,368	70,649,259
Export Credit Guarantee Fund (Note 38)	56,712,431	52,139,825
Small and Medium Enterprises Guarantee Fund (Note 38)	7,594,640	6, 773, 745

The above Schemes are administered by the Bank on behalf of the Government of the United Republic of Tanzania. Funds are deposited with the Bank and no interest is paid on these balances.

The Governments of Republic of Tanzania (URT) and Revolutionary Government of Zanzibar (RGZ) deposits are governments funds held by the Bank as Governments' bank.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013 (Continued)

56 RELATED PARTY DISCLOSURES (Continued)

56.5 Deposit Insurance Fund Board

The Bank has a close working relationship with the Deposit Insurance Fund Board, an entity incorporated under the Banking and Financial Institution Act, 1991 (as amended 2006). The Bank provides it with staff, subvention and office accommodation.

The balance outstanding from the Fund and included under Deposit Others as at 30 June 2013 was TZS 11,913.1 million (2012: TZS 37.9 million).

56.6 Bank of Tanzania Training Institute – Mwanza

Bank of Tanzania Training Institute – Mwanza is operated as a branch and the results of its operations are incorporated in the financial statements of the Bank.

57. EVENTS AFTER THE REPORTING DATE

Payment of interest on government overdrawn position

On 2 September 2013, the Bank received TZS 50,000.0 million from the United Republic of Tanzania Government as settlement of outstanding interest charged to the URT Government on overdrawn position relating to financial year 2011/12 TZS 21,297.2 million and part of 2012/13 TZS 28,702.9 million. As a result, outstanding interest obligations for financial year 2012/13 have been reduced to TZS 33,350.0 million.

Change of Shareholding of IPTL

Independent Power Telecommunication Limited (IPTL), a limited liability company registered in Tanzania in 1994, the company has two shareholders namely VIP Engineering and Marketing Limited “VIP” holding 30 per cent of shares and Mechmar holding 70 per cent of shares. The company has been involved into a number court dispute moving from the High Court to Court of Appeal. As a result of the said disputes, on 5th July, 2006 the Bank vide an agreement between IPTL and Government of Tanzania “GOT” had to step in to handle an escrow account as agent for IPTL and GOT. Consequently, The Bank has continued to be joined as a necessary party in all Court proceedings and as escrow agent. The Bank has successfully in all times defended the interest of its Principals i.e. IPTL and GOT against any adverse orders as far as the Escrow Account is concerned.

On 19th August, 2013 VIP decided to sell off its 30 per cent of its shares in IPTL to Pan African Power Solutions (PAP). Following the recent High Court order the Bank has already handed over all proceeds of the Escrow account to the new owners’.

Payment of liquidity management costs

On 14th November 2013, the Government paid TZS 30,793.8 million being settlement of Government share of liquidity management costs for 2012/13.

Establishment of Staff Benefits Fund

On 11th December 2013 the Board of Directors approved establishment of the Bank’s employees’ staff benefits fund. The fund will start with a seed capital of TZS 88,934.9 million, the equivalent to Defined Benefits obligation as at 30 June 2013, through a transfer from the General Reserve. Funds in this reserve will be invested to earn a return that will assist in meeting future obligations payable. The Fund will be operationalized effective January 2014.



PART IV
CALENDAR OF IMPORTANT MONETARY AND ECONOMIC
POLICY EVENTS, JANUARY 1992 TO JUNE 2013



2013 March: The Deputy Minister for Finance, Janet Mbene (MP) launched the Tanzania Financial Stability Forum (TFSF) on March 11, 2013.

2013 January: The Bank of Tanzania issued guidelines on Agency Banking. The guidelines became effective on 1st February 2013.

2012 November: As per the Bank of Tanzania Act, 2006, The President of the United Republic of Tanzania, His Excellency, Dr. Jakaya Mrisho Kikwete, re-appointed Prof. Benno J. Ndulu to serve in the office for the second term as the Governor of the Bank of Tanzania. The effective date of his appointments was 8th January 2013.

2012 November: The President of the United Republic of Tanzania, His Excellency, Dr. Jakaya Mrisho Kikwete, launched the Mwalimu Nyerere Memorial Scholarship Fund.

2012 September: The Bank launched the Credit Reference Databank.

2012 Aug: The Bank introduced an online bidding system for Government securities auctions (GSS).

2011 Jun : As per the Bank of Tanzania Act, 2006, The President of the United Republic of Tanzania, His Excellency, Dr. Jakaya Mrisho Kikwete, appointed Dr. Natu El-Maamry Mwamba to be the Deputy Governor for a period of five years with effect from June 13, 2011. She replaced Dr. Enos Bukuku, who was appointed as Deputy Secretary General of the East African Community.

2009 March: The Bank on behalf of the Government hosted the IMF/Africa, International Economic Conference which discussed Africa Growth challenges and its partnership with the International Monetary Fund on 10 - 11 March 2009.

2008 January: As per the Bank of Tanzania Act, 2006, His Excellency, the President of the United Republic of Tanzania, Hon. Jakaya Mrisho Kikwete, appointed Prof. Benno J. Ndulu to be the sixth Governor of the Bank of Tanzania, Dr. Enos S. Bukuku, Deputy Governor (In-charge of Economic and Financial Policies - EFP), Mr. Juma H. Reli Deputy Governor (In-charge of Administration and Internal Controls - AIC), and Mr. Lila H. Mkila (In-charge of Financial Stability and Deepening- FSD). The effective date of their appointments was 8th January 2008.

2008 January: Settlement cycle was changed from T+2 to T+1 in order to harmonize redemptions and settlement of Treasury Securities. "T" is defined as a settlement day.

2008 January: The auction frequency of Treasury bills was changed from weekly to once fortnightly whilst that of Treasury bonds was changed to once every month.

2007 October: The Bank issued a Press release in the Interbank Foreign Exchange Market indicating that the Bank was going to be on the selling side.

2007 June: As per the Bank of Tanzania Act, 2006, His Excellency, the President of the United Republic of Tanzania, Hon. Jakaya Mrisho Kikwete, appointed three Bank of Tanzania Deputy Governors, Prof. Benno J. Ndulu, (In-charge of Economic and Financial Policies - EFP), Mr. Juma H. Reli (In-charge of Administration and Internal Controls - AIC) and Mr. Lila H. Mkila (In-charge of Financial Stability and Deepening- FSD). The effective date of their appointments was 26th June 2007.

2007 June: Bank of Tanzania-Zanzibar Branch officially moved in the new office building located at Gulioni on 25th June 2007.

2006 June: The Bank of Tanzania Act, 2006 and the Banking and Financial Institutions Act, 2006 were gazetted and became effective on 1st July 2006.



2006 April: The Boards of Directors of the African Development Bank and African Development Fund approved the ADF's participation in Multilateral Debt Relief Initiative (MDRI). The impact of the approval will be cancellation of outstanding debt as at end of December 2004 that remained unpaid until the end of 2005. Though the ADF implementation of MDRI was 01 January 2006, actual delivery is expected to be done retroactively by the end of the 3rd quarter of 2006.

2006 January: The International Monetary Fund (IMF) cancelled debt worth USD 338 million being 100 percent of disbursed outstanding debt as at December 2004 that remained outstanding until December 2005.

2005 December: Introduction of the Two-way quote system in the Interbank Foreign Exchange Market (IFEM).

2005 October: Tanzania Net Settlement Services system (TNNSS) which is a system used to facilitate settlement of transactions arising from visa member banks obligations went live on 10th October 2005 linking 4 local banks with VISA International network branded cards.

2005 July: 10 percent withholding tax charged on Treasury bills and bonds with the exception of all bonds with maturities longer than two years

2005 June: The G8 Finance Ministers on June 11th 2005 announced a proposal on debt cancellation for Highly Indebted Poor Countries. The proposal envisages 100 percent cancellation of HIPC's disbursed outstanding debt as at 31st December 2004 due to IMF, World Bank and African Development Bank. The announcement entails cancellation of Tanzania debt worth USD 4.832 billion.

2005 June: Zanzibar Investment Promotion Authority (ZIPA) was established as a government focal point for the promotion and facilitation of investment in Zanzibar.

2005 May: Office of Chief Government Statistician GOZ completed the Zanzibar Household Budget Survey (HBS).

2005 March: Bank of Tanzania issued Microfinance Regulations 2005.

2005 March: Zanzibar Business Council was inaugurated. The Council is under the Chairmanship of the Zanzibar President. The council's main objective is to promote development dialogue and propose common strategies for addressing problems facing the private sector growth.

2005 February: As per the Bank of Tanzania Act, 1995, His Excellency, the President of the United Republic of Tanzania, Hon. Benjamin William Mkapa, appointed Mr. Juma H. Reli to be the Deputy Governor.

2005 January: The East African Community Customs Union that was ratified by the Partner States in December 2004 commenced its operations. Under the protocol, trade on goods originating and traded among the Partner States attracts a zero tariff. A three-band Common External Tariff (CET) structure of 0percent, 10percent, and 25percent is applied to goods imported into EAC. A selected list of sensitive items attracts rates above 25percent as an additional protection measure for similar locally produced products.

2004 December: Effective end of December 2005, the government developed and introduced a computerized risk-management system aimed at expanding customs clearance primarily through reducing significantly the number of shipments that are physically inspected.

2004 December: The East African Legislative Assembly enacted the East African Community Customs Management Act, 2004.

2004 November: The National Assembly passed the National Economic Empowerment act, 2004.



Under the act, the government has resolved to take measures designed to promote and facilitate economic initiatives aimed at empowering Tanzanians.

2004 October: The Electronic Fund Transfer (EFT) system, which is used to transfer low value high volume interbank payments, went live in 2004.

2004 July: 15 percent withholding tax was reinstated on Treasury bills and bonds with the exception of bonds with maturities longer than two years.

2004 April: The Bank introduced the Tanzania Inter-bank Settlement System (TISS) in April 2004, which is an online, real time gross settlement system.

2004 March: The Protocol on the Establishment of the East African Community Customs Union was signed.

2004 March: Commencement of the National account Household Budget Survey (HBS) by Office of the Chief Government Statistician (OCGS).

2004 March: The second and final closing of the Debt Buyback Scheme took place on March 31st 2004 under which debts worth USD 43.8 million, made up of both principal and interest was retired at a price of 12 cents on a dollar of principal amount tendered.

2004 March: Financial Markets Leaders Forum was established in order to promote dialogue and networking among stakeholders in the financial markets. Structured and informal knowledge sharing facilitated by the Forum has enhanced comprehension of the market intricacies among market participants.

2003 December: The Bank introduced Intraday and Lombard standby credit facilities to provide overnight-collateralized advances to commercial banks

2003 June: The President of the Union Government of Tanzania as empowered in section 134 of the Constitution of the Union Republic of Tanzania of 1977 (as amended) established the Joint Finance Commission (JFC) and Joint Finance Bill No 14 of 1996.

2003 May: The Chief Government Statistician reviewed the basis of National Account Database.

- Changed National Account base year from 1991 to 2001
- Adopted the national account statistics to internationally accepted standards

2003 May: Effective 21st May 2003, the Tanzanian Government opened up the Dar es Salaam Stock Exchange to foreign investors. Several regulations were published in 2003 to guide foreign investor's dealings in the Stock Exchange and establish regulatory safeguards for orderly stable market activities.

2003 March: Effective 3rd March, the Delphis Bank was ordered to stop operations by the Bank of Tanzania and was put under statutory supervision of the Bank of Tanzania.

2003 February: The Bank of Tanzania Act (1995) was amended by the Financial Laws (Miscellaneous Amendments) Act, 2003 to give the Bank general powers on the national payment, clearing and settlement system matters comprising oversight and regulation of the National Payment System.

2002 October: The Ministry of Finance converted additional non-marketable stocks into marketable securities worth TZS 80.0 billion.

2002 August: The Bank of Tanzania on behalf of the Government launched a 10-year Treasury bond with a fixed coupon rate of 7.75 percent.

2002 July: The Bank of Tanzania established an Export Credit Guarantee Scheme (ECGS) to hasten the provision of credit to the export sector, notably non-traditional exports in order to augment efforts towards increased export earnings.



2002 July: The Ministry of Finance issued additional unsecuritized domestic debts worth TZS 20.0 billion to be converted into marketable securities.

2002 July: The Bank of Tanzania on behalf of the Government launched a 7-year Treasury bond with a fixed coupon rate of 7.75 percent.

2002 May: The Bank of Tanzania in collaboration with the Ministry of Finance, converted unsecuritized domestic debts worth TZS 20.0 billion into marketable securities.

2002 May: The Bank of Tanzania re-introduced the 35-day Treasury bill as an instrument of monetary policy.

2002 May: Effective 29th May, the Bank of Tanzania reinstated the 35-days Treasury bill to cater for monetary policy implementation in the country.

2002 April: The Bank of Tanzania changed the 2-year Treasury bond auctions from uniform prices to multiple prices.

2002 March: Effective 1st March, the Bank of Tanzania established a Bank of Tanzania Electronic Clearing House (BOTECH) system at the Dar es Salaam Clearing House, targeted at enhancing the check processing speed, minimizing errors and acts of fraud in the inter-bank transactions. Also, the Magnetic Ink Character Recognition (MICR) equipment for processing paper instruments and generation of electronic files was commissioned to be used by the Electronic Clearing House and the Central Banking System (CBC) at three sites of Dar es Salaam, Mwanza and Arusha.

2002 February: The Bank of Tanzania on behalf of the Government launched a 5-year Treasury bond with a fixed coupon rate of 7.5 percent under the tranching/reopening mechanism. The bond is listed at the Dar es Salaam Stock Exchange. The aim was to extend the maturity profile of government debt, lengthen the yield curve, and

increase the number of tradable instruments in the market.

2002 January: The Paris Club Creditors met on January 17, 2002 and agreed to offer debt relief under Cologne Stock Terms by cancelling 90 percent stock of their debts amounting to USD 737 million in net present value terms or USD 1.0 billion in nominal terms. This was part of HIPC Initiative.

2001 November: Tanzania fulfilled all the conditions and managed to reach HIPC Floating Completion Point in November 2001 that was 15 months ahead of originally scheduled time of 36 months.

2001 June: The first closing of the Tanzania debt buyback operation took place on 6th June with debt worth about USD 155.7 million (principal and interest) being retired, utilizing about USD 7.2 million from the grant. The first closing of the operation represents an important step towards the implementation of the Government's debt reduction strategy.

2001 May: The Management of Risk Assets Regulations, 2001 came into effect on 1st May 2001 and repealed "The Guidelines on Management of Risk Assets, Classification of Loans and Other Risk Assets, Provisioning for Losses and Accrual of Interest" issued on 18th October 1991.

2001 May: The Credit Concentration and Other Exposure Limits Regulations, 2001 came into effect on 1st May 2001 and repealed "The Guidelines on Concentration of Credit and Other Exposure Limits" issued on 22nd December 1992.

2001 May: The Capital Adequacy Regulations, 2001 became effective on 1st May 2001 and repealed "Guidelines for Measuring Capital Adequacy" issued on 1st October 1993 and the Addendum to Circular No. 3 on Capital Adequacy issued on 27th March 1996.

2001 February: The Government launched a national micro-finance policy on 2nd February



that lays out the principles of upgrading services through efficient and effective micro-finance systems.

2001 January: Effective 1st January the petroleum sector was fully and effectively liberalized and the Government stopped extending subsidies to Tanzania Petroleum Development Corporation (TPDC).

2001 January: On 15th January, the Heads of State of Tanzania, Kenya and Uganda, formally inaugurated the East African Community (EAC) at the Sheikh Amri Abeid Stadium Arusha.

2000 October: Effective October 1st Tanzania pulled out of Common Market for East and Southern Africa (COMESA).

2000 September: The Publication by commercial banks of Financial Statements Regulations, 2000 was officially made operational on 1st September 2000.

2000 September: The Liquid Assets Ratio Regulations, 2000 became effective on 1st September 2000.

2000 September: Effective on 1st September 2000, the Independent Auditors Regulations, 2000 became operational.

2000 September: Circular No. 8: The Money Laundering Control aimed at guiding banks and financial institutions on uncovering, reporting and controlling money laundering became effective on 1st September, 2000.

2000 May: The Bank of Tanzania took over the management of 1st Adili Bancorp on 15th of May due to its poor performance and shareholders inability to inject more capital in the bank to cover for the heavy losses sustained in its operations.

2000 April: Agreed minute was signed on 14th April in relation to Tanzania's qualification for Paris Club VI rescheduling arrangement. Under this arrangement Tanzania will be treated under

Cologne terms, which provide cancellation of 90 percent of the debt service due up to the Completion Point of the enhanced HIPC Initiative.

2000 March: Tanzania at end March reached a Decision Point and qualified for consideration of additional debt relief under HIPC Program, after the IMF approved Tanzania's three year Poverty Reduction and Growth Facility (PRGF).

2000 January: Effective January 15, 2000 the Minimum Reserve Requirement was set at 10 percent of total deposit liabilities (including foreign currency deposits) plus 50 percent of vault cash excluding deposit in the clearing account.

1999 July: The Bank of Tanzania introduced a computerized book entry system and a central depository system for Treasury bills. The system entails record keeping, transfer and updating ownership of the Treasury bills without having to issue physical certificates, thus improving efficiency. The system also facilitates divisibility of securities into smaller lots, which promotes secondary market trading.

1998 July: Establishment of the Primary Dealership system

1998 April: Trading activities at the Dar-es-Salaam Stock Exchange commenced after two years of preparatory work under the stewardship of the Government through the Capital Markets and Securities Authority. The opening of the Trading Floor coincided with the listing of TOL Limited (formerly Tanzania Oxygen Limited), as the first company on the new Exchange.

1997 July: Repurchase agreements were introduced to complement Treasury bills and bonds in the open market operations.

1997 March: The first Treasury bond auction was held. 2-year Treasury bond was the only maturity offered.



1996 September: The Dar es Salaam Stock Exchange was incorporated as a private company limited by guarantee and not having a share capital under the Companies Ordinance.

July 1996: The 10.0 percent withholding tax on income from Treasury bills and deposits was abolished.

1996: The Capital Markets and Securities Authority (CMSA) was established, in order to facilitate establishment of a stock exchange for mobilizing and allocating savings for medium and long-term investments.

1995 November: Commercial bank and financial institutions were required to determine and report on foreign exchange purchases, sales, the maximum net open position, and average balances and send reports weekly to the Bank of Tanzania.

1994 December: The 364-day Treasury bill was introduced.

1994 December: Issuance of the 35-day Treasury bill was discontinued.

1994 July: A fully-fledged Bank of Financial Markets was established in the Bank in order to develop and supervise the functioning of the markets.

1994 June: The Interbank Foreign Exchange Market was introduced, replacing the weekly foreign exchange auction system. The IFEM, which is a wholesale market, facilitated determination of the exchange rate.

1994 February: 182-day Treasury bill was introduced.

1994 January: The Capital Market and Securities Act was enacted.

1993 September: 35-day Treasury bill was introduced.

1993 August: Treasury Bills Auctions were introduced as a tool for financing short term government deficit, as an instrument of liquidity management, and as a reference point for the determination of market interest rates. The Auctions began with the 91-day Treasury bill

1993 July: BOT began auctioning of foreign exchange as a tool for liquidity management as well as for determination of a market-based exchange rate.

1993 July: Foreign exchange auctions were introduced.

1993 June: Certificates of Deposit as an instrument of monetary policy were introduced for the first time.

1993 April: Inception of the Bureaux de Change markets as an effort to liberalize foreign exchange regime.

1992 March: The Foreign Exchange Act 1992 was enacted. The Act liberalized the external trade and created an enabling environment for determination of market exchange rates.



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Table A1.1: Gross Domestic Product (GDP) by Kind of Economic Activity at Current Prices, Tanzania Mainland, 2003 - 2012

Millions of TZS

Economic Activity	2003	2004	2005	2006	2007 ^P	2008 ^P	2009 ^P	2010 ^P	2011 ^P	2012 ^P
Monetary										
Gross domestic product at market prices	10,214,161	11,680,834	13,431,438	15,152,834	17,761,462	20,836,777	24,045,416	27,614,465	32,191,091	38,649,022
Agriculture, Hunting and Forestry	2,104,035	2,404,037	2,589,263	2,737,686	3,154,263	3,696,524	4,229,723	4,780,639	5,480,078	6,751,476
Crops	1,523,553	1,743,041	1,831,665	1,901,931	2,250,434	2,638,184	2,911,387	3,231,640	3,673,765	4,552,098
Livestock	399,611	447,491	529,630	580,430	631,254	744,879	931,703	1,061,841	1,224,837	1,486,128
Forestry and hunting	180,871	213,505	227,968	255,325	272,575	313,461	386,634	487,158	581,476	713,250
Fishing	182,929	201,771	219,930	235,045	269,831	288,719	342,334	447,471	527,534	625,216
Industry and construction	2,437,259	2,776,974	3,149,293	3,515,928	4,173,741	4,897,633	5,638,892	6,557,277	7,749,303	9,387,985
Mining and quarrying	288,200	357,368	457,431	576,363	742,932	839,513	941,094	1,072,847	1,255,231	1,543,935
Manufacturing	1,002,827	1,129,558	1,269,145	1,395,282	1,625,504	1,935,975	2,226,370	2,627,117	3,152,540	3,751,523
Electricity, gas	227,081	244,977	271,925	276,915	335,898	421,216	479,768	571,130	684,847	835,513
Water supply	37,597	42,697	47,696	54,872	57,816	63,482	70,934	77,348	85,601	99,892
Construction	881,554	1,002,374	1,103,096	1,212,496	1,411,592	1,637,447	1,920,726	2,208,835	2,571,084	3,157,123
Services	4,763,613	5,419,639	6,247,148	7,170,793	8,413,349	9,884,310	11,460,586	13,191,325	15,394,523	18,354,023
Trade and repairs	286,883	319,365	394,417	459,584	559,722	649,278	705,919	754,037	856,439	1,010,598
Hotels and restaurants	577,977	637,720	706,291	769,830	886,844	1,037,608	1,286,634	1,646,704	1,996,102	2,365,380
Transport	161,623	206,877	277,216	374,241	487,132	611,350	684,002	691,627	811,265	1,022,193
Communications	204,766	229,370	265,261	299,734	345,000	403,727	477,492	567,822	666,216	799,459
Financial intermediation	723,952	819,300	980,660	1,120,466	1,318,834	1,416,251	1,728,515	1,851,995	2,101,850	2,551,106
Real estate and business services	866,917	1,076,215	1,278,881	1,440,913	1,652,556	2,026,815	2,282,763	2,579,522	2,985,562	3,493,107
Public administration	223,409	236,813	251,022	268,594	289,617	333,060	392,507	455,308	519,820	610,788
Education	174,789	200,933	233,032	275,726	327,658	383,360	454,990	532,339	627,520	737,964
Health	88,770	99,329	107,542	117,284	129,482	147,221	170,776	202,422	232,119	269,257
Other social & personal services	9,487,836	10,802,421	12,205,634	13,659,452	16,011,184	18,767,186	21,671,535	24,976,712	29,151,438	35,118,701
Gross value added before adjustments	-105,382	-120,588	-141,723	-169,661	-208,281	-260,029	-328,478	-358,049	-432,285	-497,128
less <i>FISIM</i>	9,382,454	10,681,833	12,063,911	13,489,791	15,802,903	18,507,157	21,343,057	24,618,663	28,719,152	34,621,573
Gross value added at current basic prices	831,707	999,001	1,367,527	1,663,043	1,958,559	2,329,620	2,702,359	2,995,802	3,471,939	4,027,449
Add Taxes on products										
Non-monetary										
Gross domestic product at market prices	1,892,899	2,290,757	2,533,855	2,788,434	3,217,238	3,814,911	4,167,230	4,679,015	5,341,871	6,068,641
Agriculture, Hunting and Forestry	1,375,611	1,712,407	1,821,215	1,970,870	2,258,995	2,677,952	2,923,874	3,273,476	3,736,722	4,281,969
Crops	1,118,034	1,379,855	1,440,478	1,550,759	1,732,893	2,062,143	2,275,693	2,526,019	2,871,607	3,302,348
Livestock	163,524	221,530	262,193	287,342	359,742	424,496	412,208	450,132	510,224	578,594
Forestry & hunting	94,053	111,022	118,544	132,769	166,360	191,313	235,973	297,326	354,890	401,026
Fishing	4,764	5,254	5,727	6,409	7,358	7,873	10,610	12,202	14,385	16,687
Industry and construction	101,224	122,289	167,464	208,050	257,315	296,801	346,489	396,477	459,416	505,919
Water supply	16,327	18,777	20,909	20,937	27,166	29,828	36,344	44,221	44,804	46,114
Construction	84,897	103,512	146,555	187,113	230,149	266,973	313,159	360,133	419,195	461,114
Services	411,300	450,807	539,449	603,105	693,571	832,285	886,257	996,860	1,131,347	1,264,067
Real estate & business services	411,300	450,807	539,449	603,105	693,571	832,285	886,257	996,860	1,131,347	1,264,067
Total Gross Domestic Product at market prices	12,107,060	13,971,591	15,965,293	17,941,268	20,978,701	24,651,687	28,212,646	32,293,479	37,532,962	44,717,663
Population	34.2	35.3	36.20	37.5	38.3	39.5	40.7	41.9	43.2	44.9
D:Per Capita nominal GDP (TZS)	353,495	396,154	441,063	478,100	547,081	627,787	693,470	770,464	868,819	995,939

Note: P = Provisional

The National Bureau of Statistics revised the Set of National Account Estimates from September 2007 by rebasing them to 2001 constant prices

Source: National Bureau of Statistics, Per Capita GDP-BoT computation





Table A1.2: Gross Domestic Product (GDP) by Kind of Economic Activity, Percentage Share in Total GDP at Current Prices, Tanzania Mainland, 2003 - 2012

Economic Activity	2003	2004	2005	2006	2007 ^r	2008 ^r	2009 ^r	2010 ^r	2011 ^p	2012 ^p
A: Monetary										
Gross domestic product at market prices	84.4	83.6	84.1	84.5	84.7	84.5	85.2	85.5	85.8	86.4
Agriculture, Hunting and Forestry	17.4	17.2	16.2	15.3	15.0	15.0	15.0	14.8	14.6	15.1
Crops	12.6	12.5	11.5	10.6	10.7	10.7	10.3	10.0	9.8	10.2
Livestock	3.3	3.2	3.3	3.2	3.0	3.0	3.3	3.3	3.3	3.3
Forestry and hunting	1.5	1.5	1.4	1.4	1.3	1.3	1.4	1.5	1.5	1.6
Fishing	1.5	1.4	1.4	1.3	1.3	1.2	1.2	1.4	1.4	1.4
Industry and construction	20.1	19.9	19.7	19.6	19.9	19.9	20.0	20.3	20.6	21.0
Mining and quarrying	2.4	2.6	2.9	3.2	3.5	3.4	3.3	3.3	3.3	3.5
Manufacturing	8.3	8.1	7.9	7.8	7.7	7.9	7.9	8.1	8.4	8.4
Electricity, gas	1.9	1.8	1.7	1.5	1.6	1.7	1.7	1.8	1.8	1.9
Water supply	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.2	0.2	0.2
Construction	7.3	7.2	6.9	6.8	6.7	6.6	6.8	6.8	6.9	7.1
Services	39.3	38.8	39.1	40.0	40.1	40.1	40.6	40.8	41.0	41.0
Trade and repairs	12.0	11.4	11.0	11.4	11.5	11.7	11.6	12.1	12.2	12.3
Hotels and restaurants	2.4	2.3	2.5	2.6	2.7	2.6	2.5	2.3	2.3	2.3
Transport	4.8	4.6	4.4	4.3	4.2	4.2	4.6	5.1	5.3	5.3
Communications	1.3	1.5	1.7	2.1	2.3	2.5	2.4	2.1	2.2	2.3
Financial intermediation	1.7	1.6	1.7	1.7	1.6	1.6	1.7	1.8	1.8	1.8
Real estate and business services	6.0	5.9	6.1	6.2	6.3	5.7	6.1	5.7	5.6	5.7
Public administration	7.2	7.7	8.0	8.0	7.9	8.2	8.1	8.0	8.0	7.8
Education	1.8	1.7	1.6	1.5	1.4	1.4	1.4	1.4	1.4	1.4
Health	1.4	1.4	1.5	1.5	1.6	1.6	1.6	1.6	1.7	1.7
Other social & personal services	0.7	0.7	0.7	0.7	0.6	0.6	0.6	0.6	0.6	0.6
Gross value added before adjustments	78.4	77.3	76.5	76.1	76.3	76.1	76.8	77.3	77.7	78.5
less <i>FISIM</i>	-0.9	-0.9	-0.9	-0.9	-1.0	-1.1	-1.2	-1.1	-1.2	-1.1
Gross value added at current basic prices	77.5	76.5	75.6	75.2	75.3	75.1	75.7	76.2	76.5	77.4
Add <i>Taxes on products</i>	6.9	7.2	8.6	9.3	9.3	9.5	9.6	9.3	9.3	9.0
B: Non-Monetary										
Gross domestic product at market prices	15.6	16.4	15.9	15.5	15.3	15.5	14.8	14.5	14.2	13.6
Agriculture, Hunting and Forestry	11.4	12.3	11.4	11.0	10.8	10.9	10.4	10.1	10.0	9.6
Crops	9.2	9.9	9.0	8.6	8.3	8.4	8.1	7.8	7.7	7.4
Livestock	1.4	1.6	1.6	1.6	1.7	1.7	1.5	1.4	1.4	1.3
Forestry & hunting	0.8	0.8	0.7	0.7	0.8	0.8	0.8	0.9	0.9	0.9
Fishing	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Industry and construction	0.8	0.9	1.0	1.2	1.2	1.2	1.2	1.2	1.2	1.1
Water supply	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Construction	0.7	0.7	0.9	1.0	1.1	1.1	1.1	1.1	1.1	1.0
Services	3.4	3.2	3.4	3.4	3.3	3.4	3.1	3.1	3.0	2.8
Real estate & business services	3.4	3.2	3.4	3.4	3.3	3.4	3.1	3.1	3.0	2.8
C: Total Gross Domestic Product at market prices	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Notes: P = Provisional

Source: National Bureau of Statistics

Table A1.3: Gross Domestic Product (GDP) by Kind of Economic Activity at Constant 2001 Prices, Tanzania Mainland, 2003 - 2012

Millions of TZS

Economic Activity	2003	2004	2005	2006	2007	2008 ¹	2009 ²	2010 ³	2011 ⁴	2012 ⁵
A: Monetary										
GDP at market prices	8,833,128	9,525,201	10,300,744	11,021,170	11,852,682	12,767,259	13,536,636	14,566,980	15,501,904	16,618,786
Agriculture and Fishing	1,913,425	1,993,064	2,114,515	2,187,610	2,277,890	2,379,345	2,430,546	2,559,774	2,604,826	2,711,597
Crops	1,259,304	1,312,030	1,399,662	1,446,975	1,510,406	1,587,437	1,617,938	1,723,526	1,748,958	1,831,159
Livestock	323,067	334,237	351,232	359,519	371,398	379,387	388,264	400,373	409,779	422,482
Forestry and hunting	161,575	165,963	171,937	179,847	185,827	191,750	198,686	206,832	214,071	219,209
Fishing	169,479	180,834	191,684	201,269	210,259	220,772	225,658	229,043	232,018	238,746
Industry and construction	1,893,028	2,106,686	2,326,418	2,522,828	2,760,870	2,996,217	3,208,502	3,470,768	3,706,858	3,995,057
Mining and quarrying	219,000	254,000	295,000	341,000	377,559	386,998	391,642	402,331	411,182	443,154
Manufacturing	893,000	977,000	1,071,000	1,162,000	1,263,435	1,388,515	1,499,596	1,618,064	1,744,273	1,887,303
Electricity, gas	223,953	240,708	263,218	258,347	286,507	301,978	327,344	360,733	366,144	388,113
Water supply	32,062	33,903	35,417	37,950	40,841	43,536	45,418	48,969	50,927	53,677
Construction	525,013	601,075	661,783	723,531	792,529	875,190	944,502	1,040,671	1,134,332	1,222,810
Services	4,422,457	4,775,960	5,166,826	5,580,151	6,044,462	6,567,737	7,030,934	7,616,302	8,220,068	8,883,672
Trade and repairs	1,405,698	1,486,931	1,585,906	1,736,631	1,906,821	2,097,503	2,254,816	2,439,711	2,637,328	2,840,402
Hotels and restaurants	275,836	285,732	301,873	314,921	328,859	343,658	358,779	380,664	398,175	417,287
Transport	541,901	588,574	627,951	661,000	703,965	752,539	797,691	853,529	910,715	975,376
Communications	144,039	169,158	200,900	239,537	287,684	346,659	422,577	515,967	614,001	740,485
Financial intermediation	170,643	184,775	204,694	228,000	251,280	281,120	306,339	337,356	373,453	422,748
Real estate and business services	684,602	734,880	796,832	860,219	925,021	990,697	1,046,921	1,125,486	1,194,828	1,274,882
Public administration	766,760	871,169	970,786	1,033,488	1,102,951	1,180,158	1,232,313	1,312,414	1,401,658	1,482,954
Education	207,606	215,910	224,547	235,774	248,742	265,905	284,704	305,402	328,002	349,322
Health	140,437	151,370	163,572	177,520	193,142	210,525	224,654	240,058	253,021	267,190
Other social and personal services	84,935	87,461	89,765	93,061	95,998	98,974	102,141	105,716	108,887	113,025
Gross value added excluding adjustments less FISIM	8,228,910	8,875,710	9,607,759	10,290,589	11,083,223	11,943,299	12,669,982	13,646,844	14,531,752	15,590,325
Gross value added at basic prices	-97,154	-106,931	-119,497	-137,287	-158,292	-175,704	-190,990	-208,370	-231,708	-261,135
Taxes on products	8,131,756	8,768,779	9,488,262	10,153,302	10,924,931	11,767,595	12,478,992	13,438,474	14,300,044	15,329,190
B: Non-monetary	701,372	756,422	812,482	867,868	927,751	999,664	1,057,645	1,128,507	1,201,860	1,289,596
GDP at market prices	1,590,607	1,714,533	1,767,345	1,859,993	1,949,239	2,061,086	2,184,664	2,261,583	2,411,899	2,536,979
Agriculture, forestry, hunting & fishing	1,111,424	1,210,467	1,230,544	1,287,138	1,337,492	1,401,663	1,471,737	1,500,780	1,594,807	1,663,724
Crops	863,057	950,694	962,268	1,010,398	1,057,549	1,111,484	1,172,746	1,189,948	1,266,487	1,326,012
Livestock	159,934	168,763	173,877	177,979	179,000	185,322	189,658	197,199	211,098	217,642
Forestry and hunting	84,019	86,301	89,407	93,520	95,468	99,109	102,353	106,550	110,279	112,926
Fishing	4,414	4,709	4,992	5,241	5,475	5,749	6,084	6,492	6,942	7,143
Industry and construction	95,053	97,933	106,843	117,074	128,648	142,024	149,201	162,896	176,508	189,751
Water supply	15,066	15,654	16,283	16,955	17,633	18,797	20,405	20,987	21,826	23,005
Construction	79,987	82,279	90,560	100,119	111,015	123,227	128,796	141,910	154,682	166,747
Services	384,130	406,133	429,958	455,781	483,099	517,399	563,726	597,907	640,585	683,504
Real estate and business services	384,130	406,133	429,958	455,781	483,099	517,399	563,726	597,907	640,585	683,504
C: Total Gross Domestic Product at market prices	10,423,735	11,239,734	12,068,089	12,881,163	13,801,921	14,828,345	15,721,301	16,828,563	17,913,803	19,155,765
Population	34.2	35.3	36.20	37.5	38.3	39.3	40.7	41.9	43.2	44.9
D: Per Capita real GDP (TZS)	304,347	318,694	333,397	343,258	360,363	377,312	386,273	401,636	414,671	426,632

Notes: P= Provisional

The National Bureau of Statistics revised the Set of National Account Estimates from September 2007 by rebasing them to 2001 constant prices

Source: National Bureau of Statistics, Per Capita GDP-BoT computation





Table A1.4: Gross Domestic Product (GDP) by Kind of Economic Activity, Percentage Share in Total GDP at Constant 2001 Prices, Tanzania Mainland, 2003 - 2012

Economic Activity	2003	2004	2005	2006	2007 ^t	2008 ^t	2009 ^t	2010 ^t	2011 ^p	2012 ^p
A: Monetary										
GDP at market prices	84.7	84.7	85.4	85.6	84.7	84.5	85.2	85.5	85.8	86.4
Agriculture and Fishing	18.4	17.7	17.5	17.0	15.0	15.0	15.0	14.8	14.6	15.1
Crops	12.1	11.7	11.6	11.2	10.7	10.7	10.3	10.0	9.8	10.2
Livestock	3.1	3.0	2.9	2.8	3.0	3.0	3.3	3.3	3.3	3.3
Forestry and hunting	1.6	1.5	1.4	1.4	1.3	1.3	1.4	1.5	1.5	1.6
Fishing	1.6	1.6	1.6	1.6	1.3	1.2	1.2	1.4	1.4	1.4
Industry and construction	18.2	18.7	19.3	19.6	19.9	19.9	20.0	20.3	20.6	21.0
Mining and quarrying	2.1	2.3	2.4	2.6	3.5	3.4	3.3	3.3	3.3	3.5
Manufacturing	8.6	8.7	8.9	9.0	7.7	7.9	7.9	8.1	8.4	8.4
Electricity, gas	2.1	2.1	2.2	2.0	1.6	1.7	1.7	1.8	1.8	1.9
Water supply	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.2	0.2	0.2
Construction	5.0	5.3	5.5	5.6	6.7	6.6	6.8	6.8	6.9	7.1
Services	42.4	42.5	42.8	43.3	40.1	40.1	40.6	40.8	41.0	41.0
Trade and repairs	13.5	13.2	13.1	13.5	11.5	11.7	11.6	12.1	12.2	12.3
Hotels and restaurants	2.6	2.5	2.5	2.4	2.7	2.6	2.5	2.3	2.3	2.3
Transport	5.2	5.2	5.2	5.1	4.2	4.2	4.6	5.1	5.3	5.3
Communications	1.4	1.5	1.7	1.9	2.3	2.5	2.4	2.1	2.2	2.3
Financial intermediation	1.6	1.6	1.7	1.8	1.6	1.6	1.7	1.8	1.8	1.8
Real estate and business services	6.6	6.5	6.6	6.7	6.3	5.7	6.1	5.7	5.6	5.7
Public administration	7.4	7.8	8.0	8.0	7.9	8.2	8.1	8.0	8.0	7.8
Education	2.0	1.9	1.9	1.8	1.4	1.4	1.4	1.4	1.4	1.4
Health	1.3	1.3	1.4	1.4	1.6	1.6	1.6	1.6	1.7	1.7
Other social and personal services	0.8	0.8	0.7	0.7	0.6	0.6	0.6	0.6	0.6	0.6
Gross value added excluding adjustments less FISIM	78.9	79.0	79.6	79.9	76.3	76.1	76.8	77.3	77.7	78.5
Gross value added at basic prices	-0.9	-1.0	-1.0	-1.1	-1.0	-1.1	-1.2	-1.1	-1.2	-1.1
Taxes on products	6.7	6.7	6.7	6.7	9.3	9.5	9.6	9.3	9.3	9.0
B: Non-Monetary										
GDP at market prices	15.3	15.3	14.6	14.4	15.3	15.5	14.8	14.5	14.2	13.6
Agriculture, forestry, hunting & fishing	10.7	10.8	10.2	10.0	10.8	10.9	10.4	10.1	10.0	9.6
Crops	8.3	8.5	8.0	7.8	8.3	8.4	8.1	7.8	7.7	7.4
Livestock	1.5	1.5	1.4	1.4	1.7	1.7	1.5	1.4	1.4	1.3
Forestry and hunting	0.8	0.8	0.7	0.7	0.8	0.8	0.8	0.9	0.9	0.9
Fishing	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Industry and construction	0.9	0.9	0.9	0.9	1.2	1.2	1.2	1.2	1.2	1.1
Water supply	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Construction	0.8	0.7	0.8	0.8	1.1	1.1	1.1	1.1	1.1	1.0
Services	3.7	3.6	3.6	3.5	3.3	3.4	3.1	3.1	3.0	2.8
Real estate and business services	3.7	3.6	3.6	3.5	3.3	3.4	3.1	3.1	3.0	2.8
C: Gross Domestic Product at market prices	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Notes: P = Provisional

The 1998 - 2006 series have been revised

Source: National Bureau of Statistics



Table A1.5: Gross Domestic Product (GDP) by Kind of Economic Activity, Percentage Growth Rates at Constant 2001 Prices, Tanzania Mainland, 2003 - 2012

Economic Activity	2003	2004	2005	2006	2007 ^r	2008 ^r	2009 ^r	2010 ^r	2011 ^p	2012 ^p
A: Monetary										
Gross Domestic Product at market prices										
Agriculture, forestry, hunting & fishing	7.4	7.8	8.1	7.0	7.5	7.7	6.0	7.6	6.4	7.2
Crops	3.0	4.2	6.1	3.5	4.1	4.5	2.2	5.3	1.8	4.1
Livestock	2.8	4.2	6.7	3.4	4.4	5.1	1.9	6.5	1.5	4.7
Forestry and hunting	2.2	3.5	5.1	2.4	3.3	2.2	2.3	3.1	2.3	3.1
Fishing	3.0	2.7	3.6	4.6	3.3	3.2	3.6	4.1	3.5	2.4
Industry and construction	6.0	6.7	6.0	5.0	4.5	5.0	2.2	1.5	1.3	2.9
Mining and quarrying	11.4	11.3	10.4	8.4	9.4	8.5	7.1	8.2	6.8	7.8
Manufacturing	17.1	16.0	16.1	15.6	10.7	2.5	1.2	2.7	2.2	7.8
Electricity, gas	9.0	9.4	9.6	8.5	8.7	9.9	8.0	7.9	7.8	8.2
Water supply	7.2	7.5	9.4	-1.9	10.9	5.4	8.4	10.2	1.5	6.0
Construction	4.9	5.7	4.5	7.2	7.6	6.6	4.3	7.8	4.0	5.4
Services	15.6	14.5	10.1	9.3	9.5	10.4	7.9	10.2	9.0	7.8
Trade and repairs	7.9	8.0	8.2	8.0	8.3	8.7	7.1	8.3	7.9	8.1
Hotels and restaurants	9.7	5.8	6.7	9.5	9.8	10.0	7.5	8.2	8.1	7.7
Transport	3.2	3.6	5.6	4.3	4.4	4.5	4.4	6.1	4.6	4.8
Communications	5.0	8.6	6.7	5.3	6.5	6.9	6.0	7.0	6.7	7.1
Financial intermediation	15.6	17.4	18.8	19.2	20.1	18.8	21.9	22.1	19.0	20.6
Real estate and business services	10.7	8.3	10.8	11.4	10.2	11.9	9.0	10.1	10.7	13.2
Public administration	7.1	7.3	8.4	7.1	7.5	7.1	5.7	7.5	6.2	6.7
Education	9.6	13.6	11.4	6.5	6.7	7.0	4.4	6.5	6.8	5.8
Health	2.8	4.0	4.0	5.0	5.5	6.9	7.1	7.3	7.4	6.5
Other social and personal services	8.7	7.8	8.1	8.5	8.8	9.0	6.7	6.9	5.4	5.6
Gross value added before adjustments	2.0	3.0	2.6	3.7	3.2	3.1	3.2	3.5	3.0	3.8
<i>less FIS/M</i>	7.5	7.9	8.2	7.1	7.7	7.8	6.1	7.7	6.5	7.3
Gross value added at basic prices	11.7	10.1	11.8	14.9	15.3	11.0	8.7	9.1	11.2	12.7
<i>Taxes on products</i>	7.5	7.8	8.2	7.0	7.6	7.7	6.0	7.7	6.4	7.2
B: Non-Monetary	6.9	7.8	7.4	6.8	6.9	7.8	5.8	6.7	6.5	7.3
Gross Domestic Product at market prices										
Agriculture, forestry, hunting & fishing	4.1	7.8	3.1	5.2	4.8	5.7	6.0	3.5	6.6	5.2
Crops	3.7	8.9	1.7	4.6	3.9	4.8	5.0	2.0	6.3	4.3
Livestock	4.0	10.2	1.2	5.0	4.7	5.1	5.5	1.5	6.4	4.7
Forestry & hunting	2.2	5.5	3.0	2.4	0.6	3.5	2.3	4.0	7.0	3.1
Fishing	3.0	2.7	3.6	4.6	2.1	3.8	3.3	4.1	3.5	2.4
Industry & construction	6.0	6.7	6.0	5.0	4.5	5.0	21.4	1.5	-2.0	2.9
Water supply	3.0	3.0	9.1	9.6	9.9	10.4	5.1	9.2	8.4	7.5
Construction	3.8	3.9	4.0	4.1	4.0	6.6	8.6	2.8	4.0	5.4
Services	2.9	2.9	10.1	10.6	10.9	11.0	4.5	10.2	9.0	7.8
Real estate & business services	5.6	5.7	5.9	6.0	6.0	7.1	9.0	6.1	7.1	6.7
C: Gross Domestic Product at market prices	5.6	5.7	5.9	6.0	6.0	7.1	9.0	6.1	7.1	6.7
	6.9	7.8	7.4	6.7	7.1	7.4	6.0	7.0	6.4	6.9

Notes: P = Provisional

The 1998 - 2006 series have been revised

Source: National Bureau of Statistics



Table A1.6 : Production of Major Agricultural Crops, Tanzania Mainland, 2003/04 - 2012/13

000' Metric Tons

Type of Crop	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11 ^r	2011/12 ^p	2012/13 ^p
Food Crops:										
Maize	3,157.0	3,219.0	3,373.0	3,302.1	3,593.7	3,555.8	4,733.1	4,122.6	5,240.0	n.a
Rice	688.0	759.0	784.0	872.2	896.7	875.1	1,722.6	1,439.1	1,128.3	n.a
Wheat	67.0	102.0	110.0	82.8	86.4	92.4	62.4	112.7	102.8	n.a
Pulses	879.0	886.0	1,018.0	1,156.0	1,111.2	1,125.5	1,298.9	1,684.1	1,824.2	n.a
Cash Crops:										
Coffee	32.5	54.0	34.3	54.8	43.1	68.5	34.6	56.8	33.3	71.0
Cotton	46.9	114.6	125.6	43.8	67.3	123.6	89.5	54.8	75.7	119.7
Tea	30.1	30.7	30.3	31.3	32.7	31.6	32.1	31.7	31.5	33.7
Cashewnuts	79.0	72.0	77.4	92.6	99.1	79.1	75.4	121.1	158.4	127.9
Tobacco	34.0	47.0	52.0	50.7	50.8	55.4	60.7	94.2	126.6	74.2
Sisal	23.8	27.0	27.8	30.9	34.1	23.8	24.0	35.0	36.6	34.9
Pyrethrum	0.8	1.0	2.8	2.0	2.3	3.3	3.3	5.0	5.7	6.1

Note: P = Provisional

r = Revised

Source: Ministry of Agriculture, Food Security and Cooperatives & Crop Boards

Table A1.7 : Agricultural Production Indices, Tanzania Mainland, 2003/04 - 2012/13

1980/81 = 100

Crops	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11 ^r	2010/12 ^p	2012/13 ^p
Food Crops:										
Maize	171.6	175.0	183.4	179.5	195.3	193.3	257.3	224.1	284.8	na
Paddy	196.9	217.2	224.3	249.6	256.6	250.4	492.9	411.7	322.8	na
Wheat	74.0	112.7	121.5	91.5	95.4	102.1	68.9	124.5	113.6	na
Pulses	323.6	326.2	374.8	425.6	409.1	414.4	478.2	620.1	671.6	na
Cash Crops:										
Coffee	59.2	98.4	62.5	99.9	78.5	124.8	62.9	103.4	60.7	129.3
Cotton	82.8	202.2	221.5	77.2	118.6	218.0	157.8	96.7	133.6	211.1
Tea	171.1	174.4	172.4	178.1	185.8	179.6	186.2	180.1	178.7	191.6
Cashewnuts	146.3	133.3	143.4	171.4	183.5	146.4	137.3	224.3	293.4	236.9
Tobacco	229.7	317.6	351.4	342.3	343.1	374.0	408.0	636.8	855.6	501.6
Sisal	29.1	32.7	33.7	37.5	41.3	28.8	38.9	42.4	44.4	42.3
Pyrethrum	31.2	37.0	103.7	75.8	85.2	121.5	123.0	185.2	211.1	225.9

Source : Ministry of Agriculture and BOT computation





Table A1.8: Production in Selected Industries, Tanzania Mainland, 2003 -2012

Commodity	Unit	2003	2004	2005	2006	2007	2008	2009	2010	2011 ^P	2012 ^P
Biscuits & pasta	tons	5,906.0	10,214.0	10,912.0	10,565.0	11,273.0	15,435.0	6,930.0	6,912.0	12,240.0	16,119.0
Wheat flour	tons	334,601.0	338,076.0	368,019.0	421,973.0	412,823.0	287,925.0	367,846.0	463,552.0	439,201.0	443,731.0
Sugar, refined	000' M/Tons	212.9	202.3	268.8	173.4	285.6	310.1	287.7	259.9	249.0	271.1
Konyagi	000' Lts	3,738.0	4,105.0	4,489.0	5,365.0	7,614.0	4,049.0	10,201.0	11,236.0	17,177.0	16,774.0
Beer	000' Lts	194,100.0	202,628.0	216,604.0	299,036.0	310,194.0	291,178.0	288,901.0	248,502.0	331,011.0	338,650.0
Chibuku	000' Lts	14,825.0	10,119.0	11,106.0	11,559.0	10,320.0	10,255.0	16,141.0	21,040.0	23,474.0	22,028.0
Cigarattes	Mill Pcs	3,920.0	4,219.0	4,445.0	5,095.0	5,821.0	6,101.0	5,741.0	6,181.0	6,630.0	7,558.0
Textiles	000'Sq. Mt.	126,900.0	127,051.0	110,520.0	130,716.0	127,231.0	155,088.0	101,803.0	102,938.0	108,398.0	92,585.0
Sisal ropes and twines	tons	6,839.0	5,161.0	5,943.0	5,854.0	7,295.0	7,783.0	7,913.0	6,872.0	6,976.0	7,754.0
Fishnet & products	tons	41.0	260.0	274.0	119.0	156.0	0.0	64.0	247.0	164.0	295.0
Plywood	Cubic Mt.	562.0	578.0	918.0	1,032.0	1,080.0	925.0	254.0	988.0	1,007.0	776.0
Pyrethrum extract	tons	16.0	23.0	164.0	33.0	30.0	423.0	143.0	64.0	70.0	73.0
Paints	000'Ltrs	16,842.0	16,621.0	16,222.0	18,384.0	22,849.0	24,857.0	25,761.0	28,201.0	47,589.0	35,344.0
Cement	000' tons	1,186.3	1,280.9	1,366.0	1,369.9	1,629.9	1,755.9	1,940.8	2,312.1	2,408.8	2,581.4
Rolled steel	tons	38,794.0	40,029.0	47,652.0	50,654.0	46,016.0	75,274.0	122,318.0	126,054.0	118,249.0	133,229.0
Iron Sheets	tons	31,018.0	29,573.0	25,088.0	30,293.0	36,369.0	31,751.0	47,153.0	58,956.0	76,912.0	81,427.0
Aluminium sheets/circles	tons	199.0	171.0	103.0	105.0	110.0	85.0	58.0	58.0	33.0	37.0
Dry cells	000 Pcs	43,000.0	74,000.0	81,000.0	82,000.0	84,000.0	53,000.0	78,000.0	93,000.0	86,000.0	146,100.0
Battery, auto	Pieces	27,000.0	29,000.0	42,000.0	50,000.0	12,000.0	0.0	0.0	0.0	0.0	0.0

Note: P = Provisional

r = Revised

Source: National Bureau of Statistics

Table A1.9: Industrial Production Indices, Tanzania Mainland, 2003 - 2012

1985=100

Commodity	2003	2004	2005	2006	2007	2008	2009	2010	2011 ^p	2012 ^p
Biscuits & pasta	597.2	1,032.8	1,103.3	1,068.3	1,139.8	1,560.7	700.7	698.9	1,237.6	1,629.8
Wheat flour	859.9	868.9	945.8	1,084.5	1,061.0	740.0	945.4	1,191.3	1,128.8	1,140.4
Sugar, refined	190.1	180.6	240.0	154.8	255.0	276.8	256.9	232.0	222.3	242.0
Konyagi	388.6	426.7	466.6	557.7	791.5	420.9	1,060.4	1,168.0	1,785.6	1,743.7
Beer	256.2	267.5	285.9	394.7	409.4	384.3	381.3	328.0	436.9	447.0
Chibuku	135.6	92.6	101.6	105.8	94.4	93.8	147.7	192.5	214.8	201.5
Cigarattes	147.0	158.3	166.7	191.1	218.3	228.8	215.3	231.8	248.7	283.5
Textiles	218.5	218.8	190.3	225.1	219.1	267.1	175.3	177.3	186.7	159.4
Sisal ropes and twines	47.2	35.6	41.0	40.4	50.3	53.7	54.6	47.4	48.1	53.5
Fishnet & products	42.7	270.8	285.4	124.0	162.5	0.0	66.7	257.3	170.8	307.3
Plywood	35.4	36.4	57.8	64.9	68.0	58.2	16.0	62.2	63.4	48.8
Pyrethrum extract	41.0	59.0	420.5	84.6	76.9	1,084.6	366.7	164.1	179.5	187.2
Paints	1,234.8	1,218.5	1,189.3	1,347.8	1,675.1	1,822.4	1,888.6	2,067.5	3,488.9	2,591.2
Cement	315.5	340.7	363.3	364.3	433.5	467.0	516.2	614.9	640.6	686.5
Rolled steel	343.3	354.2	421.7	448.3	407.2	666.1	1,082.5	1,115.5	1,046.5	1,179.0
Iron Sheets	143.1	136.5	115.8	139.8	167.8	146.5	217.6	272.1	354.9	375.8
Aluminium sheets/circles	8.3	7.1	4.3	4.4	4.6	3.5	2.4	2.4	1.4	1.5
Dry cells	97.5	167.8	183.7	185.9	190.5	120.2	176.9	210.9	195.0	331.3
Battery, auto	177.6	190.8	276.3	328.9	78.9	0.0	0.0	0.0	0.0	0.0

Notes p = Provisional
r = Revised

Source: National Bureau of Statistics & BOT computation



**Table A1.10: Mineral Recoveries, Tanzania Mainland, 2003 - 2012**

Item	Unit	2003	2004	2005	2006	2007	2008	2009	2010 ^r	2011 ^p	2012 ^p
Diamond	'000'Carats	236.4	303.9	219.6	272.2	282.8	237.7	181.9	80.5	28.4	127.2
Gold	Kgs	48,018.0	48,175.7	47,269.5	39,749.8	40,193.2	36,433.0	39,112.6	39,448.3	40,389.5	39,012.0
Gemstone	Tons	1,531.5	1,613.8	627.8	2,498.6	1,286.3	1,858.3	1,058.5	1,250.3	1,581.7	1,702.2
Salt	'000'Tons	59.0	57.1	51.2	34.8	35.2	25.9	27.4	34.5	36.4	34.0
Gypsum	'000'Tons	33.2	59.2	23.1	32.6	52.8	55.7	8.1	26.9	38.7	91.6
Limestone	'000'Tons	1,206.2	1,390.9	2,006.4	1,607.6	1,322.0	1,281.8	1,284.1	1,436.6	2,202.7	1,346.0
Pozzolana	Tons	105,910.8	152,678.6	163,499.3	129,295.3	184,070.4	260,403.3	171,904.3	199,698.4	222,591.8	91,221.0
Coal	'000'Tons	54.6	65.0	30.8	17.9	27.2	15.2	0.8	179.5	82,856.2	78,672.0
Tanzanite	Kilogram				5,504.0	8,187.0	11,770.0	10,011.7	12,773.6	14,974.4	32,212.0
Phosphate	Tonnes	3,738.0	6,570.0	1,975.3	2,880.7	8,261.1	28,684.0	752,000.0	17,180.0	10,124.8	19,984.1
Copper	'000' Pounds	8,191.0	9,348.2	8,072.1	7,241.6	7,222.4	6,288.5	4,451.7	11,741.9	11,180.2	12,426.0

Note: P= Provisional

r = Revised

Source: Ministry of Energy and Minerals



Table A1.11(i): National Consumer Price Index (Old CPI), 2001 - 2010

Base: December 2001 = 100

Period	General Index	Food										Non Food										Transportation	Education	Misc. goods & services
		Total	Drinks & Tobacco	Clothing & footwear	Rent	Fuel, light & water	Furniture & utensils	Household operations	Personal care & health	Recreation & entertain.														
Weight (%)		44.1	6.9	6.4	1.4	8.5	2.1	2.1	2.1	0.8												9.7	2.6	1.5
2001	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0												100.0	100.0	100.0
2002	101.0	100.9	100.5	100.8	101.1	102.1	101.0	100.6	100.9	100.7												100.5	100.4	100.6
2003	104.5	102.9	102.0	102.8	107.1	104.7	103.1	101.7	103.8	102.8												101.7	102.6	102.8
2004	108.9	104.6	101.5	105.1	109.6	109.5	103.3	102.6	104.4	104.9												102.7	103.2	102.3
2005	120.9	129.4	116.0	92.8	125.5	134.4	96.7	102.4	97.0	94.0												110.2	91.0	93.9
2006	129.6	138.5	125.0	99.3	132.3	145.8	104.3	104.4	107.8	98.7												120.2	93.3	101.5
2007	138.8	148.2	138.1	105.2	137.1	154.8	112.5	113.4	110.9	107.4												128.7	102.2	102.3
2008	153.0	167.0	149.3	106.7	140.4	171.3	119.2	117.0	116.5	113.4												137.5	109.4	104.1
2009	171.4	196.2	162.0	113.2	157.7	167.7	126.3	123.1	124.2	123.5												137.4	120.2	107.5
2006-Quarter 1	127.9	138.6	119.7	98.1	128.8	138.2	100.8	101.0	107.6	98.0												115.3	90.2	102.0
Quarter 2	131.2	142.5	117.1	98.3	131.5	145.5	102.9	102.7	106.2	97.5												119.1	91.6	101.0
Quarter 3	127.8	133.3	120.9	99.7	134.5	151.7	105.9	105.0	107.2	98.3												122.8	94.4	101.6
Quarter 4	131.7	139.7	121.7	101.2	134.5	147.9	107.6	108.9	110.3	100.8												123.8	96.9	101.3
2007-Quarter 1	137.0	147.3	124.0	104.5	136.0	149.1	111.4	111.6	109.9	105.3												125.9	100.6	101.8
Quarter 2	138.7	148.2	126.6	105.3	136.6	154.7	112.3	114.0	110.6	106.9												127.8	101.4	103.1
Quarter 3	138.5	147.0	127.9	105.2	137.5	158.3	112.4	114.3	110.9	108.5												129.9	102.8	102.0
Quarter 4	140.8	150.2	128.9	105.6	138.3	157.0	113.8	113.8	112.3	108.9												130.9	104.1	102.2
2008-Quarter 1	149.2	163.4	131.2	105.3	138.9	161.6	116.6	115.1	113.6	110.0												132.9	106.2	103.4
Quarter 2	151.7	165.1	134.9	106.4	139.5	172.0	118.1	117.1	114.7	111.4												136.5	107.8	103.9
Quarter 3	152.8	164.5	137.9	106.4	141.6	179.2	120.1	116.8	117.4	114.5												141.0	110.8	104.2
Quarter 4	158.4	175.0	137.6	108.6	141.6	172.5	122.1	119.1	120.3	117.6												139.6	112.7	104.9
2009-Quarter 1	168.7	193.5	137.3	109.7	156.4	164.5	124.8	120.7	122.3	121.4												137.7	116.9	106.9
Quarter 2	168.6	192.9	137.9	114.1	157.5	159.6	126.5	122.9	123.8	122.2												135.1	120.6	108.1
Quarter 3	170.6	193.6	141.6	115.7	159.4	168.9	128.0	123.0	125.9	124.6												136.8	122.4	108.3
Quarter 4	178.2	203.8	145.8	115.6	158.9	182.1	127.1	126.0	126.1	127.6												140.3	122.7	106.3
2010-Quarter 1	185.3	213.5	149.5	115.3	160.6	197.3	127.8	127.0	128.0	126.9												142.6	123.6	106.0
Quarter 2	182.7	210.2	147.7	115.3	160.8	185.0	129.1	127.0	130.0	124.7												144.7	122.0	103.3
Quarter 3	180.5	204.2	150.5	116.3	162.4	192.8	131.1	128.1	131.1	124.7												145.9	122.4	102.3

Notes: Base (1) 2001 = 100 up to August 2006, (2) December 2001 = 100 from September 2006

Please note that NBS has adjusted CPI figures from September 2006. Despite the adjustments the previous published figures remains the official measure of inflation in the past

(The old and adjusted CPI figures are yet to be harmonized)

Source: National Bureau of Statistics.

Base: December, 2001 = 100

Source: National Bureau of Statistics.

Table A1.12 (i): National Consumer Price Index (Urban & Rural), New CPI - Main Groups, 2010 - 2013

Base: September 2010 = 100

Period	Headline (Overall Index)	Food and Non-Alcoholic Beverages (Exclude Food consumed at Restaurants)	Transport	Housing, Water, Electricity, Gas & Other Fuel	Clothing & Footwear	Furnishing, Housing Equipment and Routine Maintenance of the House	Restaurants and Hotels	Mixed Goods & Services	Alcohol & Tobacco	Communication	Education	Recreation & Culture	Health
Weight (%)	100	47.8	9.5	9.2	6.7	6.7	6.4	4.5	3.3	2.1	1.7	1.3	0.9
2011	112.5	117.0	108.4	114.9	107.3	112.0	108.8	103.3	104.1	97.9	105.7	100.2	102.0
2012	130.6	141.1	114.7	133.6	122.1	122.2	126.8	114.4	119.6	96.7	110.5	110.2	105.1
2010-Quarter 4	100.6	101.3	100.5	98.9	100.9	100.3	99.9	99.9	100.5	99.7	100.1	98.2	99.7
2011-Quarter 1	106.1	108.8	102.4	105.3	103.6	107.9	104.9	100.0	102.1	97.7	105.4	99.2	101.1
Quarter 2	109.9	112.9	107.6	112.7	105.5	111.4	107.1	101.1	103.6	97.4	105.8	99.8	101.6
Quarter 3	118.9	119.6	111.5	111.5	108.1	113.4	110.1	104.5	105.1	98.2	105.8	100.9	102.0
Quarter 4	119.7	127.3	112.2	122.1	111.8	115.4	113.1	107.7	105.8	98.2	105.8	101.1	103.2
2012-Quarter 1	126.7	137.9	113.1	124.8	117.9	119.2	121.3	111.2	110.3	97.1	109.8	106.5	104.0
Quarter 2	129.8	140.8	115.2	129.8	121.7	121.5	126.5	114.2	113.9	96.6	110.8	109.8	104.9
Quarter 3	131.3	140.8	115.2	136.8	123.5	123.1	128.3	115.2	125.6	96.6	110.8	112.4	105.4
Quarter 4	134.4	144.8	115.3	143.1	125.2	124.8	131.2	116.9	128.8	96.4	110.8	112.1	106.2
2013-Quarter 1	139.8	154.0	115.5	146.5	127.4	126.5	133.0	118.8	132.1	96.2	112.9	112.0	107.3
Quarter 2	140.8	152.9	122.4	153.2	128.4	126.8	133.6	119.9	133.1	96.0	113.2	112.4	108.1
2010-Sep	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Oct	99.9	100.0	99.9	99.7	100.1	100.1	99.6	99.8	100.1	99.8	100.1	98.8	99.0
Nov	100.2	100.6	100.5	98.7	100.4	100.1	99.8	100.0	100.6	99.9	100.2	97.9	99.7
Dec	101.7	103.2	101.0	98.3	102.2	101.3	100.4	100.0	100.8	99.4	99.9	98.0	100.4
2011-Jan	104.1	106.2	101.3	103.8	102.5	102.8	103.6	100.0	101.0	98.5	104.9	98.7	100.4
Feb	106.4	109.3	101.6	104.5	103.8	110.2	105.3	99.5	102.5	97.3	105.7	99.4	101.4
Mar	107.9	110.9	104.2	107.6	104.5	110.7	105.8	100.7	103.0	97.3	105.7	99.3	101.5
Apr	109.1	112.2	106.0	110.9	105.0	110.9	106.0	101.0	103.1	97.4	105.8	99.5	101.5
May	109.9	112.7	107.9	112.9	105.5	111.2	107.7	101.0	103.8	97.3	105.7	99.6	101.7
Jun	110.8	113.8	108.9	114.3	106.1	112.1	107.7	101.4	103.9	97.4	105.8	100.4	101.7
Jul	112.5	115.8	110.2	118.3	107.0	112.7	108.8	103.3	104.5	98.2	105.8	100.6	101.8
Aug	114.1	118.5	110.0	121.7	109.9	113.3	109.9	103.9	105.0	98.3	105.8	101.0	102.0
Sep	116.8	122.5	114.2	122.5	109.6	114.2	111.5	106.5	105.7	98.2	105.8	101.1	102.3
Oct	117.8	124.1	111.7	121.7	110.8	114.8	112.3	106.8	105.8	98.2	105.8	101.1	103.1
Nov	119.4	126.8	112.6	121.9	111.7	115.3	113.0	107.8	105.8	98.2	105.8	101.2	103.3
Dec	121.8	131.1	112.3	122.6	113.0	116.1	114.0	108.6	105.8	98.1	105.8	101.1	103.4
2012-Jan	124.6	135.7	112.3	123.3	115.4	117.6	116.9	109.1	107.4	98.1	107.9	103.2	103.8
Feb	127.1	138.5	112.6	124.8	118.2	119.3	121.9	111.5	111.0	96.6	110.8	107.9	103.9
Mar	128.4	139.5	114.3	126.4	120.2	120.7	125.1	113.1	112.5	96.6	110.8	108.5	104.3
Apr	129.5	140.6	115.1	128.9	121.2	121.1	126.0	113.7	112.7	96.7	110.8	108.6	104.7
May	129.9	141.2	115.1	129.5	121.9	121.4	126.6	114.3	112.9	96.6	110.8	108.7	105.0
Jun	130.1	140.6	115.3	131.0	122.1	122.2	126.8	114.7	116.1	96.5	110.8	112.1	105.1
Jul	130.2	139.9	115.4	130.2	123.0	122.5	126.3	114.5	123.3	96.6	110.8	112.6	105.6
Aug	131.1	140.8	114.2	135.7	123.4	123.0	127.5	115.9	126.5	96.6	110.8	112.2	105.3
Sep	132.6	141.7	116.1	141.7	124.2	123.7	131.0	115.3	127.1	96.6	110.8	112.5	105.4
Oct	133.0	142.5	114.7	142.9	124.6	123.9	130.6	115.7	127.2	96.4	110.8	112.3	105.5
Nov	133.9	143.8	115.2	143.8	125.1	125.0	131.2	116.4	128.3	96.5	110.8	112.1	106.3
Dec	136.5	148.2	116.0	143.6	126.0	125.7	131.9	118.5	130.9	96.3	110.8	111.8	106.9
2013-Jan	138.3	151.9	115.4	142.3	126.8	126.1	132.6	118.7	132.1	96.3	112.5	112.4	106.9
Feb	140.2	155.2	115.4	145.1	127.5	126.6	132.9	118.9	132.0	96.2	113.2	111.8	107.0
Mar	140.9	155.0	115.8	152.1	127.8	126.8	133.5	119.7	132.1	96.2	113.2	111.9	108.1
Apr	141.6	154.9	120.0	154.1	128.1	126.6	133.4	119.7	132.6	96.1	113.2	112.4	108.1
May	140.8	152.5	123.7	154.0	128.4	126.7	133.5	119.9	133.2	96.0	113.2	112.5	108.1
Jun	140.0	151.4	123.5	151.2	128.5	127.0	133.8	120.2	133.4	96.0	113.2	112.4	108.1

Notes: Base (1) 2007 = 100, September 2010

Please note that NBS has adjusted CPI figures from December 2001=100 to September 2010=100.

Source: National Bureau of Statistics and Bank of Tanzania





A1.0 Output and Prices

Table A1.12 (ii): National Consumer Price Index (Urban & Rural , New CPI - Other Selected Groups, 2010 - 2013

Base: September 2010 = 100

Period	Food & Non Alcoholic Beverages (Combining Food consumed at Home and Food consumed in Restaurants)	Non - Food		
		Total Non - Food (All Items Less Food)	All Items Less Food and Energy	Energy and Fuels (Combining electricity and Other Fuels for use at Home with Petrol and Diesel)
Weight (%)	51.0	49.0	43.3	5.7
2011	116.1	108.4	106.4	121.2
2012	139.5	120.0	115.8	147.5
2010-Quarter 4	101.1	100.0	100.6	95.9
2011-Quarter 1	108.4	103.5	103.5	103.2
Quarter 2	112.3	107.1	105.5	118.0
Quarter 3	118.0	110.3	107.4	130.1
Quarter 4	125.7	112.5	109.3	133.5
2012-Quarter 1	136.0	115.6	112.7	135.1
Quarter 2	139.2	118.6	114.8	144.2
Quarter 3	139.4	121.7	117.0	152.9
Quarter 4	143.3	123.9	118.8	157.9
2013-Quarter 1	151.7	125.7	120.4	161.5
Quarter 2	150.8	128.9	122.6	171.3
2010- Sep	100.0	100.0	100.0	100.0
Oct	100.0	99.8	100.2	96.9
Nov	100.5	99.9	100.5	95.6
Dec	102.9	100.3	101.1	95.2
2011-Jan	105.9	102.0	102.1	101.6
Feb	108.9	103.5	103.8	100.9
Mar	110.4	105.0	104.7	107.0
Apr	111.5	106.2	105.0	114.4
May	112.1	107.2	105.5	118.6
Jun	113.2	108.0	106.0	121.2
Jul	115.0	109.6	106.7	128.5
Aug	117.6	110.0	107.2	128.6
Sep	121.3	111.5	108.2	133.1
Oct	122.8	111.9	108.7	133.2
Nov	125.3	112.5	109.4	133.1
Dec	129.2	113.0	109.8	134.3
2012-Jan	133.6	114.0	111.3	132.2
Feb	136.6	115.7	112.8	134.7
Mar	137.9	117.1	113.9	138.4
Apr	139.0	118.1	114.4	143.0
May	139.6	118.5	114.7	143.6
Jun	139.1	119.3	115.3	146.1
Jul	138.4	120.5	116.2	149.5
Aug	139.3	121.3	117.0	150.4
Sep	140.5	123.2	117.8	158.9
Oct	141.2	123.3	118.1	157.7
Nov	142.4	123.8	118.7	157.9
Dec	146.4	124.7	119.7	158.1
2013-Jan	149.8	124.6	120.0	155.2
Feb	152.7	125.5	120.4	159.4
Mar	152.6	127.1	120.7	169.8
Apr	152.6	128.6	121.8	173.8
May	150.4	129.4	122.9	172.5
Jun	149.4	128.8	123.0	167.7

Notes: Base (1) 2007 = 100, September 2010

Please note that NBS has adjusted CPI figures from December 2001=100 to September 2010=100.

Source: National Bureau of Statistics and Bank of Tanzania



Table A1.12(iii): National Consumer Price Index (Urban & Rural), New CPI, Twelve Months Percentage Change – Main Groups, 2010 – 2013

Base: September 2010 = 100

Period	Headline (Overall Index)	Food and Non-Alcoholic Beverages (Exclude Food consumed at Restaurants)	Transport	Housing, Water, Electricity, Gas and Other Fuel	Clothing & Footwear	Furnishing, Housing Equipment and Routine Maintenance of the House	Restaurants and Hotels	Miscel. Goods & services	Alcohol & Tobacco	Communicat ion	Education	Recreation and Culture	Health
Weight (%)	100	47.8	9.5	9.2	6.7	6.7	6.4	4.5	3.3	2.1	1.7	1.3	0.9
2011	12.7	16.0	7.7	18.6	9.5	9.2	8.1	4.7	4.8	-1.5	4.1	3.0	2.1
2012	16.1	20.9	5.9	16.4	13.9	9.2	16.6	10.7	14.7	-1.2	4.6	9.9	3.1
2010-Quarter 4	5.1	6.5	-0.1	12.2	5.0	4.6	-1.5	4.7	2.8	1.1	-1.8	3.2	-1.2
2011-Quarter 1	7.3	8.3	1.3	14.1	8.0	11.9	4.2	3.0	2.5	-1.1	2.7	3.6	1.4
Quarter 2	9.7	10.8	6.8	15.9	9.7	14.0	6.4	3.4	6.1	-2.1	3.0	3.0	1.6
Quarter 3	14.7	19.0	11.0	20.9	9.4	14.2	8.8	4.5	5.0	-1.5	5.7	2.9	3.5
Quarter 4	19.0	25.7	11.7	23.4	10.8	15.1	13.2	7.8	5.5	-1.5	5.7	2.9	3.5
2012-Quarter 1	19.4	26.8	10.5	18.6	13.8	10.6	15.6	11.2	8.0	-0.6	4.2	7.5	2.9
Quarter 2	18.1	24.7	7.0	15.2	15.3	9.4	18.0	13.1	9.9	-0.8	4.7	10.0	3.3
Quarter 3	14.7	18.4	3.4	14.5	14.2	8.5	16.5	10.2	19.6	-1.7	4.7	11.4	3.3
Quarter 4	12.4	13.8	2.7	17.3	12.0	8.2	16.1	8.5	21.4	-1.8	4.7	10.8	2.9
2013-Quarter 1	10.3	11.7	2.2	17.4	8.0	6.1	9.7	6.8	19.7	-0.9	2.8	5.1	3.2
Quarter 2	8.5	8.6	6.3	18.1	5.4	4.3	5.6	5.0	16.9	-0.6	2.2	2.4	3.0
2010-Sep	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Oct	4.2	5.2	-1.0	10.2	4.9	3.5	-1.5	4.6	4.1	1.2	-0.7	3.4	-1.4
Nov	5.5	7.1	0.1	14.4	4.7	4.6	-1.4	5.2	2.5	1.2	-2.1	3.2	-1.1
Dec	5.6	7.3	0.6	12.1	5.5	5.7	-1.4	4.4	2.0	0.8	-2.5	3.0	-1.2
2011-Jan	6.4	7.1	0.3	17.7	5.8	7.2	2.9	4.0	1.8	-0.2	2.2	3.5	0.6
Feb	7.5	9.2	0.3	11.1	8.6	13.9	1.1	3.9	2.9	-1.3	3.2	3.6	2.1
Mar	8.0	8.6	3.3	13.6	9.5	14.5	5.7	4.0	2.8	-1.8	2.8	3.8	1.4
Apr	8.6	9.7	3.9	13.4	9.4	13.6	5.2	3.4	5.6	-2.0	2.2	3.1	1.4
May	9.7	10.4	8.0	15.7	9.8	14.1	7.4	3.8	6.8	-2.2	3.1	2.4	2.0
Jun	10.9	12.3	8.4	18.8	9.8	14.4	6.7	2.8	5.8	-2.0	3.5	3.6	1.5
Jul	13.0	15.9	9.9	21.3	9.4	14.5	6.8	3.5	5.0	-1.4	4.2	3.1	1.6
Aug	14.1	18.6	8.8	19.7	9.4	13.9	8.0	5.2	5.2	-1.3	4.8	2.7	1.9
Sep	16.8	22.5	10.8	21.7	9.6	14.2	11.5	6.5	5.7	-1.8	5.8	1.1	2.3
Oct	17.9	24.0	11.8	22.0	10.7	15.4	12.8	7.0	5.6	-1.6	5.6	2.3	4.1
Nov	19.2	26.1	12.0	23.5	11.2	15.3	13.2	7.8	5.1	-1.7	5.7	3.3	3.5
Dec	19.8	27.1	11.2	24.8	10.6	14.6	13.6	8.6	5.8	-1.2	5.9	3.2	3.0
2012-Jan	19.7	27.8	10.9	18.8	12.5	14.4	12.8	9.1	6.3	-0.4	2.9	4.5	3.4
Feb	26.7	26.7	10.9	19.5	13.9	8.2	15.8	12.1	8.3	-0.8	4.8	8.7	2.5
Mar	19.0	25.7	9.7	17.4	15.0	9.0	18.2	12.3	9.3	-0.7	4.8	9.1	2.8
Apr	18.7	25.3	8.6	16.2	15.4	9.1	18.8	2.6	9.3	-0.7	4.7	9.1	3.2
May	18.2	25.3	6.7	14.7	15.5	9.1	17.5	13.2	8.7	-0.7	4.7	9.2	3.2
Jun	17.4	23.5	5.9	14.6	15.1	9.0	17.8	13.1	11.7	-0.9	4.7	11.7	3.3
Jul	15.7	20.8	4.7	12.5	14.9	8.7	16.1	10.8	18.0	-1.6	4.7	11.9	3.7
Aug	14.9	18.8	3.8	14.4	14.4	8.6	16.0	11.6	20.4	-1.7	4.7	11.0	3.3
Sep	13.5	15.6	1.7	16.5	13.4	8.3	17.5	8.3	20.3	-1.7	4.7	11.3	3.0
Oct	12.9	14.9	2.7	17.4	12.4	7.9	16.3	8.4	20.3	-1.8	4.7	11.1	2.3
Nov	12.1	13.4	2.3	17.3	12.0	8.4	16.1	8.0	21.3	-1.7	4.7	10.8	2.9
Dec	12.1	13.1	3.2	17.1	11.6	8.2	15.7	9.1	22.8	-1.9	4.7	10.5	3.4
2013-Jan	10.9	11.9	2.7	15.3	9.8	7.2	13.5	8.8	23.0	-1.8	4.2	8.9	2.9
Feb	10.4	12.0	2.5	16.3	7.9	6.1	9.0	6.6	18.9	-0.3	2.2	3.6	3.0
Mar	9.8	11.1	1.3	20.4	6.4	6.1	6.8	5.0	17.4	-0.4	2.2	3.1	3.7
Apr	9.4	10.2	4.2	19.9	5.8	4.6	5.9	5.2	17.7	-0.6	2.2	3.2	3.2
May	8.3	8.0	7.5	19.0	5.3	4.4	5.5	4.9	18.0	-0.7	2.2	3.5	3.0
Jun	7.6	7.6	7.1	15.4	5.2	4.0	5.5	4.8	15.0	-0.6	2.2	0.3	2.9

Notes: Base (1) 2007 = 100, September 2010

Please note that NBS has adjusted CPI figures from December 2001=100 to September 2010=100.

Source: National Bureau of Statistics and Bank of Tanzania



A1.0 Output and Prices

Table 1.12 (iv): National Consumer Price Index (Urban & Rural), New CPI, Twelve Months Percentage Change - Other Selected Groups, 2010 - 2013

Base: September 2010 = 100

	Food and Non Alcoholic Beverages (Combining Food consumed at Home and Food consumed in Restaurants)	Non - Food		
		Total Non - Food (All Items Less Food)	All Items Less Food and Energy	Energy and Fuels (Combining electricity and Other Fuels for use at Home with Petrol and Diesel)
Weight (%)	51.0	49.0	43.3	5.7
2011	15.1	9.7	7.1	28.3
2012	20.4	10.7	8.8	22.2
2010-Quarter 4	5.6	4.5	3.6	11.2
2011-Quarter 1	7.9	6.6	5.3	16.4
Quarter 2	10.3	9.0	6.7	25.2
Quarter 3	17.9	10.8	7.6	32.4
Quarter 4	24.4	12.5	8.7	39.2
2012-Quarter 1	25.5	11.7	8.8	31.0
Quarter 2	24.0	10.8	8.8	22.2
Quarter 3	18.2	10.3	9.0	17.6
Quarter 4	14.0	10.2	8.7	18.2
2013-Quarter 1	11.5	8.8	6.8	19.5
Quarter 2	8.3	8.7	6.8	18.8
2010- Sep	100.0	100.0	100.0	100.0
Oct	4.4	3.9	3.5	6.8
Nov	6.0	4.9	3.7	14.6
Dec	6.3	4.7	3.7	12.3
2011-Jan	6.7	6.1	4.4	19.1
Feb	8.6	6.1	5.1	13.0
Mar	8.3	7.7	6.3	17.1
Apr	9.2	7.8	5.7	22.1
May	10.1	9.3	7.1	24.5
Jun	11.7	10.0	7.2	29.0
Jul	14.8	10.8	7.4	34.2
Aug	17.4	10.2	7.3	30.1
Sep	21.3	11.5	8.2	33.1
Oct	22.8	12.2	8.5	37.4
Nov	24.7	12.6	8.8	39.2
Dec	25.6	12.7	8.7	41.0
2012-Jan	26.2	11.8	9.0	30.1
Feb	25.5	11.8	8.7	33.5
Mar	24.9	11.5	8.8	29.4
Apr	24.7	11.2	9.0	24.9
May	24.5	10.5	8.7	21.2
Jun	22.9	10.5	8.8	20.5
Jul	20.3	10.0	8.8	16.3
Aug	18.5	10.3	9.2	16.9
Sep	15.8	10.5	8.9	19.4
Oct	15.0	10.1	8.6	18.4
Nov	13.7	10.1	8.5	18.6
Dec	13.3	10.3	8.9	17.8
2013-Jan	12.1	9.3	7.9	17.4
Feb	11.7	8.4	6.7	18.3
Mar	10.7	8.5	6.0	22.6
Apr	9.7	8.9	6.5	21.6
May	7.7	9.2	7.1	20.1
Jun	7.4	7.9	6.6	14.8

Notes: Base (1) 2007 = 100, September 2010

Please note that NBS has adjusted CPI figures from December 2001=100 to September 2010=100.

Source: National Bureau of Statistics and Bank of Tanzania



Table A1.13(i): Dar es Salaam Cost of Living Index - Middle Income Group* (Old Version), 2001 - 2009

Base: 2001 = 100

Non Food														
Period	General Index	Food	Total	Drinks & Tobacco	Clothing & footwear	Rent	Fuel, light & water	Furniture & utensils	Household operations	Personal care & health	Transportation	Recreation & entertainment	Educ-ation	Miscel. goods & services
Weight	100.0	57.0	43.0	7.9	7.5	1.2	6.9	1.3	2.0	2.1	10.7	1.0	1.7	0.6
2001	102.1	100.9	103.8	105.1	103.9	100.0	105.2	100.6	101.3	103.1	103.5	104.5	100.7	105.4
	103.5	103.5	103.5	101.5	104.1	103.3	103.3	103.9	103.7	103.5	104.6	101.6	103.3	109.9
	105.9	105.7	106.1	106.6	108.2	108.5	109.0	101.7	105.6	104.1	103.3	101.8	102.5	123.0
	114.6	116.3	112.4	110.5	106.8	111.9	139.2	103.7	109.1	102.3	106.0	104.6	102.8	119.5
2004	123.7	127.8	118.3	107.2	105.0	119.3	162.9	110.7	105.8	106.6	114.3	114.0	108.0	122.9
	135.0	135.6	134.3	122.7	111.0	132.8	196.6	133.1	109.9	115.7	133.6	114.3	117.1	115.4
	150.2	149.0	151.9	142.6	129.3	146.1	219.8	147.4	120.1	116.9	150.9	117.8	152.3	106.0
	173.6	173.6	173.8	164.5	121.0	197.9	275.0	169.6	148.7	131.0	172.1	128.3	173.9	105.7
2009	202.1	208.9	193.2	191.1	131.3	227.8	288.6	179.1	167.1	167.3	194.4	132.1	197.1	113.0
	119.7	123.3	114.9	104.1	104.3	111.9	152.3	107.8	103.4	105.5	113.1	109.4	105.6	120.6
	121.3	124.3	117.3	106.0	104.9	111.9	162.9	109.9	105.0	106.4	113.2	110.5	107.5	121.0
	126.0	130.5	120.0	109.1	105.4	126.7	165.7	112.1	107.2	107.9	115.7	119.2	109.1	122.7
2006- Mar	127.9	133.2	120.8	109.6	105.4	126.5	170.6	112.9	107.7	106.6	115.2	116.7	110.0	127.3
	131.5	134.5	127.6	114.0	109.1	129.9	178.7	126.9	108.4	110.9	127.6	118.7	115.3	123.8
	135.1	136.7	133.1	119.2	110.8	132.8	195.1	131.2	109.0	115.2	132.7	114.2	117.4	119.3
	135.6	134.3	137.2	126.8	110.2	134.3	204.8	135.3	110.5	118.0	137.0	113.4	116.7	108.5
2007- Mar	137.9	136.8	139.4	130.9	113.8	134.3	207.6	139.2	111.6	118.6	137.2	110.9	119.1	109.8
	143.2	142.5	144.2	133.3	118.8	146.1	215.8	144.2	113.6	117.4	140.0	114.4	143.4	106.3
	148.7	148.7	148.7	142.8	128.9	146.1	215.1	148.8	112.6	117.8	142.0	118.1	151.7	106.3
	152.3	149.4	156.0	144.2	134.0	146.1	227.2	148.6	120.2	114.7	157.4	119.3	157.8	106.1
2008- Mar	156.8	155.3	158.8	150.1	135.4	146.1	221.2	148.1	133.8	117.9	164.0	119.5	156.4	105.3
	166.5	166.4	167.6	160.5	122.7	195.1	259.4	163.5	130.5	125.9	165.7	124.2	168.4	103.9
	171.4	173.8	168.0	160.8	119.1	195.1	266.9	167.7	140.7	128.2	162.1	129.0	165.4	104.0
	175.7	174.0	177.9	165.5	120.3	197.9	286.6	172.0	157.8	132.2	176.7	129.5	182.7	106.9
2009- Mar	180.8	180.1	181.8	171.2	121.7	203.5	287.1	175.0	165.8	137.5	183.9	130.6	179.2	107.8
	191.1	194.7	186.5	183.2	125.7	206.6	275.9	178.4	168.5	155.5	192.1	132.1	183.1	109.4
	196.7	202.1	189.5	189.1	128.3	206.6	276.2	179.9	169.9	156.2	196.5	135.1	184.9	109.3
	206.9	214.8	196.6	195.8	134.3	227.8	295.3	179.6	172.9	170.3	195.1	131.5	203.3	114.4
Dec	213.8	224.0	200.4	196.2	136.8	270.1	306.8	178.6	157.2	187.4	193.8	129.7	217.2	118.9

Note: * People with monthly incomes between TZS 17,500/= and TZS 40,000/=

Source: National Bureau of Statistics.



Table A1.13 (ii): Dar es Salaam Cost of Living Index - Middle Income Group* (New Version), 2010 - 2012

Base: 2001 = 100

Period	General Index	Food and Non-Alcoholic Beverages	Alcohol and Tobacco	Clothing & Footwear	Housing, Energy and Water	Furniture, Housing Equipment and Routine Maintenance of the House	Health	Transportation	Communication	Recreation and Entertainment	Education	Restaurants and hotels	Miscel. Goods & Services
2010	99.3	75.8	98.0	99.3	97.9	98.6	100.0	99.6	99.8	98.5	100.0	99.3	100.2
2011	107.1	108.7	102.9	104.8	110.3	106.5	104.1	103.3	100.1	102.0	99.7	100.3	106.6
2012	124.9	129.6	115.7	122.8	131.3	114.9	112.3	112.3	101.0	114.8	117.6	111.6	118.8
2010-Mar	97.9	98.0	97.4	98.3	95.4	98.3	100.0	99.3	99.6	97.2	100.0	98.7	100.5
Jun	99.0	99.0	96.3	99.1	96.6	97.7	100.0	99.3	99.5	96.9	100.0	98.8	100.2
Sep	99.8	6.0	97.9	99.7	99.0	98.9	100.0	99.6	100.0	100.1	100.0	99.7	100.3
Dec	100.5	100.0	100.2	100.1	100.6	99.6	100.0	100.1	100.0	99.8	100.0	100.0	99.8
2011 - Mar	104.1	105.4	101.1	102.7	105.5	103.3	102.5	102.2	100.0	100.6	99.6	99.0	102.3
Jun	106.1	107.0	101.9	105.3	110.0	106.7	104.5	103.3	100.0	101.9	99.4	100.2	106.0
Sep	107.7	108.9	103.7	105.4	112.3	107.5	104.7	103.5	100.1	102.2	99.8	100.9	108.4
Dec	110.4	113.3	104.7	105.9	113.2	108.3	104.7	104.3	100.3	103.1	99.9	101.0	109.6
2012 - Mar	120.2	125.0	110.5	117.8	125.0	109.9	107.7	107.1	100.6	107.9	109.6	107.2	114.8
Jun	125.0	129.8	114.5	121.6	131.6	115.3	112.9	113.9	101.0	114.5	117.4	110.9	118.2
Sep	126.7	131.4	118.1	124.2	133.3	116.8	114.0	114.3	101.1	118.3	120.6	113.4	120.0
Dec	127.7	132.2	119.5	127.6	135.3	117.6	115.1	113.7	101.2	118.6	122.8	114.7	122.1

Note: * People with monthly incomes between TZS 17,500/= and TZS 40,000/=

Source: National Bureau of Statistics.



Table A1.14: Dar es Salaam Retail Price Index - Wage earners*, 2001 - 2009

Base: 2001 = 100

Period	General Index	Non Food												
		Food	Total	Drinks & Tobacco	Clothing & footwear	Rent	Fuel, light & water	Furniture & utensils	Household operations	Personal care & health	Transportation	Recreation & entertainment	Educ-ation	Miscel. goods & services
Weights	100.0	67.52	32.5	2.5	4.1	0.8	10.4	0.6	1.8	1.3	8.6	0.8	1.2	0.3
2001	103.1	103.6	102.1	100.8	103.7	100.0	103.1	105.4	101.6	101.4	100.3	102.5	103.5	102.5
2002	103.8	104.0	103.5	103.0	103.5	111.9	104.2	103.3	104.7	107.4	100.3	105.7	108.8	102.6
2003	109.8	109.6	110.1	114.0	111.5	111.9	118.5	102.6	102.5	109.3	100.4	109.3	109.1	105.8
2004	116.8	117.1	116.1	123.2	111.9	111.9	133.2	113.0	102.2	118.5	100.9	103.7	111.2	103.4
2005	126.5	125.7	128.0	120.0	108.7	113.6	162.3	115.7	110.0	113.6	109.8	110.4	115.0	121.1
2006	141.1	138.6	146.2	141.8	108.0	132.8	193.7	115.4	109.6	118.8	134.0	113.6	93.8	139.3
2007	154.0	151.2	159.8	159.5	124.6	146.1	209.1	131.7	119.1	115.0	148.5	114.9	104.0	128.4
2008	180.9	174.6	192.2	175.0	139.3	199.3	269.8	160.5	138.4	134.1	179.3	110.9	99.3	137.3
2009	211.3	208.5	217.2	201.8	206.6	276.6	152.8	173.3	167.1	163.8	225.9	124.7	111.3	147.7
2006-Mar	137.0	135.2	140.7	130.2	107.7	129.9	179.6	114.4	108.4	119.8	133.0	117.6	98.0	149.7
Jun	141.7	139.7	146.0	137.6	106.1	132.8	195.0	114.6	108.9	119.9	133.8	114.1	89.9	148.4
Sep	140.9	137.4	148.3	148.6	106.8	134.3	199.1	116.3	110.0	117.8	134.5	112.9	91.2	129.0
Dec	144.6	142.0	149.9	150.9	111.4	134.3	201.1	116.3	111.0	117.8	134.7	109.7	96.1	130.1
2007-Mar	150.8	150.0	152.6	156.6	117.0	146.1	203.0	122.7	112.9	117.7	135.6	110.3	99.7	125.9
Jun	151.1	150.1	153.1	158.4	124.0	146.1	199.8	133.6	112.6	117.0	135.7	115.7	105.2	128.8
Sep	153.6	148.3	164.7	159.3	124.2	146.1	217.1	133.5	123.7	110.6	156.2	118.1	107.3	130.4
Dec	160.5	156.5	168.9	163.8	133.2	146.1	216.5	137.0	127.4	114.7	166.4	115.4	103.6	128.6
2008-Mar	170.7	167.2	178.1	169.6	145.2	195.1	234.7	160.7	122.2	126.2	166.5	102.9	98.8	132.1
Jun	177.1	172.8	185.9	171.4	149.6	195.1	252.9	172.2	134.1	132.2	166.4	107.8	98.0	142.1
Sep	182.2	173.1	201.3	178.0	136.2	203.5	283.5	163.4	146.7	136.1	187.4	112.1	102.2	141.3
Dec	191.4	185.4	203.6	181.0	134.4	203.5	280.4	168.2	150.6	141.7	197.0	120.1	101.8	142.5
2009-Mar	202.0	198.3	210.1	200.2	142.7	206.6	267.8	171.8	168.6	152.3	219.0	121.7	109.0	177.3
Jun	205.9	202.6	212.7	205.8	145.8	206.6	264.4	171.8	170.2	157.3	229.6	121.7	109.5	148.2
Sep	214.1	210.3	222.2	216.1	156.3	206.6	284.2	174.9	170.7	171.4	230.1	126.7	112.6	147.3
Dec	223.2	222.9	223.9	220.9	166.5	206.6	289.9	174.9	158.7	174.3	225.2	128.6	114.0	148.1

Note: * People with Monthly incomes up to TZS 17,500/=.

Source: National Bureau of Statistics.



Table A2.1: Analysis of Central Government Finance (Actual), 2003/04 - 2012/13

Millions of TZS

Item	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13*
Total Revenue (including LGAs) 1/	1,459,302.0	1,773,709.4	2,124,843.7	2,739,022.4	3,653,605.2	4,293,074.3	4,661,540.3	5,736,266.1	7,221,408.6	8,585,411.2
Total Revenue	1,459,302.0	1,773,709.4	2,124,843.7	2,739,022.4	3,653,605.2	4,293,074.3	4,661,540.3	5,736,266.1	7,221,408.6	8,585,411.2
Tax Revenue	1,340,139.0	1,615,247.0	1,946,432.6	2,529,439.4	3,358,381.8	4,043,673.0	4,427,833.7	5,293,277.3	6,480,477.8	7,821,734.8
Taxes on Imports	572,806.2	679,992.4	819,800.5	1,018,569.5	1,278,882.5	1,475,496.4	1,660,253.6	1,967,371.5	2,555,535.8	2,959,160.0
Sales/VAT and Excise on Local Goods	325,609.6	402,136.1	478,395.4	575,968.3	730,048.5	876,987.0	934,063.2	1,064,072.2	1,336,916.4	1,466,562.2
Income Taxes	366,680.5	465,454.7	581,243.8	716,320.5	974,312.1	1,228,645.8	1,334,019.7	1,601,385.2	2,246,783.7	3,019,555.7
Other taxes	123,288.2	132,040.2	136,954.0	218,581.1	385,727.7	462,543.8	499,497.2	601,448.4	341,241.8	376,456.9
Non-tax Revenue	119,163.0	158,462.4	178,411.1	209,583.0	295,223.4	249,401.3	233,706.6	284,708.8	545,406.4	470,541.5
LGAs Own Sources								<i>158,280.0</i>		<i>220,835.0</i>
Radar Refund										<i>72,300.0</i>
Total Expenditure 2/	2,550,308.2	3,164,215.5	3,873,254.8	4,474,680.9	5,327,779.3	6,734,078.0	8,173,749.3	9,439,407.2	10,764,528.4	12,947,623.2
Recurrent expenditure	1,872,382.4	2,093,054.9	2,661,862.5	3,137,469.5	3,398,023.9	4,681,459.3	5,562,443.1	6,690,370.0	6,989,806.6	9,103,332.4
Wages and salaries	462,963.5	189,709.0	656,788.5	976,094.3	1,134,709.3	1,608,591.1	1,723,414.2	2,346,377.8	2,722,084.2	3,868,713.7
Interest payments	99,465.0	95,055.1	218,861.3	215,562.9	264,833.1	242,668.9	248,890.6	353,377.1	436,317.1	729,132.6
Domestic 3/	55,085.6	973,808.7	163,694.8	185,050.4	237,372.6	207,744.5	208,099.1	285,481.0	345,125.7	549,808.1
Foreign	44,379.4	68,511.7	55,166.5	30,512.4	27,460.6	34,924.4	40,791.5	67,896.1	91,191.4	179,324.6
Other goods, services and transfers	1,309,953.9	502,573.3	1,786,212.7	1,945,812.3	1,998,481.5	2,785,540.4	3,522,411.6	3,990,615.2	3,831,405.4	4,505,486.0
Development Expenditure and net lending	677,925.8	1,071,160.6	1,211,392.2	1,337,211.4	1,929,757.4	2,052,618.7	2,611,306.2	2,749,037.2	3,774,721.7	3,844,290.8
Local	133,041.3	239,651.1	296,100.0	503,291.2	567,421.0	906,023.2	1,004,530.5	984,555.0	1,872,311.7	2,277,553.1
Foreign	544,884.5	831,509.5	915,292.2	833,920.2	1,362,336.3	1,146,595.5	1,606,775.7	1,764,482.2	1,902,410.0	1,566,737.7
Overall Balance before Grants	-1,091,006.2	-1,390,506.2	-1,748,411.0	-1,735,658.5	-1,699,784.0	-2,441,003.7	-3,512,209.0	-3,703,141.1	-3,543,119.7	-4,362,212.0
Grants	655,378.8	724,396.5	1,000,160.2	952,225.5	1,144,811.6	1,166,371.2	1,405,287.7	1,627,424.7	1,855,096.6	1,521,473.7
Program (CIS/OGL)	278,500.1	364,280.3	331,024.6	479,837.3	606,883.3	603,501.1	665,776.6	727,018.6	720,312.8	539,798.6
Project	235,042.1	131,735.2	416,771.0	241,826.6	305,916.7	289,025.5	439,110.9	369,683.4	612,030.8	485,645.4
Basket funds	65,085.7	156,071.6	175,975.3	111,559.8	122,576.9	194,114.8	258,066.7	334,609.0	301,152.2	276,039.0
MDRI/MCA (T)								196,113.7	221,601.0	219,991.0
Overall Balance after Grants	-435,627.3	-666,109.6	-748,250.9	-783,433.0	-554,972.4	-1,274,632.5	-2,106,921.2	-2,075,716.4	-1,688,023.1	-2,840,738.2
Expenditure float	-89,548.2	140,141.5	69,713.1	-131,315.2	-298,883.5	-216,706.2	-436,236.3	162,628.5	-198,538.6	-351,395.31
Adjustments to cash and other items (net)	190,125.3	-59,596.2	-245,875	-41,048.7	31,281.0	276,296.4	603,533.9	162,628.5	-198,538.6	187,262.05
Overall Balance (cheques cleared)	-335,050.3	-727,075.2	-924,412.5	-955,797.0	-902,809.2	-1,215,042.2	-1,939,623.6	-2,393,214.9	-2,070,124.1	-3,004,871.5
Financing:	335,050.3	727,075.2	924,412.5	955,797.0	902,809.2	1,215,042.2	1,939,623.6	2,393,214.9	2,070,124.1	3,004,871.5
Foreign Financing (net)	374,393.0	582,130.1	561,219.0	717,789.3	1,250,859.3	956,367.4	1,379,656.4	1,148,884.5	1,735,260.4	1,917,413.8
Loans										
Program loans	457,025.1	689,219.7	668,934.5	700,148.9	1,119,944.7	820,717.6	1,253,916.3	1,191,830.1	1,815,757.6	2,006,882.0
Development Project loans	214,170.4	65,395.6	257,677.1	266,946.0	362,415.4	331,922.5	558,319.6	173,806.3	246,849.8	358,813.4
O/w: Non-Concessional Borrowing	242,854.7	467,079.3	328,955.7	433,202.9	757,529.3	488,795.1	695,596.7	797,342.6	1,396,695.9	1,437,101.8
Basket Support	1,901.9	156,744.7	82,301.8	47,330.9	176,313.5	162,927.5	194,070.9	220,681.2	172,211.8	210,966.8
Amortization	-84,534.0	-107,089.6	-107,715.5	-29,690.5	-45,398.9	-27,277.7	-68,330.9	-42,945.6	-80,497.1	-89,468.2
Domestic (net) 4/	-39,342.8	144,945.2	363,193.5	238,007.7	-351,197.7	258,674.8	559,967.1	1,244,330.4	334,863.7	1,087,457.7
Bank & Non Bank Financing (NDF)	-44,262.7	144,945.2	348,885.7	338,007.7	-336,549.6	213,674.8	559,769.1	1,244,330.4	334,863.7	1,087,457.7
Bank borrowing	-83,681.2	97,313.2	129,644.6	25,532.6	-316,755.0	212,566.8	584,523.1	906,836.6	71,249.5	676,071.3
Non-Bank (net of amortization)	39,418.4	47,632.0	219,241.1	212,475.1	-19,794.6	1,108.0	-24,754.0	337,493.8	263,614.1	411,386.4
Domestic & Contingent debt Amortization	-4,846.8	0.0	-19,001.4	0.0	-14,648.1		-9,460.9	-720,249.5	-1,326,851.5	-1,125,136.6
Borrowing/Roll over								720,249.5	1,326,851.5	1,125,136.6
Privatization Proceeds										

Notes: 1/ Includes Local Government Authorities (LGAs)

2/ Exclude amortization and Expenditure Float, includes Road fund and Retention expenditures

3/ Domestic interest payments and amortization include Cash and Non cash

4/ Positive value means financing and a negative value means repayment

* Provisional

Source: Ministry of Finance, Bank of Tanzania and National Bureau of Statistics

Table A2.2. Treasury Bills Auction - Actual Sales by Transactor, 2004 - 2013

Millions of TZS

Period	Total		Bank of Tanzania		Depository Money Banks		Other Banking Institutions		Other Financial Institutions		Official Entities		Private Sector	
	Auction	Cumulative	Auction	Cumulative	Auction	Cumulative	Auction	Cumulative	Auction	Cumulative	Auction	Cumulative	Auction	Cumulative
2004	1,375,212.2	6,041,411.9	0.0	13,123.7	907,364.7	4,138,159.1	52,134.5	378,861.1	243,300.0	1,102,961.4	0.0	9,417.6	172,413.1	387,344.4
2005	2,301,298.5	8,342,710.3	0.0	13,123.7	1,761,636.6	5,899,795.7	23,997.5	402,858.6	195,038.2	1,297,999.5	0.0	9,417.6	320,626.2	707,970.6
2006	2,109,995.6	10,452,705.9	0.0	13,123.7	1,430,988.9	7,330,784.6	25,858.0	428,716.6	132,132.7	1,430,132.2	0.0	9,417.6	542,677.0	1,250,647.6
2007	2,767,447.4	13,220,153.3	6,179.5	19,303.2	1,822,217.3	9,153,001.9	36,174.4	464,891.1	362,651.5	1,792,783.7	0.0	9,417.6	542,677.0	1,792,872.2
2008	2,799,532.3	16,019,685.6	0.0	19,303.2	1,968,550.3	11,121,552.2	25,586.0	490,477.1	637,543.4	2,430,327.1	0.0	9,417.6	167,852.6	1,960,724.8
2009	2,899,559.9	18,919,245.5	16,228.7	35,532.0	2,048,808.4	13,170,360.6	70,072.7	560,549.8	702,130.1	3,132,457.2	33,856.4	43,274.0	28,463.6	1,989,188.4
2010	3,074,995.9	21,994,241.4	5,400.0	40,932.0	2,616,627.5	15,786,988.1	102,146.5	662,696.3	246,742.2	3,379,199.4	84,634.2	127,908.2	19,445.5	2,008,633.9
2011	2,280,706.9	24,274,948.3	0.0	40,932.0	1,833,319.8	17,620,307.9	99,049.2	761,745.5	186,531.4	3,565,730.8	140,190.2	268,098.5	21,616.2	2,030,250.2
2012	2,877,986.7	27,152,935.0	23,743.6	64,675.5	2,233,942.2	19,854,250.1	30,256.0	792,001.4	347,960.1	3,913,690.9	207,794.4	683,687.2	34,290.5	2,063,687.3
2011-Jun	220,785.5	23,292,262.7	0.0	40,932.0	181,399.0	16,862,310.1	2,346.0	714,381.4	30,184.2	3,479,545.0	6,001.0	196,765.7	855.3	2,010,445.0
Jul	85,629.6	23,377,892.3	0.0	40,932.0	54,183.3	16,916,493.4	15,360.0	729,741.4	7,457.3	3,487,002.3	8,237.4	205,003.1	391.6	2,010,836.6
Aug	91,818.0	23,469,710.3	0.0	40,932.0	67,708.3	16,984,201.6	3,984.0	733,725.4	15,157.8	3,502,160.1	4,893.0	209,896.1	75.0	2,010,911.6
Sep	256,125.8	23,725,836.1	0.0	40,932.0	194,597.6	17,178,799.2	7,724.3	741,449.7	30,009.4	3,532,169.4	22,911.1	232,807.2	883.5	2,011,795.1
Oct	189,332.4	23,915,168.5	0.0	40,932.0	170,266.0	17,349,065.2	9,339.0	757,788.7	4,455.7	3,536,625.1	4,600.0	237,407.2	671.7	2,012,466.8
Nov	209,518.4	24,124,686.9	0.0	40,932.0	158,791.0	17,507,856.3	6,220.0	757,008.7	19,022.2	3,555,647.3	12,226.5	249,633.7	13,258.7	2,025,725.5
Dec	150,261.4	24,274,948.3	0.0	40,932.0	112,451.6	17,620,307.9	4,736.8	761,745.5	10,083.6	3,565,730.8	18,464.8	268,098.5	4,524.7	2,030,250.2
Total	2,280,706.9	24,274,948.3	0.0	40,932.0	1,833,319.8	17,620,307.9	99,049.2	761,745.5	186,531.4	3,565,730.8	140,190.2	408,288.7	21,616.2	2,030,250.2
2012-Jan	168,044.0	24,442,992.3	0.0	40,932.0	117,133.9	17,737,441.8	1,512.0	763,257.5	41,044.0	3,606,774.8	6,878.0	274,976.5	1,476.1	2,031,726.2
Feb	316,740.3	24,759,732.6	0.0	40,932.0	288,881.5	18,026,323.3	3,893.1	767,150.6	3,534.3	3,610,309.1	19,065.1	294,041.5	1,366.3	2,033,092.5
Mar	312,266.8	25,071,999.3	0.0	40,932.0	204,315.2	18,230,638.5	50.3	767,200.9	65,539.4	3,675,848.5	41,595.0	335,636.5	766.9	2,033,859.4
Apr	95,208.8	25,167,208.1	0.0	40,932.0	57,800.2	18,288,438.7	300.0	767,500.9	25,475.0	3,701,323.5	8,661.0	344,297.5	2,972.6	2,036,832.0
May	110,907.3	25,278,115.4	0.0	40,932.0	84,383.5	18,372,822.2	1,202.5	768,703.3	3,910.1	3,705,233.6	16,493.5	360,791.0	4,917.8	2,041,749.8
Jun	190,801.8	25,468,917.3	0.0	40,932.0	77,080.6	18,449,902.7	600.0	769,303.3	109,405.7	3,814,639.3	3,561.7	364,352.7	153.8	2,041,903.7
Jul	250,992.2	25,719,909.5	0.0	40,932.0	199,107.3	18,649,010.0	0.0	772,483.3	9,242.4	3,823,881.7	34,550.8	398,903.5	8,091.8	2,049,995.4
Aug	372,839.6	26,092,749.1	11,498.0	52,430.0	307,867.6	18,956,877.6	3,180.0	772,483.3	10,900.0	3,834,781.7	30,663.8	429,567.3	8,730.2	2,058,725.6
Sep	248,419.6	26,341,168.6	1,000.0	53,430.0	196,923.0	19,153,800.6	0.0	772,483.3	5,170.0	3,839,951.7	44,825.6	474,392.8	501.0	2,059,226.6
Oct	230,790.5	26,571,959.1	4,000.0	57,430.0	217,269.0	19,371,069.6	2,280.0	774,763.3	3,691.0	3,843,642.7	0.0	474,392.8	3,550.5	2,062,777.1
Nov	318,738.8	26,890,697.9	7,245.5	64,675.5	269,938.6	19,641,008.2	10,700.0	785,463.3	28,944.5	3,872,587.2	1,000.0	475,392.8	910.1	2,063,687.3
Dec	262,237.1	27,152,935.0	0.0	64,675.5	213,241.9	19,854,250.1	6,538.1	792,001.4	41,103.7	3,913,690.9	500.0	475,392.8	853.4	2,064,540.6
Total	2,877,986.7	27,152,935.0	23,743.6	64,675.5	2,233,942.2	19,854,250.1	30,256.0	792,001.4	347,960.1	3,913,690.9	207,794.4	683,687.2	34,290.5	2,063,687.3
2013-Jan	432,394.5	27,585,329.4	1,000.0	65,675.5	238,956.0	20,093,206.2	5,000.0	797,001.4	10,419.7	3,924,110.7	175,556.0	651,448.8	1,462.7	2,066,003.3
Feb	581,545.7	28,166,875.1	0.0	65,675.5	447,395.1	20,540,601.2	10,400.0	807,401.4	55,231.8	3,979,342.4	68,281.0	719,729.9	237.9	2,066,241.2
Mar	303,739.8	28,470,614.9	4,000.0	69,675.5	215,803.4	20,756,404.6	7,040.0	814,441.4	29,365.0	4,008,707.4	46,057.4	765,787.2	1,474.0	2,067,715.2
Apr	208,070.6	28,678,685.5	0.0	69,675.5	164,207.5	20,920,612.1	3,200.0	817,641.4	28,130.0	4,036,837.4	7,030.0	772,817.2	5,503.1	2,073,218.3
May	321,118.4	28,999,803.9	350.0	70,025.5	273,923.7	21,194,535.8	3,260.0	820,901.4	28,027.2	4,064,864.6	9,402.1	782,219.3	6,155.4	2,079,373.7
Jun	235,903.3	29,235,707.2	1,500.0	71,525.5	148,415.0	21,342,950.8	1,380.0	822,281.4	62,361.5	4,127,226.1	12,778.4	794,997.7	9,468.4	2,088,842.1
Total	2,082,772.2	29,235,707.2	6,850.0	71,525.5	1,488,700.6	21,342,950.8	30,280.0	822,281.4	213,535.2	4,127,226.1	319,104.9	1,114,102.6	24,301.5	2,088,842.1

Source: Bank of Tanzania



A2.0 Government Finance

Table A2.3 : Central Government Outstanding Stocks, Bonds and Notes by Holders, 2004-2013*Millions of TZS*

End of period	Bank of Tanzania	Deposit Money banks	Other banks	Other Financial Institutions	Official Entities	Private Sector	Others	Total
2004	199,231.0	200,701.6	13,890.3	269,604.3	1,490.4	839.6	500.0	686,257.2
2005	297,335.2	271,334.3	19,769.3	326,364.2	76,899.3	1,467.6	0.0	993,169.9
2006	367,050.1	348,785.9	19,449.3	434,214.3	70,284.0	5,956.0	0.0	1,245,739.6
2007	361,220.1	400,708.2	35,596.5	492,535.7	27,235.3	9,403.5	0.0	1,326,699.3
2008	659,901.6	392,083.9	47,058.6	468,928.6	23,386.6	11,204.0	0.0	1,602,563.3
2009	988,519.9	571,501.1	58,393.6	570,888.5	19,819.5	13,386.5	0.0	2,222,509.1
2010	981,219.9	989,749.0	61,605.8	671,526.7	4,075.9	9,308.5	0.0	2,717,485.8
2011	979,029.5	1,361,497.4	79,380.1	839,009.2	14,016.0	13,990.1	0.0	3,286,922.4
2012	1,446,323.9	1,647,863.4	65,821.7	941,323.9	14,181.0	15,914.7	0.0	4,131,428.7
2010-Mar	988,519.9	625,586.5	58,393.6	580,503.2	19,819.5	13,475.7	0.0	2,286,298.4
Jun	984,869.9	754,200.4	53,888.9	634,942.3	22,612.5	13,384.3	0.0	2,463,898.3
Sep	984,869.9	889,359.2	61,047.8	659,782.8	4,375.9	9,587.8	0.0	2,609,023.4
Dec	981,219.9	989,749.0	61,605.8	671,526.7	4,075.9	9,308.5	0.0	2,717,485.8
2011-Mar	981,219.9	1,085,821.5	64,105.8	719,254.9	5,347.9	10,510.3	0.0	2,866,260.4
Jun	980,124.9	1,263,099.0	70,724.7	802,580.7	11,867.9	11,456.4	0.0	3,139,853.7
Sep	980,124.5	1,286,120.5	73,704.2	815,561.0	15,312.9	11,824.2	0.0	3,182,647.4
Dec	979,029.5	1,361,497.4	79,380.1	839,009.2	14,016.0	13,990.1	0.0	3,286,922.4
2012-Mar	979,029.5	1,378,979.7	77,515.1	863,341.3	15,881.0	14,285.4	0.0	3,329,032.1
Jun	977,934.5	1,335,191.1	71,088.7	882,086.9	15,881.0	14,262.3	0.0	3,296,444.6
Sep	977,934.5	1,485,819.4	67,833.7	874,214.8	15,881.0	15,622.4	0.0	3,437,305.9
Dec	1,446,323.9	1,647,863.4	65,821.7	941,323.9	14,181.0	15,914.7	0.0	4,131,428.7
2013-Mar	1,446,323.9	1,741,798.2	66,431.7	1,006,532.0	15,578.1	17,763.7	0.0	4,294,427.7
Jun	1,445,228.9	1,791,384.5	67,012.8	1,095,437.9	17,078.1	18,833.2	0.0	4,434,975.5

Notes: * Before June 1998, Other Banks, Other Financial Institutions, Official Entities and Private Sector categories were included in "Others" category.

** All figures are in face value

Source: Bank of Tanzania

Table A3.1: Depository Corporations Survey (Revised), 2003 - 2013

Millions of TZS

End of Period	Domestic assets (net)										Memorandum item:			
	Domestic credit (net)					M3, Extended Broad Money			M1, Broad Money		Foreign currency deposits		Base Money	
	Claims on government (net)		Claims on other domestic sector* (net)		Other items (net)	sum(2-5) or sum(9-12)	sum(9-11)	sum(9,10)	Currency in circulation outside banks		Transferrable deposits	Other deposits	TOTAL sum (9,14)	of which: Com. Banks Reserves
	1	2	3	4	5	6	7	8	9	10	11	12	13	14
2003	2,302,735.6	-108,545.2	-108,545.2	992,532.4	-407,886.4	2,778,836.4	1,846,073.7	1,107,197.6	563,535.3	543,662.3	738,876.0	932,762.7	825,791.8	262,256.5
2004	2,498,824.7	-272,123.6	-272,123.6	1,312,725.0	-385,644.9	3,153,781.1	2,211,041.4	1,359,019.2	694,543.7	664,475.5	852,022.3	942,739.7	999,985.7	305,442.0
2005	2,665,071.1	192,072.1	1,654,274.7	1,654,274.7	-260,693.0	4,250,725.0	2,960,415.6	1,791,337.1	889,989.1	901,348.0	1,169,078.5	1,290,309.4	1,284,685.4	394,696.3
2006	3,617,378.9	-282,628.7	-282,628.7	2,310,136.2	-480,430.7	5,164,455.6	3,454,491.0	2,006,767.4	1,033,988.8	972,778.6	1,447,723.6	1,709,964.6	1,504,124.5	470,135.7
2007	3,641,902.0	-319,844.4	-319,844.4	3,151,210.9	-249,679.9	6,223,588.6	4,394,622.7	2,590,523.1	1,162,514.2	1,428,008.9	1,804,099.5	1,828,966.0	1,879,047.6	716,533.4
2008	4,086,757.4	-334,967.2	-334,967.2	4,556,167.7	-849,178.9	7,458,779.1	5,468,460.8	3,158,306.3	1,438,644.8	1,719,661.5	2,310,154.5	1,990,318.3	2,276,437.1	837,792.3
2009	4,939,511.0	128,358.3	4,991,886.9	4,991,886.9	-1,279,612.8	8,780,143.4	6,603,404.4	3,590,798.6	1,566,753.2	2,024,045.4	3,012,605.9	2,176,738.9	3,009,062.3	1,442,309.1
2010	6,125,607.8	806,665.4	806,665.4	5,991,767.1	-1,911,376.5	11,012,663.7	8,042,188.2	4,521,438.6	1,897,134.9	2,624,303.7	3,520,749.6	2,970,475.5	3,497,849.8	1,600,714.9
2011	6,273,631.2	1,471,254.6	7,622,317.6	7,622,317.6	-2,345,881.3	13,021,322.0	9,247,939.4	5,571,986.7	2,235,829.8	3,336,156.9	3,675,952.7	3,773,382.6	4,111,917.1	1,876,087.3
2012	6,401,687.7	2,089,823.9	9,007,889.7	9,007,889.7	-2,768,737.3	14,730,664.0	10,724,528.1	6,538,563.6	2,414,788.0	4,123,775.5	4,185,964.5	4,006,135.9	4,525,594.4	2,110,806.4
2012-Mar	5,863,802.9	1,917,727.0	7,707,599.3	7,707,599.3	-2,487,469.3	13,001,660.0	9,381,225.0	5,711,377.7	2,145,192.0	3,566,185.7	3,669,847.3	3,620,434.9	3,881,051.2	1,735,859.2
Jun	6,005,389.5	1,689,157.3	8,139,740.5	8,139,740.5	-2,459,514.0	13,374,773.3	9,806,961.6	6,031,703.4	2,317,345.7	3,714,357.7	3,775,258.2	3,567,811.7	4,591,634.2	2,274,288.5
Sep	6,375,229.7	1,566,482.1	8,580,190.9	8,580,190.9	-2,430,402.7	14,091,500.0	10,302,328.5	6,395,956.8	2,480,009.2	3,915,947.5	3,906,371.8	3,789,171.4	4,492,029.2	2,012,020.0
Dec	6,401,687.7	2,089,823.9	9,007,516.6	9,007,516.6	-2,768,364.3	14,730,664.0	10,724,528.1	6,538,563.6	2,414,788.0	4,123,775.5	4,185,964.5	4,006,135.9	4,525,594.4	2,110,806.4
2013-Mar	6,793,616.9	1,978,819.4	9,333,733.5	9,333,733.5	-3,109,766.6	14,996,403.2	10,931,633.4	6,765,430.9	2,392,697.1	4,372,733.8	4,166,202.5	4,064,769.8	4,715,505.8	2,322,808.7
Jun	6,217,012.0	2,395,349.9	9,525,544.3	9,525,544.3	-2,678,058.4	15,459,847.7	11,251,272.6	7,017,354.9	2,610,850.3	4,406,504.6	4,233,917.8	4,208,575.1	4,917,707.9	2,306,857.6
2012-Jan	5,966,637.2	1,885,450.5	7,578,829.3	7,578,829.3	-2,425,223.7	13,005,693.3	9,334,614.8	5,627,444.2	2,102,923.6	3,524,520.6	3,707,170.6	3,671,078.5	4,305,279.1	2,202,355.5
Feb	5,934,674.8	1,989,767.0	7,761,667.9	7,761,667.9	-2,677,808.0	13,008,301.8	9,359,681.9	5,738,642.6	2,106,227.2	3,632,415.4	3,621,039.3	3,648,619.9	4,073,258.2	1,967,031.0
Mar	5,863,802.9	1,917,727.0	7,707,599.3	7,707,599.3	-2,487,469.3	13,001,660.0	9,381,225.0	5,711,377.7	2,145,192.0	3,566,185.7	3,669,847.3	3,620,434.9	3,881,051.2	1,735,859.2
Apr	5,762,069.5	1,669,227.3	7,960,295.9	7,960,295.9	-2,405,908.7	12,985,684.1	9,381,988.5	5,682,914.7	2,147,789.5	3,535,125.1	3,699,073.8	3,603,695.6	3,991,852.8	1,844,063.3
May	5,697,482.5	1,761,315.4	8,070,249.6	8,070,249.6	-2,446,455.0	13,082,592.5	9,419,749.0	5,723,154.3	2,221,923.8	3,501,230.5	3,696,594.7	3,662,843.5	4,236,357.3	2,014,433.6
Jun	6,005,389.5	1,689,157.3	8,139,740.5	8,139,740.5	-2,459,514.0	13,374,773.3	9,806,961.6	6,031,703.4	2,317,345.7	3,714,357.7	3,775,258.2	3,567,811.7	4,591,634.2	2,274,288.5
Jul	6,290,790.6	1,678,789.0	8,311,715.9	8,311,715.9	-2,616,659.0	13,664,636.5	9,847,194.6	6,089,947.8	2,354,673.2	3,735,274.6	3,757,246.8	3,817,441.9	4,514,138.8	2,159,465.5
Aug	6,177,056.4	1,834,903.7	8,448,514.4	8,448,514.4	-2,555,531.9	13,904,942.6	10,203,257.0	6,362,834.0	2,510,895.4	3,851,938.6	3,840,423.0	3,701,685.5	4,627,812.4	2,116,917.0
Sep	6,375,229.7	1,566,482.1	8,580,190.9	8,580,190.9	-2,430,402.7	14,091,500.0	10,302,328.5	6,395,956.8	2,480,009.2	3,915,947.5	3,906,371.8	3,789,171.4	4,492,029.2	2,012,020.0
Oct	6,370,707.8	1,867,289.0	8,718,124.1	8,718,124.1	-2,664,815.2	14,291,305.6	10,453,121.4	6,463,143.5	2,415,035.2	4,048,108.2	3,989,978.0	3,838,184.2	4,695,020.1	2,279,984.8
Nov	6,099,379.7	2,289,938.7	8,866,505.9	8,866,505.9	-2,576,666.5	14,679,157.8	10,723,692.6	6,602,634.4	2,418,416.8	4,184,217.6	4,121,058.3	3,955,465.1	4,839,752.4	2,421,335.6
Dec	6,401,687.7	2,089,823.9	9,007,889.7	9,007,889.7	-2,768,737.3	14,730,664.0	10,724,528.1	6,538,563.6	2,414,788.0	4,123,775.5	4,185,964.5	4,006,135.9	4,525,594.4	2,110,806.4
2013-Jan	5,934,012.7	2,359,826.9	9,028,141.6	9,028,141.6	-2,748,267.9	14,573,713.3	10,558,556.2	6,456,942.3	2,294,979.4	4,161,962.8	4,101,613.9	4,015,157.1	4,699,759.3	2,404,779.9
Feb	5,850,496.3	2,608,356.1	9,151,705.5	9,151,705.5	-2,851,351.1	14,759,206.8	10,724,947.1	6,593,201.0	2,281,745.5	4,311,455.5	4,131,746.2	4,034,259.7	4,663,429.6	2,381,684.2
Mar	6,793,616.9	1,978,819.4	9,333,733.5	9,333,733.5	-3,109,766.6	14,996,403.2	10,931,633.4	6,765,430.9	2,392,697.1	4,372,733.8	4,166,202.5	4,064,769.8	4,715,505.8	2,322,808.7
Apr	6,519,391.5	2,121,803.5	9,556,970.2	9,556,970.2	-3,064,713.2	15,133,451.9	10,985,012.5	6,833,985.9	2,364,028.1	4,469,957.8	4,151,026.6	4,148,439.4	4,816,599.2	2,452,571.2
May	6,325,015.7	2,588,316.8	9,576,687.5	9,576,687.5	-3,102,259.5	15,387,760.5	11,205,317.2	6,949,557.6	2,486,687.3	4,462,870.3	4,255,759.6	4,182,443.3	4,976,780.0	2,490,092.7
Jun	6,217,012.0	2,395,349.9	9,525,544.3	9,525,544.3	-2,678,058.4	15,459,847.7	11,251,272.6	7,017,354.9	2,610,850.3	4,406,504.6	4,233,917.8	4,208,575.1	4,917,707.9	2,306,857.6

Notes: * Formerly known as "Claims on other domestic sectors".

Other deposits include saving and time deposits in national currency

- Monetary data have been revised from December 2001 using the IMF international standard reporting format (SRF), which is in line with the Monetary and Financial Statistics Manual of 2000

Source: Bank of Tanzania





Table A3.2: Bank of Tanzania - Assets (Revised), 2003 - 2013

Millions of TZS

End of period	Foreign assets				Claims on government			Lending to banks	Revaluation account	Premises and equipment	Items in process of collection	Other assets	Total
	Foreign exchange	Gold reserve	SDRs	Quota in IMF	Advances	Treasury bills*	Other securities						
2003	2,151,412.7	0.0	525.0	307,705.3	0.0	0.0	202,202.4	202,202.4	0.0	124,562.6	12,419.6	122,364.7	2,921,192.4
2004	2,378,542.2	0.0	73.5	321,091.3	0.0	0.0	199,211.2	199,211.2	0.0	213,442.4	5,931.0	210,070.7	3,328,362.4
2005	2,523,457.4	0.0	821.8	331,293.9	0.0	0.0	234,679.1	234,679.1	0.5	390,796.4	1,719.5	283,421.4	3,766,190.0
2006	2,666,180.5	0.0	28.3	377,203.3	0.0	0.0	453,175.5	453,175.5	0.0	583,686.8	2,112.2	399,166.3	4,481,552.8
2007	3,108,617.0	0.0	178.8	352,835.0	135,745.1	0.0	461,809.6	597,554.6	20,238.6	809,120.1	67,912.2	640,072.5	5,261,583.7
2008	3,654,372.4	0.0	39.2	400,544.2	0.0	0.0	650,864.5	650,864.5	57,441.1	860,112.9	8,900.4	588,410.8	5,823,680.5
2009	4,317,256.2	0.0	325.589.8	408,014.1	103,273.0	0.0	1,006,248.7	1,109,521.8	61,668.2	905,763.8	13,107.7	692,232.7	7,337,382.3
2010	5,328,144.9	0.0	354,768.8	445,236.0	92,796.5	0.0	1,002,665.6	1,095,462.0	61,668.2	929,545.2	386.9	654,115.3	8,378,389.1
2011	5,492,337.2	0.0	375,910.7	476,884.4	188,612.1	0.0	1,056,102.5	1,244,714.6	62,668.2	1,000,841.0	556.5	1,193,211.4	8,854,637.0
2012	5,975,337.8	0.0	373,865.6	480,434.1	270,867.3	0.0	1,485,742.0	1,756,609.3	68,813.9	1,010,802.8	556.1	1,118,360.0	9,880,703.4
2012-Mar	5,162,799.4	0.0	380,145.3	484,026.6	375,846.5	0.0	1,037,867.8	1,413,714.2	79,322.0	1,004,726.7	395.4	1,198,614.2	8,731,219.9
Jun	5,550,226.5	0.0	369,525.3	471,393.4	652,328.2	0.0	1,047,246.2	1,699,574.4	58,433.2	1,012,102.3	0.0	1,251,942.2	9,420,798.4
Sep	5,951,355.7	0.0	374,697.6	480,612.2	262,663.6	0.0	1,015,571.7	1,278,235.3	61,833.2	1,008,052.3	446.2	1,232,934.7	9,395,006.7
Dec	5,975,337.8	0.0	373,865.6	480,434.1	270,867.3	0.0	1,485,742.0	1,756,609.3	68,813.9	1,010,802.8	556.1	1,118,360.0	9,880,703.4
2013-Mar	6,598,544.8	0.0	366,950.5	473,319.1	91,709.0	0.0	1,508,448.1	1,600,157.1	57,833.2	1,014,924.1	422.4	1,171,681.9	10,379,707.6
Jun	6,583,554.8	0.0	370,256.4	479,351.2	375,894.1	0.0	1,487,112.7	1,863,006.8	65,483.2	1,018,039.3	0.0	1,136,428.6	10,611,978.1
2012-Jan	5,214,556.3	0.0	382,284.2	484,970.0	449,029.5	0.0	1,061,240.2	1,510,269.7	61,668.2	1,002,455.5	602.3	1,198,335.1	8,862,648.3
Feb	5,118,352.7	0.0	382,875.5	486,630.6	521,725.1	0.0	1,035,510.7	1,555,235.7	61,668.2	1,004,061.2	484.7	1,207,987.5	8,824,782.7
Mar	5,162,799.4	0.0	380,145.3	484,026.6	375,846.5	0.0	1,037,867.8	1,413,714.2	79,322.0	1,004,726.7	395.4	1,198,614.2	8,731,219.9
Apr	5,086,701.0	0.0	378,924.8	483,339.0	344,154.9	0.0	1,038,381.6	1,382,536.5	104,329.6	1,004,476.5	507.7	1,328,663.6	8,776,948.8
May	5,155,883.6	0.0	370,205.5	472,261.2	526,108.5	0.0	1,075,328.9	1,601,437.4	57,833.2	1,009,228.5	349.4	1,219,318.8	8,893,968.6
Jun	5,550,226.5	0.0	369,525.3	471,393.4	652,328.2	0.0	1,047,246.2	1,699,574.4	58,433.2	1,012,102.3	0.0	1,251,942.2	9,420,798.4
Jul	5,679,003.3	0.0	370,222.9	472,283.3	413,122.4	0.0	1,037,036.4	1,450,158.8	60,706.8	1,011,692.8	1,622.2	1,203,526.1	9,256,216.2
Aug	5,653,794.2	0.0	369,471.7	473,909.1	560,415.3	0.0	1,015,625.7	1,576,041.0	60,333.1	1,006,042.7	345.5	1,220,926.2	9,367,731.5
Sep	5,951,355.7	0.0	374,697.6	480,612.2	262,663.6	0.0	1,015,571.7	1,278,235.3	61,833.2	1,008,052.3	446.2	1,232,934.7	9,395,006.7
Oct	6,032,016.8	0.0	373,702.4	480,202.8	154,254.1	0.0	1,485,601.7	1,639,855.8	58,969.0	1,008,789.4	525.1	1,136,075.4	9,826,068.0
Nov	5,689,152.2	0.0	373,220.2	479,604.8	550,687.4	0.0	1,496,771.9	2,047,459.2	57,833.2	1,009,952.3	471.6	1,253,099.6	10,006,720.6
Dec	5,975,337.8	0.0	373,865.6	480,434.1	270,867.3	0.0	1,485,742.0	1,756,609.3	68,813.9	1,010,802.8	556.1	1,118,360.0	9,880,703.4
2013-Jan	5,699,229.4	0.0	377,762.7	485,442.1	534,675.8	0.0	1,500,101.7	2,034,777.5	57,833.2	1,012,791.6	484.5	1,138,101.9	9,902,330.7
Feb	5,675,513.7	0.0	371,368.4	478,149.3	747,365.1	0.0	1,498,616.4	2,245,981.6	62,333.2	1,014,356.3	456.4	1,136,860.2	10,080,911.8
Mar	6,598,544.8	0.0	366,950.5	473,319.1	91,709.0	0.0	1,508,448.1	1,600,157.1	57,833.2	1,014,924.1	422.4	1,171,681.9	10,379,707.6
Apr	6,563,143.5	0.0	369,606.5	477,612.2	141,571.0	0.0	1,496,052.0	1,637,623.0	57,833.2	1,015,230.2	553.4	1,158,157.2	10,375,629.9
May	6,461,355.2	0.0	368,450.5	476,145.4	463,877.2	0.0	1,504,601.4	1,968,478.6	57,833.2	1,015,962.6	421.9	1,140,443.5	10,584,952.9
Jun	6,583,554.8	0.0	370,256.4	479,351.2	375,894.1	0.0	1,487,112.7	1,863,006.8	65,483.2	1,018,039.3	0.0	1,136,428.6	10,611,978.1

Notes: * Bills valued at purchase price. From July, 1983 total claims on Government differ from the totals given in the statements of assets and liabilities since government securities are in nominal value instead of book value.

- Monetary data have been revised from December 2001 using the IMF international standard reporting format (SRF), which is in line with the Monetary and Financial Statistics Manual of 2000

Source: Bank of Tanzania



Table A3.3: Bank of Tanzania - Liabilities (Revised), 2003 - 2013

Millions of TZS

End of period	Currency in circulation	Central government deposits	Banks' deposits	Other deposits	Foreign liabilities	International fund	Allocation of SDRs	Other liabilities	Capital and reserves	Total
2003	619,038.2	810,623.8	211,126.7	17,204.3	1,250.4	727,512.9	15,196.5	3,360,962.2	30,737.4	2,921,192.4
2004	759,995.0	1,063,832.6	244,363.8	13,275.7	2,252.4	744,803.7	-4,081.5	3,950,678.9	10,036.5	3,328,362.4
2005	981,420.1	1,280,520.5	307,638.4	7,718.2	5,288.1	715,070.4	-21,909.4	4,402,831.4	10,020.6	3,766,190.0
2006	1,162,877.1	1,858,522.1	345,620.5	6,527.8	3,591.3	370,591.9	709.5	5,086,527.8	317,746.8	4,481,552.8
2007	1,354,603.8	2,254,482.3	554,739.4	3,791.9	9,090.2	388,399.7	55,651.8	542,959.7	97,864.8	5,261,583.7
2008	1,701,160.6	2,124,750.6	608,597.7	7,378.2	8,639.6	390,992.2	63,176.8	907,235.5	2,749.3	5,823,680.5
2009	1,896,843.3	2,069,669.2	1,153,810.1	23,290.6	3,528.0	811,524.7	390,806.1	887,049.3	100,861.1	7,337,382.3
2010	2,298,635.0	2,021,302.9	1,292,852.9	65,995.5	3,713.3	898,579.2	426,458.2	1,271,080.4	99,771.6	8,378,389.1
2011	2,694,169.5	1,235,421.9	1,720,844.4	69,724.3	187.1	1,024,983.5	456,771.9	1,553,119.1	99,415.4	8,854,637.0
2012	2,909,997.8	1,879,286.7	1,894,954.6	205,374.2	185.7	978,295.4	460,171.9	1,452,437.5	99,999.8	9,880,703.4
2012-Mar	2,493,184.4	1,450,856.7	1,565,831.3	96,777.9	185.7	1,031,818.9	463,612.8	1,529,536.9	99,415.4	8,731,219.9
Jun	2,705,224.1	1,600,755.9	2,038,380.6	183,835.9	185.7	998,486.9	451,512.5	1,357,336.8	85,080.1	9,420,798.4
Sep	2,900,370.8	1,698,798.3	1,704,211.1	153,392.1	185.7	979,174.5	460,342.4	1,451,024.3	47,507.6	9,395,006.7
Dec	2,909,997.8	1,879,286.7	1,894,954.6	205,374.2	185.7	978,295.4	460,171.9	1,452,437.5	99,999.8	9,880,703.4
2013-Mar	2,808,158.9	2,014,034.5	2,117,736.6	281,963.9	185.0	1,146,390.2	453,356.9	1,457,881.6	100,000.0	10,379,707.6
Jun	3,030,650.1	1,997,332.4	2,189,683.8	275,154.9	185.0	1,176,128.4	459,134.6	1,383,718.7	99,990.2	10,611,978.1
2012-Jan	2,482,630.4	1,126,805.5	2,000,216.1	86,969.4	187.1	1,034,264.5	464,516.4	1,567,643.4	99,415.4	8,862,648.3
Feb	2,474,368.2	1,301,647.1	1,801,699.0	69,990.6	187.1	1,035,485.7	466,107.1	1,575,882.6	99,415.4	8,824,782.7
Mar	2,493,184.4	1,450,856.7	1,565,831.3	96,777.9	185.7	1,031,818.9	463,612.8	1,529,536.9	99,415.4	8,731,219.9
Apr	2,512,671.3	1,487,341.5	1,636,809.4	161,726.1	185.7	1,030,351.1	462,954.2	1,385,494.1	99,415.4	8,776,948.8
May	2,594,154.8	1,455,386.1	1,771,682.8	202,779.8	185.7	999,479.3	452,343.6	1,318,032.5	99,923.9	8,893,968.6
Jun	2,705,224.1	1,600,755.9	2,038,380.6	183,835.9	185.7	998,486.9	451,512.5	1,357,336.8	85,080.1	9,420,798.4
Jul	2,792,670.9	1,442,652.0	1,895,506.1	187,686.6	185.7	971,679.1	452,364.8	1,469,978.9	43,492.1	9,256,216.2
Aug	2,958,952.9	1,578,535.3	1,823,682.8	148,429.0	185.7	971,536.9	453,922.0	1,389,977.6	42,509.5	9,367,731.5
Sep	2,900,370.8	1,698,798.3	1,704,211.1	153,392.1	185.7	979,174.5	460,342.4	1,451,024.3	47,507.6	9,395,006.7
Oct	2,857,570.6	1,809,849.9	2,068,274.8	163,943.4	185.7	978,032.0	459,950.3	1,388,261.4	99,999.8	9,826,068.9
Nov	2,832,271.2	1,820,610.3	2,198,471.8	134,596.5	185.7	977,351.5	459,377.5	1,483,856.3	99,999.8	10,006,720.6
Dec	2,909,997.8	1,879,286.7	1,894,954.6	205,374.2	185.7	978,295.4	460,171.9	1,452,437.5	99,999.8	9,880,703.4
2012-Jan	2,734,120.5	1,784,533.0	2,122,997.5	225,626.2	184.9	983,994.5	464,968.6	1,485,905.5	100,000.0	9,902,330.7
Feb	2,695,237.5	1,881,455.4	2,171,006.3	190,168.5	184.9	1,154,358.2	457,983.4	1,430,177.5	100,000.0	10,080,911.8
Mar	2,808,158.9	2,014,034.5	2,117,736.6	281,963.9	185.0	1,146,390.2	453,356.9	1,457,881.6	100,000.0	10,379,707.6
Apr	2,807,355.4	1,934,802.0	2,212,074.7	270,813.0	185.0	1,152,201.4	457,468.9	1,440,729.5	100,000.0	10,375,629.9
May	2,909,072.3	1,941,822.0	2,284,328.0	265,065.3	185.0	1,171,966.2	456,064.0	1,456,460.0	99,990.2	10,584,952.9
Jun	3,030,650.1	1,997,332.4	2,189,683.8	275,154.9	185.0	1,176,128.4	459,134.6	1,383,718.7	99,990.2	10,611,978.1

Notes: - Monetary data have been revised from December 2001 using the IMF international standard reporting format (SRF), which is in line with the Monetary and Financial Statistics Manual of 2000

Source: Bank of Tanzania



Table A3.4: Tanzania Notes in Circulation, 2003 - 2013

End of Period	Millions of TZS									Percent of Total						
	10/-	20/-	200/-	500/-	1,000/-	2,000/-	5,000/-	10,000/-	Total	20/-	200/-	500/-	1,000/-	2,000/-	5,000/-	10,000/-
2003	99.7	498.0	1,978.0	37,760.4	40,775.6	38,542.2	154,817.8	314,648.6	589,120.2	0.1	0.3	6.4	6.9	6.5	26.3	53.4
2004	99.7	497.8	1,974.2	36,901.9	54,312.0	60,871.6	132,013.8	421,347.4	708,018.4	0.1	0.3	5.2	7.7	8.6	18.6	59.5
2005	99.7	497.8	1,971.0	36,808.7	41,682.9	65,332.1	184,512.8	579,825.7	910,730.7	0.1	0.2	4.0	4.6	7.2	20.3	63.7
2006	99.7	497.8	1,970.6	36,863.8	47,303.0	65,568.1	188,248.6	736,620.7	1,077,172.3	0.0	0.2	3.4	4.4	6.1	17.5	68.4
2007	99.7	497.8	1,970.0	41,057.0	63,285.4	107,542.4	237,656.2	873,664.5	1,325,772.8	0.0	0.1	3.1	4.8	8.1	17.9	65.9
2008	99.7	497.7	1,969.7	44,290.9	75,479.4	81,643.0	257,586.4	1,216,469.3	1,678,036.1	0.0	0.1	2.6	4.5	4.9	15.4	72.5
2009	99.7	497.7	1,969.5	40,789.5	86,025.2	64,538.8	257,629.6	1,410,502.1	1,862,052.0	0.0	0.1	2.2	4.6	3.5	13.8	75.7
2010	99.7	497.7	1,969.1	42,423.1	84,097.4	101,938.6	416,550.9	1,612,837.2	2,260,413.7	0.0	0.1	1.9	3.7	4.5	18.4	71.4
2011	99.7	497.7	1,969.0	51,519.0	83,793.4	111,196.0	420,406.8	1,982,878.0	2,652,359.4	0.0	0.1	1.9	3.2	4.2	15.9	74.8
2012	100.1	498.3	2,001.8	376,213.7	627,706.0	1,037,263.2	2,363,220.2	5,861,017.8	10,268,021.0	0.0	0.1	15.4	25.6	42.3	96.4	239.2
2012-Mar	99.7	497.7	1,968.9	50,136.0	71,295.2	96,917.6	348,992.4	1,880,539.6	2,450,447.1	0.0	0.1	2.0	2.9	4.0	14.2	76.7
Jun	99.7	497.7	1,968.8	50,736.0	77,742.7	112,045.5	457,103.5	1,960,916.0	2,661,109.9	0.0	0.1	2.1	3.2	4.6	18.7	80.0
Sep	99.7	497.7	1,969.2	43,141.6	83,707.5	74,597.1	299,342.9	1,711,503.3	2,214,859.1	0.0	0.1	1.8	3.4	3.0	12.2	69.8
Dec	100.1	498.3	2,001.8	376,213.7	627,706.0	1,037,263.2	2,363,220.2	5,861,017.8	10,268,021.0	0.0	0.1	15.4	25.6	42.3	96.4	239.2
2013-Mar	99.8	498.0	1,992.2	370,644.7	683,347.0	1,078,977.6	2,232,260.5	5,580,653.3	9,948,473.1	0.0	0.1	15.1	27.9	44.0	91.1	227.7
Jun	99.8	498.0	1,992.2	366,794.7	740,047.0	1,071,421.7	1,994,582.0	5,163,939.0	9,339,374.4	0.0	0.1	15.0	30.2	43.7	81.4	210.7
2012-Jan	99.7	497.7	1,969.0	49,614.9	73,885.2	102,361.3	366,279.1	1,845,845.3	2,440,552.1	0.0	0.1	2.0	3.0	4.2	15.0	75.6
Feb	99.7	497.7	1,968.9	50,343.4	71,710.9	97,917.4	355,489.5	1,853,924.8	2,431,952.3	0.0	0.1	2.1	2.9	4.0	14.6	76.2
Mar	99.7	497.7	1,968.9	50,136.0	71,295.2	96,917.6	348,992.4	1,880,539.6	2,450,447.1	0.0	0.1	2.0	2.9	4.0	14.2	76.7
Apr	99.7	497.7	1,968.9	50,224.2	72,170.9	95,440.6	372,134.3	1,877,129.4	2,469,665.7	0.0	0.1	2.0	2.9	3.9	15.2	76.6
May	99.7	497.7	1,968.9	51,254.5	75,938.9	107,331.7	424,877.4	1,888,813.0	2,550,781.7	0.0	0.1	2.1	3.1	4.4	17.3	77.1
Jun	99.7	497.7	1,968.8	50,736.0	77,742.7	112,045.5	457,103.5	1,960,916.0	2,661,109.9	0.0	0.1	2.1	3.2	4.6	18.7	80.0
Jul	99.7	497.7	1,969.2	42,405.1	81,725.3	72,716.8	300,496.1	1,613,772.5	2,113,682.4	0.0	0.1	1.7	3.3	3.0	12.3	65.9
Aug	99.7	497.7	1,969.2	44,101.7	82,849.4	73,669.3	322,804.9	1,674,339.6	2,200,331.6	0.0	0.1	1.8	3.4	3.0	13.2	68.3
Sep	99.7	497.7	1,969.2	43,141.6	83,707.5	74,597.1	299,342.9	1,711,503.3	2,214,859.1	0.0	0.1	1.8	3.4	3.0	12.2	69.8
Oct	100.1	498.3	2,001.8	388,512.7	650,975.8	1,126,591.2	2,083,310.0	4,283,035.8	8,535,025.6	0.0	0.1	15.9	26.6	46.0	85.0	174.8
Nov	100.1	498.3	2,001.8	377,443.2	645,795.8	1,106,151.2	2,356,231.8	4,240,560.8	8,728,782.9	0.0	0.1	15.4	26.4	45.1	96.2	173.1
Dec	100.1	498.3	2,001.8	376,213.7	627,706.0	1,037,263.2	2,363,220.2	5,861,017.8	10,268,021.0	0.0	0.1	15.4	25.6	42.3	96.4	239.2
2013-Jan	100.1	498.3	2,001.8	375,612.7	684,980.0	1,013,167.2	2,303,765.1	5,690,906.0	10,071,031.1	0.0	0.1	15.3	28.0	41.3	94.0	232.2
Feb	100.1	498.3	2,001.8	373,524.7	684,980.0	1,012,977.6	2,254,547.9	5,557,846.8	9,886,477.1	0.0	0.1	15.2	28.0	41.3	92.0	226.8
Mar	99.8	498.0	1,992.2	370,644.7	683,347.0	1,078,977.6	2,232,260.5	5,580,653.3	9,948,473.1	0.0	0.1	15.1	27.9	44.0	91.1	227.7
Apr	99.8	498.0	1,992.2	367,294.7	744,047.0	1,078,659.6	2,162,844.9	5,423,591.8	9,779,027.9	0.0	0.1	15.0	30.4	44.0	88.3	221.3
May	99.8	498.0	1,992.2	367,294.7	740,047.0	1,077,659.6	2,079,989.4	5,284,722.9	9,552,303.6	0.0	0.1	15.0	30.2	44.0	84.9	215.7
Jun	99.8	498.0	1,992.2	366,794.7	740,047.0	1,071,421.7	1,994,582.0	5,163,939.0	9,339,374.4	0.0	0.1	15.0	30.2	43.7	81.4	210.7

Source: Bank of Tanzania

Table A3.5: Tanzania Coins in Circulation, 2003 - 2013

End of Period	Millions of TZS													Percent of Total											
	-05	-10	-20	-50	1/-	5/-	10/-	20/-	25/-	50/=	100/-	200/-	Total	-20	/50	1/-	5/-	10/-	20/-	25/-	50/=	100/-	200/-		
2003	8.8	4.4	38.4	45.9	167.6	398.5	770.8	927.4	11.7	2,521.1	8,048.9	4,195.3	17,138.7	0.2	0.3	1.0	2.3	4.5	5.4	0.1	14.7	47.0	24.5		
2004	8.8	4.4	38.4	45.9	167.6	410.4	790.0	949.2	11.7	3,102.5	8,920.8	5,317.0	19,766.9	0.2	0.2	0.8	2.1	4.0	4.8	0.1	15.7	45.1	26.9		
2005	8.8	4.4	38.4	46.0	167.7	419.9	822.7	987.8	11.7	3,341.9	9,283.2	6,952.2	22,084.6	0.2	0.2	0.8	1.9	3.7	4.5	0.1	15.1	42.0	31.5		
2006	8.8	4.4	38.4	46.0	167.7	428.8	835.4	1,003.6	11.7	3,944.9	10,434.3	8,186.2	25,110.1	0.2	0.2	0.7	1.7	3.3	4.0	0.0	15.7	41.6	32.6		
2007	8.8	4.4	38.4	46.0	167.7	433.7	839.6	1,006.5	11.7	4,358.4	11,547.0	9,839.0	28,301.0	0.1	0.2	0.6	1.5	3.0	3.6	0.0	15.4	40.8	34.8		
2008	8.8	4.4	38.4	46.0	167.7	438.1	840.7	1,005.7	11.7	4,669.6	13,096.8	11,713.6	32,041.3	0.1	0.1	0.5	1.4	2.6	3.1	0.0	14.6	40.9	36.6		
2009	8.8	4.4	38.4	46.0	167.7	441.7	839.0	999.7	11.7	5,437.5	14,039.8	12,951.2	34,985.7	0.1	0.1	0.5	1.3	2.4	2.9	0.0	15.5	40.1	37.0		
2010	8.8	4.4	38.4	46.0	167.7	441.7	836.5	991.9	11.7	6,128.1	14,995.8	14,550.4	38,221.3	0.1	0.1	0.4	1.2	2.2	2.6	0.0	16.0	39.2	38.1		
2011	8.8	4.4	38.4	46.0	167.7	440.4	824.4	976.5	11.7	6,570.8	15,736.7	16,983.3	41,809.1	0.1	0.1	0.4	1.1	2.0	2.3	0.0	15.7	37.6	40.6		
2012	8.8	4.4	38.5	46.1	168.2	516.4	938.5	1,242.3	11.8	9,511.0	22,083.1	23,882.3	58,451.3	0.1	0.1	0.4	1.2	2.2	2.9	0.0	22.3	51.7	55.9		
2012-Mar	8.8	4.4	38.4	46.0	167.7	440.3	823.4	973.4	11.7	6,695.7	15,841.1	17,686.0	42,736.8	0.1	0.1	0.4	1.0	1.9	2.3	0.0	15.7	37.1	41.4		
	8.8	4.4	38.4	46.0	167.7	440.3	823.1	972.1	11.7	6,746.4	16,111.4	18,733.6	44,103.7	0.1	0.1	0.4	1.0	1.9	2.3	0.0	15.8	37.7	43.8		
	8.8	4.4	38.4	46.0	167.7	441.7	837.6	994.3	11.7	5,950.2	14,747.7	14,194.5	37,443.0	0.1	0.1	0.4	1.0	2.0	2.3	0.0	13.9	34.5	33.2		
	8.8	4.4	38.5	46.1	168.2	516.4	938.5	1,242.3	11.8	9,511.0	22,083.1	23,882.3	58,451.3	0.1	0.1	0.4	1.2	2.2	2.9	0.0	22.3	51.7	55.9		
2013-Mar	8.8	4.4	38.5	46.1	168.2	516.4	938.5	1,242.3	11.8	9,511.0	22,083.1	23,882.3	58,451.3	0.1	0.1	0.4	1.2	2.2	2.9	0.0	22.3	51.7	55.9		
	8.8	4.4	38.5	46.1	168.2	516.4	938.5	1,242.3	11.8	9,511.0	22,083.1	23,882.3	58,451.3	0.1	0.1	0.4	1.2	2.2	2.9	0.0	22.3	51.7	55.9		
	8.8	4.4	38.4	46.0	167.7	440.3	823.8	974.4	11.7	6,596.3	15,742.6	17,223.4	42,077.6	0.1	0.1	0.4	1.0	2.0	2.3	0.0	15.7	37.4	40.9		
	8.8	4.4	38.4	46.0	167.7	440.3	823.7	974.1	11.7	6,662.4	15,807.5	17,430.2	42,415.2	0.1	0.1	0.4	1.0	1.9	2.3	0.0	15.7	37.3	41.1		
Feb	8.8	4.4	38.4	46.0	167.7	440.3	823.4	973.4	11.7	6,695.7	15,841.1	17,686.0	42,736.8	0.1	0.1	0.4	1.0	1.9	2.3	0.0	15.7	37.1	41.4		
Mar	8.8	4.4	38.4	46.0	167.7	440.3	823.4	973.3	11.7	6,712.6	15,890.1	17,888.4	43,005.0	0.1	0.1	0.4	1.0	1.9	2.3	0.0	15.7	37.2	41.9		
Apr	8.8	4.4	38.4	46.0	167.7	440.3	823.4	973.3	11.7	6,712.6	15,890.1	17,888.4	43,005.0	0.1	0.1	0.4	1.0	1.9	2.3	0.0	15.7	37.2	41.9		
May	8.8	4.4	38.4	46.0	167.7	440.3	823.2	972.5	11.7	6,733.1	15,955.5	18,161.1	43,362.6	0.1	0.1	0.4	1.0	1.9	2.3	0.0	15.8	37.3	42.5		
Jun	8.8	4.4	38.4	46.0	167.7	440.3	823.1	972.1	11.7	6,746.4	16,111.4	18,733.6	44,103.7	0.1	0.1	0.4	1.0	1.9	2.3	0.0	15.8	37.7	43.8		
Jul	8.8	4.4	38.4	46.0	167.7	441.7	838.2	996.0	11.7	5,837.0	14,562.5	13,882.2	36,834.5	0.1	0.1	0.4	1.0	2.0	2.3	0.0	13.7	34.1	32.5		
Aug	8.8	4.4	38.4	46.0	167.7	441.8	838.1	995.2	11.7	5,880.5	14,633.2	14,063.7	37,129.4	0.1	0.1	0.4	1.0	2.0	2.3	0.0	13.8	34.2	32.9		
Sep	8.8	4.4	38.4	46.0	167.7	441.7	837.6	994.3	11.7	5,950.2	14,747.7	14,194.5	37,443.0	0.1	0.1	0.4	1.0	2.0	2.3	0.0	13.9	34.5	33.2		
Oct	8.8	4.4	38.5	46.1	168.2	516.4	938.5	1,242.3	11.8	9,511.0	22,083.1	23,882.3	58,451.3	0.1	0.1	0.4	1.2	2.2	2.9	0.0	22.3	51.7	55.9		
Nov	8.8	4.4	38.5	46.1	168.2	516.4	938.5	1,242.3	11.8	9,511.0	22,083.1	23,882.3	58,451.3	0.1	0.1	0.4	1.2	2.2	2.9	0.0	22.3	51.7	55.9		
Dec	8.8	4.4	38.5	46.1	168.2	516.4	938.5	1,242.3	11.8	9,511.0	22,083.1	23,882.3	58,451.3	0.1	0.1	0.4	1.2	2.2	2.9	0.0	22.3	51.7	55.9		
2013-Jan	8.8	4.4	38.5	46.1	168.2	516.4	938.5	1,242.3	11.8	9,511.0	22,083.1	23,882.3	58,451.3	0.1	0.1	0.4	1.2	2.2	2.9	0.0	22.3	51.7	55.9		
	8.8	4.4	38.5	46.1	168.2	516.4	938.5	1,242.3	11.8	9,511.0	22,083.1	23,882.3	58,451.3	0.1	0.1	0.4	1.2	2.2	2.9	0.0	22.3	51.7	55.9		
	8.8	4.4	38.5	46.1	168.2	516.4	938.5	1,242.3	11.8	9,511.0	22,083.1	23,882.3	58,451.3	0.1	0.1	0.4	1.2	2.2	2.9	0.0	22.3	51.7	55.9		
	8.8	4.4	38.5	46.1	168.2	516.4	938.5	1,242.3	11.8	9,511.0	22,083.1	23,882.3	58,451.3	0.1	0.1	0.4	1.2	2.2	2.9	0.0	22.3	51.7	55.9		
Mar	8.8	4.4	38.5	46.1	168.2	516.4	938.5	1,242.3	11.8	9,511.0	22,083.1	23,882.3	58,451.3	0.1	0.1	0.4	1.2	2.2	2.9	0.0	22.3	51.7	55.9		
Apr	8.8	4.4	38.5	46.1	168.2	516.4	938.5	1,242.3	11.8	9,511.0	22,083.1	23,882.3	58,451.3	0.1	0.1	0.4	1.2	2.2	2.9	0.0	22.3	51.7	55.9		
May	8.8	4.4	38.5	46.1	168.2	516.4	938.5	1,242.3	11.8	9,511.0	22,083.1	23,882.3	58,451.3	0.1	0.1	0.4	1.2	2.2	2.9	0.0	22.3	51.7	55.9		
Jun	8.8	4.4	38.5	46.1	168.2	516.4	938.5	1,242.3	11.8	9,511.0	22,083.1	23,882.3	58,451.3	0.1	0.1	0.4	1.2	2.2	2.9	0.0	22.3	51.7	55.9		

Source: Bank of Tanzania

Source: Bank of Tanzania





Table A3.6: Commercial Banks - Assets, 2003 - 2013

Millions of TZS

End of period	Domestic assets					Foreign assets				Total
	Cash	Deposit with Bank of Tanzania	Treasury Securities ***	Other govt. Securities	Loans and Bills	Other*	Liquid**	Others	Fixed assets	
2003	55,502.9	201,902.3	605,474.4	21,432.9	912,428.2	353,932.1	669,630.5	12,719.0	112,226.0	2,945,248.3
2004	65,451.3	279,724.9	672,639.9	72,704.7	1,159,315.4	366,736.1	612,372.0	2,127.9	120,992.7	3,352,064.9
2005	91,431.0	332,321.9	1,164,578.7	71,169.6	1,520,965.5	298,809.5	770,842.1	21,862.5	127,820.4	4,399,801.2
2006	108,440.2	491,880.3	1,081,164.1	67,885.0	2,143,793.1	379,538.6	1,081,598.9	50,896.5	161,513.2	5,566,709.9
2007	157,687.5	580,783.6	1,719,325.1	22,721.4	3,122,551.7	458,079.0	818,496.1	65,211.2	217,362.3	7,162,217.9
2008	221,105.1	660,845.7	1,704,299.9	24,791.7	4,481,629.5	478,466.4	847,816.8	97,374.3	291,439.7	8,607,769.3
2009	330,090.0	1,118,792.3	1,739,009.1	15,285.7	5,026,557.4	537,801.5	1,040,125.4	254,471.2	397,327.4	10,459,460.1
2010	401,500.1	1,300,906.3	2,414,939.5	8,772.0	6,117,158.6	840,776.0	1,353,121.8	188,971.6	517,259.9	13,143,405.8
2011	458,339.7	1,716,218.7	2,040,559.3	37,407.2	7,723,629.9	900,196.5	1,505,320.6	191,567.7	634,533.4	15,207,773.0
2012	495,209.7	1,785,793.4	2,877,270.9	52,666.8	9,248,521.7	1,218,284.2	1,260,420.2	133,720.7	734,604.6	17,806,492.1
2012-Mar	347,992.5	1,544,323.9	2,412,895.3	43,115.3	7,951,017.7	859,952.4	1,405,328.2	204,417.1	663,117.2	15,432,159.6
Jun	387,765.3	1,908,569.0	2,260,772.6	30,272.2	8,291,262.7	959,496.5	1,298,654.8	131,247.5	684,629.1	15,952,669.6
Sep	420,361.6	1,659,211.6	2,689,440.5	55,044.4	8,933,937.9	1,044,181.1	1,368,900.0	52,834.6	709,763.2	16,933,674.7
Dec	495,209.7	1,785,793.4	2,877,270.9	52,666.8	9,248,521.7	1,218,284.2	1,260,420.2	133,720.7	734,604.6	17,806,492.1
2013-Mar	415,461.8	2,070,992.1	3,096,630.3	44,806.0	9,669,748.4	1,344,706.0	1,394,622.6	151,305.1	757,565.7	18,945,838.0
Jun	419,799.8	2,117,422.8	3,298,253.1	46,786.8	10,135,831.8	1,331,948.0	1,236,116.1	66,193.2	771,321.0	19,423,672.6
2012-Jan	379,706.8	1,872,530.9	2,071,084.0	56,486.4	7,768,007.6	855,858.4	1,438,603.0	168,047.7	645,443.4	15,255,768.1
Feb	368,141.0	1,731,423.1	2,278,374.7	80,334.7	7,779,714.0	743,809.5	1,495,209.8	198,219.0	652,498.7	15,327,724.3
Mar	347,992.5	1,544,323.9	2,412,895.3	43,115.3	7,951,017.7	859,952.4	1,405,328.2	204,417.1	663,117.2	15,432,159.6
Apr	364,881.7	1,535,903.0	2,373,342.8	45,603.6	7,999,859.0	801,675.1	1,345,010.7	251,714.3	671,054.7	15,389,044.9
May	372,231.1	1,731,801.8	2,322,619.0	26,587.9	8,204,989.9	788,443.3	1,301,178.0	188,186.1	676,323.4	15,612,360.4
Jun	387,765.3	1,908,569.0	2,260,772.6	30,272.2	8,291,262.7	959,496.5	1,298,654.8	131,247.5	684,629.1	15,952,669.6
Jul	437,997.7	1,810,640.4	2,363,197.3	58,645.9	8,468,933.3	935,523.3	1,424,575.9	135,593.0	690,558.9	16,325,665.8
Aug	448,057.5	1,835,228.0	2,505,253.0	52,928.8	8,601,649.9	946,001.7	1,419,577.7	109,858.1	705,723.6	16,624,278.3
Sep	420,361.6	1,659,211.6	2,689,440.5	55,044.4	8,933,937.9	1,044,181.1	1,368,900.0	52,834.6	709,763.2	16,933,674.7
Oct	442,535.3	1,946,212.6	2,758,314.2	56,956.7	8,968,603.2	963,447.7	1,196,185.7	130,288.2	716,135.3	17,178,679.0
Nov	413,854.4	2,217,278.6	2,795,351.7	55,581.4	9,135,660.7	1,067,236.0	1,238,030.4	169,238.3	719,538.5	17,811,770.1
Dec	495,209.7	1,785,793.4	2,877,270.9	52,666.8	9,248,521.7	1,218,284.2	1,260,420.2	133,720.7	734,604.6	17,806,492.1
2013-Jan	439,141.1	2,124,386.7	2,796,997.9	49,768.3	9,287,064.0	1,098,518.8	1,002,234.7	136,319.1	741,463.1	17,675,893.7
Feb	413,492.0	2,150,442.8	2,974,577.4	42,611.6	9,467,375.3	1,119,495.9	1,213,294.9	66,724.9	739,378.4	18,187,393.3
Mar	415,461.8	2,070,992.1	3,096,630.3	44,806.0	9,669,748.4	1,344,706.0	1,394,622.6	151,305.1	757,565.7	18,945,838.0
Apr	443,327.3	2,223,194.0	3,204,988.8	44,353.2	9,799,264.2	1,240,269.1	1,295,648.1	158,255.5	766,976.6	19,176,276.9
May	422,385.0	2,261,856.8	3,297,132.2	45,734.1	9,870,532.1	1,117,445.6	1,277,352.9	113,336.6	770,892.6	19,176,667.8
Jun	419,799.8	2,117,422.8	3,298,253.1	46,786.8	10,135,831.8	1,331,948.0	1,236,116.1	66,193.2	771,321.0	19,423,672.6

Notes:

* Includes claims on other banks and from January 1995 includes also claims on other financial institutions

** Includes deposits with Foreign Banks and foreign Units

*** Formerly known as Treasury bills

- Monetary data have been revised from December 2001 using the IMF international standard reporting format (SRF), which is in line with the Monetary and Financial Statistics Manual of 2000

Source: Bank of Tanzania



A3.0 Money and Banking

Table A3.7: Commercial Banks -- Liabilities., 2003 - 2013
Millions of TZS

End of period	Domestic liabilities				Foreign liabilities		Capital and Reserves	Total
	Deposits	Due to Bank of Tanzania	Due to other banks	Other	Foreign banks	Due to Other		
2003	2,198,096.8	72.7	150,312.7	301,663.8	6,321.9	14,778.3	274,002.0	2,945,248.3
2004	2,445,965.2	0.0	166,539.8	380,954.7	19,042.1	10,678.0	328,885.0	3,352,064.9
2005	3,353,017.7	148.4	121,720.2	436,516.2	27,571.8	36,703.6	424,123.3	4,399,801.2
2006	4,123,939.0	0.0	190,039.6	609,458.8	64,041.5	34,616.2	581,910.1	5,604,005.2
2007	5,057,337.8	0.0	242,441.7	879,225.5	191,888.7	118,477.6	807,249.5	7,296,620.7
2008	6,012,857.7	10,449.7	209,779.9	1,201,168.5	153,806.6	186,318.0	1,001,441.0	8,775,821.3
2009	7,190,113.6	475.0	302,578.3	1,500,623.5	108,973.9	91,112.9	1,265,583.0	10,459,460.1
2010	9,049,547.5	0.0	446,361.5	1,917,148.0	137,109.8	78,774.9	1,514,464.0	13,143,405.8
2011	10,715,782.2	0.0	357,570.4	2,072,724.7	202,667.5	83,779.5	1,775,248.6	15,207,773.0
2012	12,110,517.7	4,200.0	588,704.2	2,581,225.2	250,909.4	132,528.4	2,138,407.2	17,806,492.1
2012-Mar	10,759,705.1	2,500.0	495,445.2	2,060,592.4	189,845.5	87,450.8	1,836,620.7	15,432,159.6
Jun	10,869,936.2	4,200.0	453,509.6	2,358,680.4	245,050.1	120,082.4	1,901,210.9	15,952,669.6
Sep	11,458,113.9	4,200.0	577,515.3	2,469,484.7	250,849.3	162,618.4	2,010,893.1	16,933,674.7
Dec	12,110,517.7	4,200.0	588,704.2	2,581,225.2	250,909.4	132,528.4	2,138,407.2	17,806,492.1
2013 Mar	12,321,758.5	9,000.0	774,136.3	2,905,432.5	405,472.7	185,720.4	2,344,317.6	18,945,838.0
Jun	12,573,858.9	9,450.0	748,103.0	2,868,520.8	661,846.1	221,165.7	2,340,728.1	19,423,672.6
2012-Jan	10,815,814.5	0.0	338,681.5	2,098,700.9	178,887.1	43,968.7	1,779,715.4	15,255,768.1
Feb	10,832,099.0	0.0	325,233.2	2,111,749.6	203,140.5	41,692.5	1,813,809.5	15,327,724.3
Mar	10,759,705.1	2,500.0	495,445.2	2,060,592.4	189,845.5	87,450.8	1,836,620.7	15,432,159.6
Apr	10,676,183.4	2,500.0	460,808.2	2,078,515.5	189,453.1	100,676.2	1,880,908.6	15,389,044.9
May	10,657,903.9	4,306.6	482,582.7	2,232,544.4	236,136.8	102,086.5	1,896,799.5	15,612,360.4
Jun	10,869,936.2	4,200.0	453,509.6	2,358,680.4	245,050.1	120,082.4	1,901,210.9	15,952,669.6
Jul	11,122,290.8	4,200.0	525,549.5	2,361,602.5	248,801.6	117,856.6	1,945,364.9	16,325,665.8
Aug	11,245,632.3	4,200.0	531,064.8	2,436,276.9	288,392.1	135,517.8	1,983,194.4	16,624,278.3
Sep	11,458,113.9	4,200.0	577,515.3	2,469,484.7	250,849.3	162,618.4	2,010,893.1	16,933,674.7
Oct	11,712,342.0	4,200.0	573,291.1	2,406,679.5	255,493.8	148,026.4	2,078,646.3	17,178,679.0
Nov	12,126,160.4	4,200.0	607,980.8	2,542,217.8	239,267.4	173,684.1	2,118,259.6	17,811,770.1
Dec	12,110,517.7	4,200.0	588,704.2	2,581,225.2	250,909.4	132,528.4	2,138,407.2	17,806,492.1
2013-Jan	12,053,124.8	4,200.0	511,095.7	2,612,510.0	217,488.7	100,338.6	2,177,135.8	17,675,893.7
Feb	12,287,309.1	4,200.0	569,254.5	2,753,276.4	229,366.5	112,661.9	2,231,324.8	18,187,393.3
Mar	12,321,758.5	9,000.0	774,136.3	2,905,432.5	405,472.7	185,720.4	2,344,317.6	18,945,838.0
Apr	12,498,627.1	4,200.0	592,161.6	2,976,427.9	612,753.3	122,265.6	2,369,841.3	19,176,276.9
May	12,636,024.2	4,200.0	573,797.2	2,891,620.9	580,179.5	163,230.1	2,327,615.9	19,176,667.8
Jun	12,573,858.9	9,450.0	748,103.0	2,868,520.8	661,846.1	221,165.7	2,340,728.1	19,423,672.6

Note: - Monetary data have been revised from December 2001 using the IMF international standard reporting format (SRF), which is in line with the Monetary and Financial Statistics Manual of 2000

Source: Bank of Tanzania



Table A3.8: Analysis of Banking System Liquidity, 2003 - 2013

Millions of TZS

Change During the Period	Govt. net position with Bank of Tanzania	Net foreign liquid assets of banking system	Currency in circulation outside banks	Other transa- ctions net*	Net liquidity effect on commercial banks	Bank of Tanzania lending to commercial banks	Change in commercial banks' liquid assets	of which			Treasury securities**	Net foreign liquid assets
								Cash	Deposits with Tanzania	Deposits with other banks		
2003	-21,106.2	113,556.6	23,194.2	-142,223.8	-26,579.2	4.0	-26,575.1	-9,013.7	-28,897.3	-5,046.2	-5,046.2	16,382.1
2004	-40,478.3	-14,877.3	-1,016.5	32,843.2	-23,516.2	12.7	-23,516.2	-4,684.4	1,423.4	3,471.8	3,471.8	-23,727.1
2005	212,010.7	-256,345.7	31,145.6	-29,614.8	-42,804.2	-70.4	-42,804.2	-1,416.5	-37,729.7	2,148.2	-5,876.6	-5,876.6
2006	-151,263.7	-49,882.1	18,336.4	212,715.6	29,906.1	5.1	29,911.2	20,448.1	-109,426.3	114,406.8	114,406.8	4,482.6
2007	33,626.7	-85,008.7	16,381.3	134,318.0	99,317.3	-2,268.6	97,048.7	34,402.1	13,033.4	-45,586.7	95,199.9	95,199.9
2008	4,537.8	276,531.1	-13,585.8	-353,605.2	-86,122.0	-4,463.2	-90,585.2	50,410.7	-31,307.0	-168,012.2	58,323.3	58,323.3
2009	-46,462.8	-96,874.9	13,592.7	146,753.2	17,008.3	-2,576.7	14,431.6	41,406.5	19,688.1	-20,381.2	-26,281.7	-26,281.7
2010	-370,460.4	322,316.7	8,481.7	161,823.5	122,161.5	-718.6	121,442.9	13,551.0	3,079.6	32,880.7	72,131.7	72,131.7
2011	-508,119.2	9,886.3	-30,379.9	308,086.5	-220,526.2	979.8	-219,546.4	64,111.8	57,699.8	-104,601.7	-236,756.3	-236,756.3
2012	-350,559.7	302,308.0	-3,628.8	-206,437.1	-258,317.5	854.5	-257,463.0	81,355.3	-431,485.2	81,919.1	10,747.8	10,747.8
2012-Mar	-290,779.0	-68,398.7	38,964.8	153,408.8	-166,804.2	17,490.5	-149,313.6	-20,148.5	-187,099.2	134,520.6	-76,586.5	-76,586.5
Jun	-54,979.1	307,907.0	95,421.9	-228,766.8	119,583.1	-64.3	119,518.8	15,647.3	177,463.3	-61,815.0	-11,776.9	-11,776.9
Sep	-418,672.8	198,173.3	-30,886.2	217,005.4	-34,380.3	1,720.4	-32,659.9	-27,695.9	-176,016.5	184,187.5	-13,135.0	-13,135.0
Dec	-350,559.7	302,308.0	-3,628.8	-206,437.1	-258,317.5	854.5	-257,463.0	81,355.3	-431,485.2	81,919.1	10,747.8	10,747.8
2013-Mar	-778,479.5	943,120.7	110,951.6	-221,805.1	53,787.7	-3,994.2	49,793.5	1,969.8	-79,450.7	122,052.8	5,221.6	5,221.6
Jun	-159,747.0	-108,003.7	124,163.0	-132,265.0	-275,852.6	7,051.1	-268,801.6	-2,585.2	-144,434.1	1,120.9	-122,903.2	-122,903.2
2012-Jan	374,287.6	-312,751.4	-132,906.2	136,827.2	65,457.2	-190.5	65,266.7	-78,632.9	156,312.2	30,524.6	-42,937.2	-42,937.2
Feb	-129,589.1	-33,555.8	3,303.6	246,556.8	86,715.5	255.0	86,970.5	-11,565.8	-141,107.9	207,290.7	32,353.4	32,353.4
Mar	-290,779.0	-68,398.7	38,964.8	153,408.8	-166,804.2	17,490.5	-149,313.6	-20,148.5	-187,099.2	134,520.6	-76,586.5	-76,586.5
Apr	-67,910.6	-101,080.4	2,597.6	50,411.5	-115,981.9	24,972.6	-91,009.3	16,889.3	-8,420.9	-39,552.5	-59,925.2	-59,925.2
May	251,413.0	-72,234.3	74,134.2	-145,437.5	107,875.4	-45,867.5	62,008.0	7,349.3	195,898.9	-50,723.8	-90,516.4	-90,516.4
Jun	-54,979.1	307,907.0	95,421.9	-228,766.8	119,583.1	-64.3	119,518.8	15,647.3	177,463.3	-61,815.0	-11,776.9	-11,776.9
Jul	-83,561.2	285,401.1	37,327.5	-64,488.6	174,678.8	1,719.1	176,397.9	50,119.3	-98,624.7	102,393.3	122,510.0	122,510.0
Aug	-10,039.8	-113,734.3	156,222.1	100,359.7	132,807.8	-693.4	132,114.4	10,059.8	24,587.6	142,055.7	-44,588.6	-44,588.6
Sep	-418,672.8	198,173.3	-30,886.2	217,005.4	-34,380.3	1,720.4	-32,659.9	-27,695.9	-176,016.5	184,187.5	-13,135.0	-13,135.0
Oct	251,281.6	-4,521.9	-64,974.0	21,774.8	203,560.5	-2,870.6	200,689.8	22,173.8	287,001.0	68,873.7	-177,358.7	-177,358.7
Nov	396,843.1	-271,328.0	3,381.6	199,828.9	328,725.6	8,768.1	337,493.7	-28,680.9	271,066.0	37,037.6	58,071.1	58,071.1
Dec	-350,559.7	302,308.0	-3,628.8	-206,437.1	-258,317.5	854.5	-257,463.0	81,355.3	-431,485.2	81,919.1	10,747.8	10,747.8
2013-Jan	373,957.7	-467,675.0	-119,808.6	6,367,897.8	6,154,371.9	-9,100.2	6,145,271.7	439,141.1	2,124,386.7	2,796,997.9	784,746.0	784,746.0
Feb	110,034.8	-83,516.4	-13,234.0	360,683.5	373,968.0	3,200.9	377,168.9	-25,649.1	26,056.1	177,579.6	199,182.4	199,182.4
Mar	-778,479.5	943,120.7	110,951.6	-221,805.1	53,787.7	-3,994.2	49,793.5	1,969.8	-79,450.7	122,052.8	5,221.6	5,221.6
Apr	115,182.6	-274,225.4	-28,669.0	169,753.1	-17,929.1	129.6	-17,829.1	27,865.5	152,202.0	108,358.5	-306,255.1	-306,255.1
May	327,834.6	-194,375.8	122,659.2	-132,572.4	123,545.6	596.8	124,142.3	-20,942.4	38,662.8	92,143.4	14,278.5	14,278.5
Jun	-159,747.0	-108,003.7	124,163.0	-132,265.0	-275,852.6	7,051.1	-268,801.6	-2,585.2	-144,434.1	1,120.9	-122,903.2	-122,903.2

Notes:

* Includes corrections for change in commercial banks holding of Treasury Securities

** Previously known as Treasury bills

- Monetary data have been revised from December 2001 using the IMF international standard reporting format (SRF), which is in line with the Monetary and Financial Statistics Manual of 2000
+ implies supply of liquidity, - implies withdrawal of liquidity

Source: Bank of Tanzania



A3.0 Money and Banking

Table A3.9: Commercial Banks -Analysis of Domestic Assets, 2003 - 2013
Millions of TZS

End of period	Bank of Tanzania	Other Financial Corporations	Central Govt.*	Public NonFinancial Corporations	State & Local Govt	Private Sector	Other Assets	Total
2003	258,402.8	13,917.9	606,701.7	0.0	0.0	901,462.0	482,414.4	2,262,898.8
2004	346,173.7	21,647.3	673,280.7	0.0	0.0	1,193,620.3	502,842.9	2,737,564.9
2005	424,700.4	28,839.6	1,165,219.6	0.0	0.0	1,542,177.3	446,159.7	3,607,096.7
2006	512,267.0	23,959.1	1,195,615.3	459.8	0.0	2,177,060.2	599,861.2	4,509,222.6
2007	875,294.5	32,069.2	1,673,782.8	50.0	0.0	3,019,675.7	751,969.2	6,352,841.4
2008	961,452.0	223,078.6	1,546,902.1	345,478.2	3,292.5	3,897,415.3	963,467.7	7,941,086.5
2009	1,456,945.2	249,536.7	1,756,240.0	411,355.2	4,646.1	4,225,922.2	1,060,218.2	9,164,863.5
2010	1,719,425.1	259,861.7	2,435,551.0	487,152.9	9,163.5	5,140,201.4	1,567,436.5	11,618,792.1
2011	2,174,558.4	331,196.0	2,091,028.7	598,317.1	23,009.2	6,589,844.1	1,702,931.2	13,510,884.6
2012	2,281,003.1	269,381.8	2,952,030.7	718,299.7	33,678.6	7,932,639.4	2,225,318.0	16,412,351.2
2012 - Mar	1,892,316.3	351,632.7	2,595,235.1	461,271.4	86,488.7	6,728,930.8	1,706,539.2	13,822,414.3
Jun	2,297,143.5	384,410.9	2,347,332.5	597,126.1	46,659.6	7,040,269.9	1,816,830.8	14,529,773.4
Sep	2,079,573.1	397,234.5	2,771,309.5	609,348.8	31,056.0	7,486,690.3	2,136,727.9	15,511,940.1
Dec	2,281,003.1	269,381.8	2,952,030.7	718,299.7	33,678.6	7,932,639.4	2,225,318.0	16,412,351.2
2013 - Mar	2,486,453.9	449,569.1	3,180,510.0	607,073.9	59,271.7	8,166,738.2	2,450,293.6	17,399,910.4
Jun	2,537,222.6	479,863.8	3,410,306.4	565,750.1	37,411.0	8,387,000.3	2,703,809.0	18,121,363.2
2012 - Jan	2,252,237.7	354,309.9	2,162,370.9	513,509.1	31,667.9	6,598,550.7	1,736,471.3	13,649,117.5
Feb	2,099,564.1	357,333.4	2,356,345.9	590,237.8	21,588.3	6,713,807.7	1,495,418.4	13,634,295.5
Mar	1,892,316.3	351,632.7	2,595,235.1	461,271.4	86,488.7	6,728,930.8	1,706,539.2	13,822,414.3
Apr	1,900,784.7	352,581.0	2,450,446.6	581,476.8	35,619.8	6,911,448.4	1,559,962.7	13,792,319.9
May	2,104,032.9	390,263.7	2,397,901.6	578,763.0	40,777.4	6,988,393.6	1,622,864.2	14,122,996.3
Jun	2,297,143.5	384,410.9	2,347,332.5	597,126.1	46,659.6	7,040,269.9	1,816,830.8	14,529,773.4
Jul	2,248,638.1	388,844.2	2,447,024.2	580,395.9	48,441.8	7,238,338.3	1,813,814.4	14,765,496.9
Aug	2,283,285.5	398,400.2	2,588,025.3	606,260.8	50,284.5	7,338,607.9	1,829,978.2	15,094,842.5
Sep	2,079,573.1	397,234.5	2,771,309.5	609,348.8	31,056.0	7,486,690.3	2,136,727.9	15,511,940.1
Oct	2,388,747.9	395,497.5	2,841,577.9	590,912.2	29,827.0	7,646,452.9	1,959,189.6	15,852,205.1
Nov	2,631,133.0	392,043.9	2,878,064.2	708,292.1	30,604.3	7,678,891.9	2,085,471.9	16,404,501.3
Dec	2,281,003.1	269,381.8	2,952,030.7	718,299.7	33,678.6	7,932,639.4	2,225,318.0	16,412,351.2
2013 - Jan	2,563,527.8	480,250.0	2,872,272.7	593,496.0	98,503.9	7,804,477.3	2,124,812.1	16,537,339.9
Feb	2,563,934.8	514,480.1	3,050,029.5	637,785.9	58,595.2	7,889,907.1	2,192,640.8	16,907,373.5
Mar	2,486,453.9	449,569.1	3,180,510.0	607,073.9	59,271.7	8,166,738.2	2,450,293.6	17,399,910.4
Apr	2,666,521.4	457,930.5	3,290,113.2	624,508.3	59,707.4	8,363,689.8	2,259,902.8	17,722,373.3
May	2,684,241.8	466,461.5	3,401,570.2	615,144.5	33,307.6	8,403,730.8	2,181,522.0	17,785,978.4
Jun	2,537,222.6	479,863.8	3,410,306.4	565,750.1	37,411.0	8,387,000.3	2,703,809.0	18,121,363.2

Notes: *From July 2006 liquidity papers formerly regarded as part of other banks have been reclassified as part of central government deposits.

- Monetary data have been revised from December 2001 using the IMF international standard reporting format (SRF), which is in line with the Monetary and Financial Statistics Manual of 2000

Govt = Government

Source: Bank of Tanzania



Table A3.10: Commercial Banks' - Lending and Holdings of Securities (Revised), 2003 - 2013

Millions of TZS

End of	Period	Domestic lending										Lending deposit ratio	to Securities
		Loans to the Central Bank (Repos)	Loans to Other Depository Corporations	Loans to Other Financial Corporations	Loans to Central Government	Loans to State and Local Government	Loans to Public Nonfinancial Corporations	Loans to Other Nonfinancial Corporations	Loans to Other Resident Sectors	Loans to Non-residents	Total		
2003		997.5	24,865.8	0.0	0.0	0.0	0.0	886,564.9	0.0	12,719.0	925,147.2	41.1	605,474.4
2004		997.5	30,747.8	0.0	0.0	0.0	0.0	1,127,570.1	0.0	2,127.9	1,161,443.4	45.8	672,639.9
2005		947.5	32,839.8	0.0	0.0	0.0	0.0	1,487,178.2	0.0	21,862.5	1,542,828.0	43.6	1,164,578.7
2006		924.7	36,547.4	459.8	0.0	0.0	459.8	2,112,894.5	0.0	33,859.8	2,185,145.9	50.2	1,195,570.9
2007		89,387.9	79,784.0	0.0	0.0	0.0	50.0	3,010,961.8	0.0	67,263.4	3,247,447.0	56.9	1,673,738.3
2008		60,397.5	141,074.9	192,921.8	10,583.3	3,292.5	345,278.9	2,334,138.8	1,540,145.5	104,290.8	4,732,124.1	70.9	1,536,287.7
2009		8,062.9	160,416.0	204,722.3	17,230.9	4,646.1	411,106.1	2,489,270.3	1,731,102.7	254,321.2	5,280,878.6	64.6	1,739,009.1
2010		16,561.1	262,695.7	207,655.5	20,611.5	9,163.5	486,803.2	3,028,089.6	2,102,139.6	188,691.8	6,322,411.4	62.3	2,414,939.5
2011		0.0	237,592.5	260,524.7	49,469.4	23,009.2	598,093.1	3,959,242.3	2,595,698.7	191,272.0	7,914,901.9	67.1	2,040,559.3
2012		0.0	378,787.9	189,223.1	73,759.8	33,678.6	718,176.3	3,397,428.8	4,457,467.2	133,387.2	9,381,908.9	69.9	2,877,270.9
2012-Mar		0.0	262,943.1	272,653.4	181,339.8	86,488.7	460,917.3	3,968,648.3	2,718,027.0	204,120.8	8,155,138.5	68.6	2,412,895.3
Jun		0.0	267,057.5	285,344.3	85,528.5	46,659.6	596,945.2	4,112,220.1	2,901,800.5	130,934.6	8,426,490.2	69.6	2,260,804.0
Sep		0.0	479,510.7	303,418.0	80,869.0	31,056.0	609,280.7	4,412,380.8	3,017,422.7	52,521.7	8,986,459.6	70.3	2,689,440.5
Dec		0.0	378,787.9	189,223.1	73,759.8	33,678.6	718,176.3	3,397,428.8	4,457,467.2	133,387.2	9,381,908.9	69.9	2,877,270.9
2013-Mar		0.0	465,589.0	348,621.2	82,879.8	59,271.7	606,991.2	4,855,542.6	3,250,853.0	150,720.2	9,820,468.7	70.0	3,096,630.3
Jun		0.0	738,485.1	359,598.9	111,033.3	37,411.0	565,646.5	4,941,766.2	3,381,890.8	65,607.7	10,201,439.5	70.1	3,298,253.1
2012-Jan		0.0	313,232.9	270,477.1	90,286.9	31,667.9	513,216.6	3,900,833.2	2,648,293.0	167,751.3	7,935,758.9	66.7	2,071,084.0
Feb		0.0	180,522.6	274,753.1	76,971.1	21,588.3	589,914.0	3,975,446.7	2,660,518.0	197,922.8	7,977,636.7	67.2	2,278,374.7
Mar		0.0	262,943.1	272,653.4	181,339.8	86,488.7	460,917.3	3,968,648.3	2,718,027.0	204,120.8	8,155,138.5	68.6	2,412,895.3
Apr		0.0	168,973.5	271,198.6	76,103.8	35,619.8	581,139.4	4,074,209.1	2,792,614.7	251,650.7	8,251,509.7	70.0	2,373,342.8
May		0.0	250,193.5	299,393.1	74,282.6	40,777.4	578,568.2	4,157,554.3	2,804,220.8	188,122.7	8,393,112.6	70.3	2,322,619.0
Jun		0.0	267,057.5	285,344.3	85,528.5	46,659.6	596,945.2	4,112,220.1	2,901,800.5	130,934.6	8,426,490.2	69.6	2,260,804.0
Jul		0.0	285,550.8	288,362.3	82,826.9	48,441.8	580,336.5	4,245,307.0	2,938,108.0	135,279.9	8,604,213.2	69.3	2,363,197.3
Aug		0.0	278,993.0	300,464.5	81,772.3	50,284.5	606,173.0	4,304,453.7	2,979,508.8	109,545.3	8,711,195.2	69.2	2,505,253.0
Sep		0.0	479,510.7	303,418.0	80,869.0	31,056.0	609,280.7	4,412,380.8	3,017,422.7	52,521.7	8,986,459.6	70.3	2,689,440.5
Oct		0.0	381,712.7	303,393.3	82,263.7	29,827.0	4,487,888.0	4,487,888.0	3,092,689.2	129,975.0	9,098,578.2	69.4	2,758,314.2
Nov		0.0	411,529.0	305,317.2	81,712.5	30,604.3	708,199.1	4,454,540.9	3,143,757.7	168,924.2	9,304,584.9	68.8	2,795,351.7
Dec		0.0	378,787.9	189,223.1	73,759.8	33,678.6	718,176.3	3,397,428.8	4,457,467.2	133,387.2	9,381,908.9	69.9	2,877,270.9
2013-Jan		0.0	402,423.3	372,931.8	74,274.8	98,503.9	593,435.5	4,526,474.1	3,219,020.6	135,734.3	9,422,798.3	70.4	2,796,997.9
Feb		0.0	448,882.2	411,443.1	74,452.1	58,595.2	637,725.8	4,637,722.1	3,198,554.9	66,139.9	9,533,515.2	69.4	2,974,577.4
Mar		0.0	465,589.0	348,621.2	82,879.8	59,271.7	606,991.2	4,855,542.6	3,250,853.0	150,720.2	9,820,468.7	70.0	3,096,630.3
Apr		0.0	375,337.8	351,863.9	84,124.4	59,707.4	624,433.6	5,000,817.0	3,302,980.1	157,670.3	9,956,934.5	69.1	3,204,988.8
May		0.0	428,085.6	348,216.3	103,418.0	33,307.6	615,075.4	4,954,345.5	3,388,083.6	112,751.1	9,983,283.2	69.1	3,297,132.2
Jun		0.0	738,485.1	359,598.9	111,033.3	37,411.0	565,646.5	4,941,766.2	3,381,890.8	65,607.7	10,201,439.5	70.1	3,298,253.1

Note: Repos = Repurchase Agreement

Source: Bank of Tanzania

Table A3.11: Commercial Banks - Domestic Lending by Activity (Borrowing Sector), 2003 - 2013

Millions of TZS

End of Period	Public Sector*	Agriculture, Hunting and Forestry	Financial Intermediaries	Mining and Quarrying	Manufacturing**	Building and Construction	Real Estate and Leasing	Transport and Communication	Trade	Tourism	Hotels and Restaurants	Warehousing and Storage	Electricity	Gas	Water	Education	Health	Personal and Other Services	Total
2003	15,246.0	97,795.0	33,570.4	-	213,200.2	38,669.1	-	74,697.3	186,495.9	20,020.4	-	-	-	-	-	-	-	137,427.0	817,125.2
2004	2,156.2	147,111.2	-	6,196.1	242,075.5	42,157.1	-	92,206.1	249,914.2	27,418.2	-	-	-	-	-	-	-	204,744.0	1,060,077.3
2005	14,314.0	177,320.3	-	27,091.9	293,812.5	83,074.3	-	108,426.1	338,352.0	33,897.2	-	-	-	-	-	-	-	263,029.8	1,425,061.2
2006	0.0	274,282.5	17,609.5	47,405.2	438,961.9	83,456.9	52,442.5	194,533.9	395,728.7	12,172.2	85,717.6	3,044.3	113,347.6	3,044.3	1,398.4	18,269.0	2,964.2	315,523.7	2,093,649.9
2007	0.0	309,543.1	18,180.1	41,480.8	559,422.8	104,102.5	50,028.4	208,556.8	511,317.6	15,903.4	112,782.0	16,202.1	117,059.9	12,466.0	1,453.8	33,309.1	10,310.2	761,888.1	2,976,276.0
2008	0.0	523,361.6	17,227.6	37,727.8	612,670.6	142,992.8	88,352.3	320,600.6	737,092.1	29,165.5	150,978.4	4,020.3	183,487.0	20,938.2	2,035.7	42,927.7	21,713.3	1,319,159.6	4,376,452.2
2009	0.0	485,211.7	15,660.1	18,926.3	565,775.5	148,713.4	104,494.5	457,407.2	926,626.3	27,097.6	187,204.6	5,061.4	193,609.6	37,097.1	2,193.8	70,921.5	20,847.6	1,433,451.7	4,806,143.4
2010	0.0	706,769.9	49,932.8	33,943.7	786,470.6	182,071.6	183,586.8	533,990.3	1,014,177.8	37,665.7	263,046.3	146.9	156,528.3	124,274.0	2,298.8	71,998.7	14,861.4	1,494,058.5	5,798,422.1
2011	0.0	929,490.5	81,206.8	42,323.5	928,226.2	320,142.4	306,268.9	544,894.4	1,523,375.9	49,604.6	360,653.8	15,375.8	166,672.8	169,608.8	2,196.3	107,292.0	18,375.0	1,655,358.1	7,398,757.6
2012	0.0	940,157.8	42,932.4	55,158.0	991,795.9	410,748.0	393,644.9	610,053.9	1,843,242.7	60,152.3	363,033.4	23,301.8	338,035.1	130,583.4	3,455.8	183,637.7	42,463.6	2,058,497.8	8,722,164.0
2011-Mar	0.0	757,067.2	35,517.3	36,395.8	807,220.7	202,371.3	275,293.6	575,640.5	1,122,728.5	47,986.3	294,177.4	747.3	144,711.5	113,058.8	2,131.5	70,544.5	13,633.0	1,422,095.8	6,037,853.7
Jun	0.0	823,398.0	40,982.4	34,834.3	838,613.9	221,494.7	278,970.6	555,577.6	1,277,516.1	57,481.2	310,795.7	189.0	145,230.8	147,913.1	2,006.1	72,706.8	13,088.9	1,595,214.1	6,559,201.8
Sep	0.0	971,322.2	46,034.1	41,618.5	913,237.2	272,856.0	302,703.4	555,524.4	1,428,703.3	61,083.6	335,661.2	93.7	127,357.0	152,062.1	1,915.8	86,178.0	14,396.3	1,673,468.0	7,127,111.6
Dec	0.0	929,490.5	81,206.8	42,323.5	928,226.2	320,142.4	306,268.9	544,894.4	1,523,375.9	49,604.6	360,653.8	15,375.8	166,672.8	169,608.8	2,196.3	107,292.0	18,375.0	1,655,358.1	7,398,757.6
2012-Mar	0.0	914,901.2	60,600.6	46,187.5	899,152.3	326,977.0	346,814.9	599,541.1	1,507,313.8	52,547.5	353,122.7	3,244.7	165,939.3	175,010.3	2,377.1	120,938.7	24,660.4	1,784,194.5	7,580,985.1
Jun	0.0	862,528.5	41,803.4	42,809.9	873,542.7	335,726.3	396,608.0	571,973.5	1,705,690.0	50,536.4	382,260.7	19,516.9	158,621.4	223,986.8	2,200.8	133,764.6	27,776.8	1,869,852.7	7,907,787.3
Sep	0.0	1,048,903.2	43,674.4	60,891.1	897,896.4	400,591.4	372,011.7	590,282.2	1,754,040.6	54,267.7	342,449.6	17,276.8	137,369.3	139,486.9	2,129.7	149,953.8	37,826.2	2,062,058.4	8,335,305.4
Dec	0.0	940,157.8	42,932.4	55,158.0	991,795.9	410,748.0	393,644.9	610,053.9	1,843,242.7	60,152.3	363,033.4	23,301.8	338,035.1	130,583.4	3,455.8	183,637.7	42,463.6	2,058,497.8	8,722,164.0
2013-Mar	0.0	1,011,043.3	43,414.5	66,576.2	1,067,037.3	444,831.5	404,747.6	669,354.0	1,968,122.0	66,712.7	366,152.1	17,376.6	242,495.0	132,073.5	3,851.7	196,881.3	41,876.9	2,087,803.2	9,048,502.3
Jun	0.0	988,679.5	35,897.2	83,327.9	1,034,874.5	463,777.7	373,335.1	658,585.5	1,924,643.1	80,776.2	340,403.7	22,027.3	252,177.3	150,063.2	3,550.0	216,460.2	46,011.7	2,379,445.5	9,252,734.8
In Percent of Total																			
End of Period	Public Sector*	Agriculture, Hunting and Forestry	Financial Intermediaries	Mining and Quarrying	Manufacturing**	Building and Construction	Real Estate and Leasing	Transport and Communication	Trade	Tourism	Hotels and Restaurants	Warehousing and Storage	Electricity	Gas	Water	Education	Health	Other Social and Personal Services	Total
2003	1.9	12.0	0.0	0.0	26.1	4.7	0.0	9.1	2.5	2.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	16.8	100.0
2004	0.2	13.9	0.0	0.6	22.8	4.0	0.0	8.7	2.6	2.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	19.3	100.0
2005	1.0	12.4	0.0	1.9	20.6	5.8	0.0	7.6	2.4	2.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	18.5	100.0
2006	0.0	13.1	0.8	2.3	21.0	4.0	2.5	9.3	0.6	0.6	4.1	0.1	0.1	0.1	0.1	0.9	0.1	15.1	100.0
2007	0.0	10.4	0.6	3.1	18.8	3.5	1.7	7.0	17.2	0.5	3.8	0.5	3.9	0.4	0.0	1.1	0.3	25.6	100.0
2008	0.0	12.0	0.4	0.9	14.0	3.3	2.0	7.3	16.8	0.7	3.4	0.1	4.2	0.5	0.0	1.0	0.5	30.1	100.0
2009	0.0	10.1	0.3	0.4	11.8	3.1	2.2	9.5	19.3	0.6	3.9	0.1	4.0	0.8	0.0	1.5	0.4	29.8	100.0
2010	0.0	12.2	0.9	0.6	13.6	3.1	3.2	9.2	17.5	0.6	4.5	0.0	2.7	2.1	0.0	1.2	0.3	25.8	100.0
2011	0.0	12.6	1.1	0.6	12.5	4.3	4.1	7.4	20.6	0.7	4.9	0.2	2.3	2.3	0.0	1.5	0.2	22.4	100.0
2012	0.0	10.8	0.5	0.6	11.4	4.7	4.5	7.0	21.1	0.7	4.2	0.3	3.9	1.5	0.0	2.1	0.5	23.6	100.0
2011-Mar	0.0	12.5	0.6	0.6	13.4	3.4	4.6	9.5	18.6	0.8	4.9	0.0	2.4	1.9	0.0	1.2	0.2	23.6	100.0
Jun	0.0	12.6	0.6	0.5	12.8	3.4	4.3	8.5	19.5	0.9	4.7	0.0	2.2	2.3	0.0	1.1	0.2	24.3	100.0
Sep	0.0	13.6	0.6	0.6	13.6	3.8	4.2	7.8	20.0	0.9	4.7	0.0	1.8	2.1	0.0	1.2	0.2	23.5	100.0
Dec	0.0	12.6	1.1	0.6	12.5	4.3	4.1	7.4	20.6	0.7	4.9	0.2	2.3	2.3	0.0	1.5	0.2	22.4	100.0
2012-Mar	0.0	12.1	0.8	0.6	11.9	4.3	4.6	7.9	19.9	0.7	4.7	0.0	2.2	2.3	0.0	1.6	0.3	23.5	100.0
Jun	0.0	10.9	0.5	0.5	11.0	4.2	5.0	7.2	21.6	0.6	4.8	0.2	2.0	2.8	0.0	1.7	0.4	23.6	100.0
Sep	0.0	12.6	0.5	0.7	10.8	4.8	4.5	7.1	21.0	0.7	4.1	0.2	1.6	1.7	0.0	1.8	0.5	24.7	100.0
Dec	0.0	10.8	0.5	0.6	11.4	4.7	4.5	7.0	21.1	0.7	4.2	0.3	3.9	1.5	0.0	2.1	0.5	23.6	100.0
2013-Mar	0.0	11.2	0.5	0.7	11.8	4.9	4.5	7.4	21.8	0.7	4.0	0.2	2.7	1.5	0.0	2.2	0.5	23.1	100.0
Jun	0.0	10.7	0.4	0.9	11.2	5.0	4.0	7.1	20.8	0.9	3.7	0.2	2.7	1.6	0.0	2.3	0.5	25.7	100.0

Note: * Formerly known as Public Administration

**Prior 2004 commercial banks lending to the manufacturing activities include lending extended to the mining activities.

Source: Bank of Tanzania



Table A3.12: Commercial Bank's Deposits (Revised), 2003 - 2013

Millions of TZS

End of Period	Central Government	Other Financial Corporations	State and Local Government	Public Nonfinancial Corporations	Other Nonfinancial Corporations	Other Resident Sectors	Other Depository Corporations	Non-resident	Total	Of which		
										Transferable Deposits in National Currency*	Non-Transferable Deposits in National Currency**	Foreign Currency Deposits
2003	125,172.5	102,280.1	60,822.7	187,498.8	926,551.6	920,943.7	142,539.1	6,321.9	2,472,130.3	754,792.4	749,338.8	967,999.1
2004	152,078.2	119,759.1	67,047.6	204,038.4	1,019,627.1	1,035,493.0	130,574.0	19,042.1	2,747,659.6	898,304.3	865,330.9	984,024.3
2005	206,559.4	163,113.0	92,126.4	280,045.3	1,398,420.2	1,419,312.8	88,530.5	27,571.8	3,675,679.4	1,148,624.5	1,188,459.3	1,338,595.6
2006	230,104.3	188,070.7	112,644.4	349,742.6	1,732,297.6	1,741,183.7	132,832.6	64,041.5	4,550,917.4	1,274,490.0	1,472,413.2	1,804,014.2
2007	325,184.0	140,143.9	251,911.9	416,755.2	2,094,473.6	2,154,053.2	128,065.2	191,888.7	5,702,475.6	1,875,396.5	1,838,853.0	1,988,226.1
2008	401,684.3	580,448.4	266,825.9	235,056.6	1,641,613.6	3,270,913.2	104,617.5	153,806.6	6,672,966.0	2,167,217.3	2,370,926.2	2,134,822.5
2009	602,621.7	740,965.9	361,663.6	152,761.1	2,191,522.6	3,743,200.4	211,293.0	108,973.9	8,173,002.3	2,624,824.9	3,155,803.0	2,392,374.4
2010	699,266.7	871,789.4	448,208.4	227,532.9	2,737,537.1	4,764,404.6	264,137.1	137,109.8	10,149,986.2	3,243,181.8	3,678,536.3	3,228,343.0
2011	626,616.2	1,018,837.5	384,348.8	359,757.6	117,316.3	8,835,521.9	258,430.3	202,667.5	11,803,496.2	3,729,520.4	4,254,085.5	4,404,531.3
2012	732,515.4	1,114,929.3	540,378.4	389,460.9	159,696.4	9,906,052.8	320,733.8	250,909.4	13,414,676.3	4,819,966.6	4,190,178.4	4,404,531.3
2011-Mar	669,492.3	855,681.8	409,325.5	281,365.9	138,536.7	7,660,776.7	214,793.5	144,252.9	10,374,225.4	3,200,199.3	3,827,227.9	3,346,798.2
Jun	657,726.9	906,016.8	394,671.5	323,976.5	129,833.3	8,089,973.2	346,672.3	216,192.0	11,065,062.5	3,581,397.1	3,846,248.1	3,637,417.2
Sep	654,579.4	916,196.9	379,393.3	381,972.1	100,109.4	8,726,673.8	332,489.5	177,955.8	11,669,370.3	3,608,328.9	3,954,204.9	4,106,836.5
Dec	626,616.2	1,018,837.5	384,348.8	359,757.6	117,316.3	8,835,521.9	258,430.3	202,667.5	11,803,496.2	3,819,890.3	3,729,520.4	4,254,085.5
2012-Mar	635,744.2	951,361.4	445,814.2	343,051.8	137,697.9	8,881,779.7	304,624.5	189,845.5	11,889,919.2	4,090,227.8	3,746,239.9	4,053,451.5
Jun	743,193.2	956,493.4	464,618.1	295,837.8	148,004.3	9,008,652.3	247,554.2	245,412.2	12,109,765.4	4,369,836.3	3,798,433.7	3,935,763.7
Sep	777,570.9	1,109,815.3	494,965.1	282,677.2	165,683.3	9,404,973.0	299,220.1	250,849.3	12,785,754.2	4,568,548.4	3,983,285.1	4,233,920.6
Dec	732,515.4	1,114,929.3	540,378.4	389,460.9	159,696.4	9,906,052.8	320,733.8	250,909.4	13,414,676.3	4,819,966.6	4,190,178.4	4,404,531.3
2013-Mar	777,372.8	1,203,765.5	638,878.0	369,994.4	187,527.5	9,921,593.0	516,543.4	405,472.7	14,021,147.4	5,156,870.0	4,223,697.8	4,640,579.6
Jun	868,377.3	1,158,217.8	627,113.4	359,861.6	204,731.3	10,223,934.7	453,154.9	661,846.1	14,557,237.1	5,256,456.4	4,264,141.8	5,036,638.9
2012-Jan	658,050.0	962,943.0	406,496.0	359,655.4	137,500.1	8,949,219.9	253,382.1	178,887.1	11,906,133.8	3,200,199.3	3,827,227.9	3,346,798.2
Feb	618,119.4	940,545.4	417,781.9	353,270.0	169,356.8	8,951,145.0	209,797.5	203,140.5	11,863,156.3	4,097,957.0	3,698,085.5	4,067,113.8
Mar	635,744.2	951,361.4	445,814.2	343,051.8	137,697.9	8,881,779.7	304,624.5	189,845.5	11,889,919.2	4,090,227.8	3,746,239.9	4,053,451.5
Apr	670,882.0	951,564.3	504,219.1	345,687.2	146,064.6	8,728,648.2	246,401.9	189,453.1	11,782,920.4	4,101,426.3	3,680,271.9	4,001,222.2
May	776,620.7	1,042,173.9	499,757.7	329,023.8	144,823.5	8,642,125.0	275,741.5	256,136.8	11,946,402.9	4,182,854.3	3,712,793.6	4,050,755.0
Jun	743,193.2	956,493.4	464,618.1	295,837.8	148,004.3	9,008,652.3	247,554.2	245,412.2	12,109,765.4	4,369,836.3	3,798,433.7	3,935,763.7
Jul	769,653.3	1,014,310.6	520,791.4	317,640.7	159,709.4	9,109,838.7	276,182.9	248,801.6	12,416,928.6	4,395,122.1	3,821,065.0	4,200,741.4
Aug	744,575.3	1,068,274.8	532,472.0	311,257.2	168,880.6	9,164,747.7	308,040.7	288,392.1	12,586,640.4	4,491,772.3	3,891,742.4	4,203,125.7
Sep	777,570.9	1,109,815.3	494,965.1	282,677.2	165,683.3	9,404,973.0	299,220.1	250,849.3	12,785,754.2	4,568,548.4	3,983,285.1	4,233,920.6
Oct	798,275.4	1,120,316.8	489,877.7	283,132.3	158,804.3	9,660,210.8	339,285.2	255,493.8	13,105,396.4	4,758,311.6	4,043,896.5	4,303,188.3
Nov	809,032.4	1,143,268.1	554,283.4	318,372.4	182,790.3	9,927,446.2	342,670.6	239,267.4	13,517,130.8	4,923,669.2	4,192,779.8	4,400,681.8
Dec	732,515.4	1,114,929.3	540,378.4	389,460.9	159,696.4	9,906,052.8	320,733.8	250,909.4	13,414,676.3	4,819,966.6	4,190,178.4	4,404,531.3
2013-Jan	756,673.5	1,221,772.3	504,205.1	368,445.3	163,617.5	9,795,084.7	362,071.1	217,488.7	13,389,358.2	4,896,112.4	4,141,211.6	4,352,034.1
Feb	795,873.8	1,241,308.4	631,295.4	362,106.8	203,637.8	9,848,960.6	417,157.9	229,366.5	13,729,707.3	5,086,846.8	4,188,393.7	4,454,466.7
Mar	777,372.8	1,203,765.5	638,878.0	369,994.4	187,527.5	9,921,593.0	516,543.4	405,472.7	14,021,147.4	5,156,870.0	4,223,697.8	4,640,579.6
Apr	858,837.2	1,214,508.1	671,955.6	385,188.6	200,395.5	10,026,579.3	436,808.3	612,753.3	14,407,025.8	5,274,307.5	4,224,183.9	4,908,534.5
May	831,711.4	1,169,865.2	666,633.4	384,114.4	229,463.5	10,185,947.7	389,880.9	580,179.5	14,437,796.1	5,223,320.3	4,329,855.7	4,884,620.1
Jun	868,377.3	1,158,217.8	627,113.4	359,861.6	204,731.3	10,223,934.7	453,154.9	661,846.1	14,557,237.1	5,256,456.4	4,264,141.8	5,036,638.9

Note: * Demand deposits

**Other deposits include Time and Saving Deposits

Source: Bank of Tanzania



A3.0 Money and Banking

Table A3.13: Weighted Average Interest Rates Structure, 2009 - 2013

Percent

	2009				2010				2011				2012				2013	
	Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec	Mar	Jun ^P
A: Domestic Currency																		
1. Interbank Cash Market Rates																		
Overnight	9.90	9.90	1.04	1.46	0.98	0.86	1.68	5.19	1.86	1.81	5.93	29.34	16.27	14.56	8.67	5.08	6.16	7.34
2 to 7 days	10.17	10.17	1.28	1.64	1.55	1.04	1.44	5.90	1.96	2.21	6.27	29.05	18.59	15.59	9.22	6.62	7.98	9.49
8 to 14 days	10.77	10.77	1.55	1.72	1.76	0.93	1.52	2.86	2.40	2.00	7.50	17.00	18.10	19.88	11.16	6.90	9.63	10.05
15 to 30 days	11.76	11.76	2.28	3.25	1.61	1.44	3.00	2.75	4.25	4.25	6.00	15.91	19.17	21.55	12.45	7.00	9.50	12.00
31 to 60 days	11.80	11.80	2.69	3.43	4.00	4.00	2.00	2.00	2.00	2.00	2.00	23.00	23.00	18.00	18.00	7.70	11.90	10.96
61 to 90 days	12.15	12.15	12.15	5.00	3.37	3.37	3.37	3.37	3.37	3.37	3.37	17.00	17.00	24.00	24.00	14.00	14.00	10.40
91 to 180 days	12.00	12.00	3.68	4.00	4.00	3.70	4.00	4.00	4.00	4.00	7.75	7.75	7.75	7.75	7.75	12.43	12.43	14.40
181 and above	14.35	14.35	6.47	5.47	5.47	8.50	7.30	7.30	7.30	7.30	7.30	7.30	7.30	7.30	7.30	7.30	7.30	14.00
Overall Interbank cash market rate	10.1	5.0	1.34	1.57	1.29	0.97	1.65	5.26	1.86	1.81	5.95	29.11	16.84	14.74	8.79	5.80	6.77	11.08
2. Lombard Rate	14.9	7.4	1.25	1.75	1.18	1.03	2.02	6.23	2.23	2.17	7.11	35.21	19.53	17.47	10.41	6.10	7.40	8.81
3. REPO Rate	9.7	4.9	1.12	1.26	1.06	0.51	0.90	3.20	2.37	1.38	4.20	12.61	3.75	8.94	6.69	3.51	3.59	3.81
4. Treasury Bills Rates																		
35 days	7.6	4.8	2.07	3.80	1.99	0.65	1.62	1.33	3.92	2.71	3.89	3.87	5.24	6.67	4.24	6.99	6.60	6.04
91 days	12.4	5.6	2.97	6.06	3.25	2.89	3.89	5.24	4.82	3.74	5.33	12.61	12.77	13.39	12.27	11.89	11.57	11.86
182 days	14.9	7.9	4.84	6.59	4.45	2.59	4.77	6.20	5.39	4.83	6.74	16.39	13.13	13.52	12.92	12.96	13.19	13.98
364 days	15.0	9.1	7.79	8.83	6.32	6.08	6.96	7.67	5.99	6.46	9.63	18.66	13.91	14.44	13.44	13.69	13.66	14.64
Overall Treasury bills rate	13.3	7.0	4.52	6.91	4.15	3.33	5.06	6.32	5.46	4.76	7.79	18.20	13.35	13.81	12.93	12.85	13.08	13.85
5. Treasury Bonds Rates																		
2-years	15.3	11.5	11.51	10.89	9.40	8.79	9.82	10.35	8.65	8.05	9.59	14.01	13.73	14.76	13.82	14.27	14.06	14.30
5-years	17.3	16.6	13.45	13.45	13.77	9.52	9.70	11.58	10.27	10.75	12.45	13.15	14.82	14.74	14.49	14.94	14.38	14.86
7-years	17.0	17.1	14.14	14.15	12.11	10.38	10.85	11.88	12.02	12.81	12.81	14.99	13.84	15.45	15.06	15.25	14.99	15.76
10-years	19.9	19.9	16.95	16.73	16.73	11.68	13.00	13.59	14.15	13.69	13.30	16.98	14.80	15.16	15.07	15.82	14.28	15.28
6. Discount Rate	18.3	10.30	4.40	3.70	7.58	7.58	7.58	7.58	7.58	7.58	7.58	12.00	12.00	12.00	12.00	12.00	12.00	12.00
7. Savings Deposit Rate	2.70	2.70	2.66	2.83	2.88	2.82	2.57	2.41	2.66	2.39	2.34	2.90	2.86	2.88	3.02	2.88	2.89	3.05
8. Overall Time Deposits Rate	7.00	6.80	6.72	6.36	6.11	5.88	6.03	5.11	5.40	6.06	6.22	7.12	8.35	8.56	8.25	8.45	8.79	8.23
Call Accounts			1.13	0.74	0.66	0.87	0.99	0.95	1.19	1.24	1.02	0.99	1.01	7.51	7.51	7.51		
1 month	7.50	6.50	6.08	5.10	5.40	4.58	5.53	5.48	5.91	5.11	6.23	6.65	7.87	7.51	7.99	9.05	8.85	1.80
2 months	8.20	7.60	7.77	6.99	7.72	6.81	7.67	6.66	6.03	6.85	6.86	8.24	7.94	7.59	8.84	9.83	9.41	8.32
3 months	8.90	8.70	8.15	6.67	7.24	6.33	6.76	6.13	6.54	6.19	6.92	8.37	9.44	9.45	10.04	10.43	10.31	9.14
6 months	9.20	8.60	8.29	8.50	7.50	7.62	7.64	7.11	6.45	6.81	8.03	8.67	10.13	10.69	10.88	10.18	10.74	9.11
12 months	8.60	9.10	8.82	8.99	8.78	8.43	7.15	7.09	7.53	7.90	7.33	9.14	10.48	11.10	10.16	9.93	11.40	9.72
24 months	5.70	6.00	6.79	7.56	5.44	6.53	6.49	2.37	4.15	8.30	7.16	7.75	11.61	12.12	8.73	8.43	9.59	9.26
9. Negotiated Deposit Rate	11.00	10.10	10.60	9.94	9.41	9.57	9.33	8.45	7.86	7.44	9.05	9.99	10.16	9.76	10.10	10.09	10.00	10.92
10. Overall Lending rate	15.10	15.50	14.90	14.38	14.83	14.71	14.47	13.45	15.04	15.02	14.76	14.21	14.87	15.31	15.55	15.53	16.03	15.44
Call Loans			23.25	26.25	29.25	32.25	35.25	36.25	37.25	39.25	41.25	42.25	42.25		54.25	54.25	56.25	56.25
Short-term (up to 1 year)	13.40	14.60	13.98	13.96	14.62	13.92	14.29	12.37	14.58	14.71	15.11	13.73	13.90	13.92	14.33	13.99	14.22	13.85
Medium-term (1-2 years)	15.30	15.60	15.27	15.01	15.11	15.41	15.23	15.90	17.93	17.90	17.81	17.80	14.75	16.33	15.99	16.74	17.85	16.52
Medium-term (2-3 years)	14.90	15.10	14.69	14.74	14.51	14.80	14.35	12.52	14.25	14.40	14.67	14.17	14.70	15.63	15.58	15.93	16.81	16.33
Long-term (3-5 years)	15.30	15.20	14.91	14.52	14.97	14.73	14.24	12.48	14.72	14.66	15.15	14.33	15.64	15.65	16.09	16.73	16.77	14.91
Term Loans (over 5 years)	16.60	16.90	15.62	13.67	14.94	14.69	14.26	14.00	13.70	13.42	11.06	10.99	15.34	15.03	15.78	14.24	14.50	15.61
11. Negotiated Lending Rate	13.00	14.30	13.81	13.18	13.71	14.13	13.80	11.88	13.34	13.81	13.97	13.60	14.25	14.21	14.38	14.54	15.13	13.13
B: Foreign Currency																		
1. Deposits Rates																		
Savings Deposits Rate	2.40	2.40	1.46	1.46	1.43	1.49	2.44	2.44	1.60	0.51	0.56	0.70	0.64	0.32	0.38	0.32	0.63	0.27
Overall Time Deposits Rate	3.80	2.30	3.68	1.68	1.97	1.95	2.43	2.45	2.02	1.31	1.24	1.29	1.33	1.42	1.63	1.63	1.79	2.79
1-months	3.80	2.40	3.68	1.40	1.68	1.59	1.97	2.00	1.35	1.58	1.09	1.11	0.71	1.21	0.89	1.14	1.67	3.41
2-months	3.80	1.80	3.46	1.64	1.93	1.94	2.41	2.00	1.61	1.44	1.91	0.75	1.57	1.73	2.37	2.13	2.19	1.79
3-months	4.60	2.40	4.24	1.00	2.01	1.83	1.78	3.32	2.27	0.88	0.91	1.84	0.79	0.82	1.55	1.78	1.52	3.49
6-months	3.80	2.70	3.95	1.39	1.84	1.83	3.25	2.78	2.43	1.07	1.07	1.16	1.62	1.86	1.72	1.66	2.06	3.41
12-months	3.20	2.20	3.07	2.42	2.41	2.55	2.76	2.17	2.45	1.59	1.22	1.55	1.94	1.47	1.64	1.46	1.51	1.87
2. Overall Lending Rate	9.50	9.70	9.72	9.03	8.78	9.14	9.26	9.00	13.30	8.26	8.31	8.25	8.37	10.14	7.23	7.25	8.10	5.77
Short-term (up to 1 year)	5.90	7.00	6.95	3.86	3.27	4.74	5.79	5.58	10.77	3.55	5.97	5.99	5.99	8.52	6.27	5.78	6.46	3.76
Medium-term (1-2 years)	10.80	10.10	11.03	11.12	10.07	10.13	10.26	10.44	15.86	10.37	9.27	9.32	9.40	11.06	8.13	8.29	8.18	5.11
Medium-term (2-3 years)	9.90	10.80	10.23	10.26	10.42	10.57	9.44	9.24	11.37	7.82	9.03	9.02	8.91	10.43	7.11	7.17	8.49	3.92
Long-term (3-5 years)	10.50	10.50	10.41	10.28	10.49	11.00	11.30	10.17	18.94	10.04	8.38	8.46	8.76	10.35	7.57	7.28	8.01	7.35
Term Loans (over 5 years)	10.30	10.00	10.01	9.64	9.64	9.27	9.48	9.55	9.58	9.49	8.89	8.48	8.80	10.36	7.10	7.76	9.35	8.70

* Provisional

Source: Bank of Tanzania



A4.0 Balance of Payments and Foreign Trade Developments

Table A4.1: Tanzania's Balance of Payments, 2002 - 2012

Millions of USD

Item	2002	2003	2004	2005	2006	2007	2008 ¹	2009 ²	2010 ³	2011 ⁴	2012 ⁵
A. Current Account	83.63	-118.1	-365.9	-862.8	-1,173.8	-1,714.7	-2,577.1	-1,809.9	-1,960.1	-3,994.7	-3,511.9
Balance on Goods	-531.76	-712.6	-1,001.2	-1,318.5	-1,946.5	-2,634.1	-3,433.5	-2,536.1	-2,841.2	-4,729.6	-4,447.1
Goods: Exports f.o.b.	979.57	1,220.9	1,481.6	1,679.1	1,917.6	2,226.6	3,578.8	3,298.1	4,324.3	5,097.9	5,877.8
Traditional	206.08	220.5	297.8	354.5	267.1	319.7	507.3	486.4	583.2	685.5	956.7
Non-traditional	773.49	1,000.4	1,183.9	1,324.6	1,476.2	1,704.5	2,604.7	2,372.9	3,177.0	3,747.5	4,154.4
o/w Gold	341.10	502.8	629.9	655.1	786.4	788.2	1,108.3	1,229.5	1,516.6	2,224.1	2,107.4
Unrecorded trade				23.4	174.3	202.4	466.8	438.9	564.0	664.9	766.7
Goods: Imports f.o.b.	-1511.32	-1,933.5	-2,482.8	-2,997.6	-3,864.1	-4,860.6	-7,012.3	-5,834.1	-7,165.5	-9,827.5	-10,324.9
Balance on Services	287.60	222.1	158.9	61.8	278.7	462.1	336.9	132.7	156.9	92.2	427.5
Services: Credit	920.13	947.8	1,133.6	1,269.2	1,528.1	1,875.7	1,998.8	1,854.6	2,045.7	2,300.3	2,786.4
Transportation	117.07	138.9	183.0	222.9	343.7	331.1	364.6	334.4	445.5	548.8	632.2
Travel	635.0	646.5	746.0	823.6	950.2	1,198.8	1,288.7	1,159.8	1,254.5	1,353.2	1,712.7
Other	168.0	162.3	204.6	222.7	234.1	345.8	345.4	360.4	345.7	398.3	441.5
Services: Debit	-632.5	-725.7	-974.7	-1,207.3	-1,249.3	-1,413.7	-1,661.9	-1,722.0	-1,888.9	-2,208.1	-2,358.9
Transportation	-176.9	-214.7	-267.1	-319.5	-418.3	-485.0	-699.0	-604.9	-722.8	-973.7	-1,039.0
Travel	-337.5	-353.2	-445.3	-553.8	-534.5	-595.3	-720.7	-766.2	-830.4	-898.6	-967.0
Other	-118.1	-157.8	-262.3	-334.0	-296.6	-333.4	-242.1	-350.9	-335.7	-335.8	-352.8
Balance on Goods and Services	-244.2	-490.5	-842.3	-1,256.6	-1,667.8	-2,172.0	-3,096.6	-2,403.4	-2,684.4	-4,637.3	-4,019.6
Balance on income	-88.83	-138.5	-112.4	-102.0	-94.7	-282.1	-314.3	-297.8	-326.9	-259.5	-310.2
Income: Credit	67.9	87.1	81.8	80.9	80.3	107.3	122.7	161.1	160.1	184.2	131.1
o/w: Investment Income	60.9	80.1	73.7	70.7	73.9	101.3	60.9	80.1	73.7	70.7	73.9
Compensation of employees	7.0	7.0	8.0	10.2	6.4	6.0	7.0	7.0	8.0	10.2	6.4
Income: Debit	165.4	-281.7	-311.7	-436.0	-103.3	-389.9	-437.0	-458.9	-487.0	-443.7	-441.3
o/w: Direct Investment Income	-156.8	-225.6	-194.2	-182.9	-175.1	-389.4	-318.4	-341.8	-365.5	-309.1	-267.5
Interest payments (scheduled)	0.0	-59.7	-58.4	-65.6	-97.1	-308.9	-65.3	-46.1	-40.3	-56.7	-79.7
Compensation of employees	0.0	-119.5	-72.4	-56.9	-27.8	-26.0	-27.9	-39.8	-44.0	-40.7	-57.0
Balance on Goods, Services and Income	0.0	-22.4	-28.0	-24.9	-23.4	-29.1	-3,410.9	-2,701.1	-3,011.3	-4,896.8	-4,329.8
Balance on Current transfers	-333.0	-629.1	-954.7	-1,358.6	-1,762.5	-2,454.1	833.8	891.2	1,051.2	902.2	818.0
Current transfers: Credit	416.6	511.0	588.8	495.7	588.7	739.4	913.4	959.7	1,130.2	994.9	923.4
Government	477.9	574.2	653.8	563.3	654.6	811.9	588.5	658.4	798.1	609.7	554.7
o/w Multilateral HIPC relief	427.7	507.6	581.7	477.9	559.7	626.9	0.0	0.0	0.0	0.0	0.0
Other sectors	68.8	68.2	73.7	75.7	42.1	0.0	324.9	301.3	332.1	385.2	368.7
Current transfer: Debit	50.2	66.6	72.1	85.4	94.9	185.0	-79.6	-68.4	-79.0	-92.7	-105.4
B. Capital Account	-61.3	-63.3	-65.0	-67.5	-65.9	-72.5	524.2	442.2	537.9	598.2	765.2
Capital transfers: Credit	785.7	692.8	459.9	393.2	5,183.5	911.7	524.2	442.2	537.9	690.9	765.2
General Government	785.7	692.8	459.9	393.2	5,183.5	911.7	464.5	379.6	474.7	627.3	701.6
Project	0.0	655.5	420.0	350.1	5,135.0	858.5	464.5	379.6	474.7	627.3	701.6
Debt forgiveness (including MDRI)	755.6	320.9	253.7	238.0	173.3	335.5	0.0	0.0	0.0	0.0	0.0
Other sectors	334.6	166.3	166.3	112.1	4,961.7	523.0	59.8	62.6	63.2	63.6	63.6
Capital transfers: Debit	30.1	37.3	39.9	43.1	48.6	53.2	0.0	0.0	0.0	-92.7	0.0
Total, Groups A plus B	0.0	0.0	0.0	0.0	0.0	0.0	-2,052.9	-1,367.7	-1,422.2	-3,396.5	-2,746.6
C. Financial Account, excl. reserves and related items	869.3	574.6	94.0	-469.7	4,009.7	-803.1	3,754.7	3,016.9	4,373.5	5,448.6	5,249.3
Direct investment abroad	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Direct investment in Tanzania	255.382	160.6	306.3	555.6	-4,081.6	852.0	1,383.3	952.6	1,812.5	1,229.4	1,706.9
Portfolio investment	0.0	0.0	0.0	0.0	0.0	0.0	1.7	3.4	3.3	4.0	1.0
Other investment	387.6	308.2	330.6	494.1	403.0	581.5	2,369.8	2,060.8	2,557.7	4,215.2	3,541.4
Assets	2.2	2.7	2.4	2.5	2.6	4.3	178.5	-363.4	-142.0	-24.5	225.6
Liabilities	0.0	0.0	0.0	0.0	0.0	0.0	2,191.3	2,424.1	2,699.7	4,239.7	3,315.8
Total, Groups A through C	0.0	87.0	13.3	7.8	-36.9	-25.2	1,701.9	1,649.2	2,951.3	2,052.2	2,502.7
D. Net Errors and Omissions	1124.7	735.2	400.3	85.9	-71.9	121.9	-1,553.6	-1,593.5	-2,607.1	-2,249.8	-1,849.7
Overall balance (Total, Groups A through D)	-806.8	-346.2	-116.3	-313.7	532.6	355.7	148.2	55.7	344.2	-197.6	653.0
E. Reserves and Related Items	317.9	389.1	284.0	-227.8	460.7	404.6	-148.2	-55.7	-344.2	197.6	-653.0
Reserve assets	-317.9	-389.1	-284.0	-227.8	-460.7	-404.6	-147.1	-366.2	-369.8	202.0	-327.3
Use of Fund credit and loans	-372.4	-508.8	-308.2	253.1	-126.5	-411.4	-0.2	310.6	25.6	-4.4	-325.7
Exceptional financing	26.0	-2.9	-33.8	-50.5	-334.2	6.8	0.0	0.0	0.0	0.0	0.0
Rescheduled debt	28.5	122.6	58.0	25.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Debt forgiveness	9.8	86.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interest arrears	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Principal arrears	18.4	29.5	21.9	25.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Memorandum items											
GDP(mp) Bill.TZS	10,444.5	12,107.1	13,971.6	15,965.3	17,941.3	20,948.4	24,781.7	28,212.6	32,293.5	37,717.1	44,858.2
GDP(mp) Mill. USD	10,799.9	11,653.4	12,828.0	14,139.1	14,308.4	16,838.6	20,704.9	21,602.4	23,138.1	24,217.4	28,451.6
CAB/GDP	0.4	-0.5	-3.8	-6.1	-7.7	-10.2	-12.4	-8.4	-8.5	-16.5	-12.3
CAB/GDP (excl. current official transfers)	-3.3	-5.9	-8.3	-9.5	-11.6	-13.9	-15.3	-11.4	-11.9	-19.0	-14.3
Gross Official Reserves (Mill. USD)	1,561.7	2,017.6	2,306.7	2,049.5	2,136.9	2,724.3	2,872.6	3,552.5	3,948.0	3,744.6	4,068.1
Months of Imports	8.7	9.1	7.1	5.4	5.6	5.2	4.0	5.6	5.2	3.7	3.9
Months of Imports(Excluding FDI related imports)	10.3	10.1	8.9	7.1	5.4	5.6	4.6	6.3	6.2	4.1	4.3
Net International Reserves (year end) Mill. USD	1,156.7	1,588.1	1,882.9	1,702.5	2,121.4	2,706.5	2,855.0	3,224.3	3,594.2	3,395.2	3,721.3
Change in Net International Reserves, Mill. USD*	-326.7	-431.4	-294.9	180.5	-418.9	-585.2	-148.4	-369.4	-369.9	199.0	-326.1
Exchange rate - TZS/USD (end of period)	976.7	1,063.6	1,043.0	1,165.5	1,261.6	1,132.1	1,280.3	1,313.3	1,453.5	1,566.7	1,571.6
Exchange rate - TZS/USD (annual average)	967.1	1,038.9	1,089.1	1,129.2	1,253.9	1,244.1	1,196.9	1,306.0	1,395.7	1,557.4	1,571.7

Notes: 1. Revision is based on new data obtained from the completion of Private Capital Flows and Tourism Survey and adoption of new data sources for some other items in the service account

2. Change in gross official reserves will not necessarily be equal to reserve assets since a new methodology of computing reserve assets which nets out the impact of valuation was introduced beginning January 2006

Provisional, r = Revised, o/w = Of which, * -Ve and +Ve signs is in accordance with BoP Manual 5

Source: Bank of Tanzania



A4.0 Balance of Payments and Foreign Trade Developments

Table A4.2: Tanzania's Balance of Payments, 2002 - 2012

Millions of TZS

Item	2002	2003	2004	2005	2006	2007	2008 ^c	2009 ^c	2010 ^c	2011 ^c	2012 ^c
A. Current Account	82,144.3	-121,030.4	-404,263.6	-971,387.6	-1,469,446.0	-1,944,742.8	-3,075,570.0	-2,372,727.7	-2,655,281.4	-6,194,231.3	-5,460,777.8
Goods: Exports f.o.b.	948,602.9	1,270,085.4	1,606,630.3	1,900,603.1	2,404,572.1	2,762,367.5	4,280,466.1	4,293,680.1	6,075,758.0	7,952,792.1	9,238,221.4
Traditional	199,906.8	229,516.2	320,181.2	402,964.4	333,645.6	393,878.6	606,099.7	634,787.4	822,198.1	1,065,534.8	1,503,255.3
Non-traditional	748,696.1	1,040,569.1	1,286,449.1	1,497,638.7	1,852,372.0	2,116,688.6	3,116,044.8	3,098,847.5	4,461,069.8	5,849,936.6	6,529,980.8
o/w Gold	329,930.5	523,578.2	684,555.2	740,137.1	987,474.2	981,686.0	1,321,774.0	1,606,204.5	2,120,199.6	3,477,498.0	3,312,695.5
Unrecorded trade				218,554.6	251,800.3	558,711.9	573,159.6	787,216.8	1,037,320.7	1,204,985.4	
Goods: imports f.o.b.	-1,460,946.6	-2,011,339.1	-2,697,276.6	-3,390,754.3	-4,855,151.0	-6,025,489.4	-8,385,697.6	-7,616,940.4	-10,021,852.1	-15,383,304.1	-16,227,331.7
Balance on Goods	-512,343.6	-741,253.7	-1,090,646.3	-1,490,151.2	-2,450,578.9	-3,263,122.0	-4,105,231.5	-3,323,260.3	-3,946,094.1	-7,430,512.0	-6,989,110.3
Services: Credit	889,335.0	984,865.9	1,232,378.9	1,434,007.9	1,916,071.1	2,333,405.5	2,389,020.3	2,422,251.7	2,869,970.0	3,599,316.2	4,379,336.8
Transportation	113,211.2	144,089.2	199,140.4	252,288.9	430,921.2	409,922.0	435,058.6	436,674.7	622,611.3	856,380.4	993,667.3
Travel	613,620.8	672,095.5	811,281.3	930,451.6	1,191,168.7	1,494,460.7	1,541,712.0	1,514,832.7	1,765,134.4	2,121,167.3	2,691,806.7
Other	162,503.1	168,681.2	221,957.2	251,267.4	293,981.2	429,022.8	412,249.7	470,744.4	482,224.4	621,768.5	693,862.8
Services: Debit	-611,200.4	-754,655.7	-1,058,042.2	-1,365,303.3	-1,567,102.8	-1,756,057.4	-1,988,994.7	-2,248,261.2	-2,641,741.0	-3,452,223.9	-3,707,399.9
Transportation	-170,981.7	-223,225.9	-290,125.8	-361,690.5	-525,424.0	-601,849.2	-835,832.5	-789,697.9	-1,010,491.6	-1,523,854.7	-1,633,045.0
Travel	-326,029.6	-367,257.2	-483,121.0	-625,910.7	-669,662.5	-740,265.7	-865,009.9	-1,000,369.3	-1,163,933.5	-1,405,135.2	-1,519,829.9
Other	-114,189.1	-164,172.7	-284,795.5	-377,702.1	-372,016.3	-413,942.6	-288,152.3	-458,194.0	-467,315.9	-523,234.0	-554,525.0
Balance on Services	278,134.6	230,210.2	174,336.7	68,704.6	348,968.3	577,342.0	400,025.6	173,996.3	228,223.5	173,996.3	671,936.9
Balance on Goods and Services	-234,209.0	-511,043.5	-916,309.6	-1,421,446.6	-2,101,610.6	-2,685,773.8	-3,705,205.9	-3,149,269.8	-3,717,865.1	-7,283,419.7	-6,317,173.4
Income: Credit	65,570.0	90,724.5	88,631.0	91,627.3	100,753.5	133,511.4	146,275.1	210,540.6	225,223.5	285,405.3	205,969.6
Investment Income							135,232.3	195,660.0	208,070.8	247,061.1	172,279.0
Compensation of employees							11,042.8	14,880.6	17,152.7	33,344.2	33,690.6
Income: Debit	-151,265.8	-234,259.2	-211,310.3	-205,871.7	-181,309.2	-205,282.7	-523,746.8	-599,429.5	-654,152.1	-630,373.7	-635,171.6
Direct investment income	0.0	-62,003.1	-63,617.8	-60,069.2	-63,407.1	-88,809.2	-380,848.0	-446,334.5	-510,459.1	-480,970.9	-420,450.9
Interest payments (scheduled)	0.0	-123,973.0	-78,820.6	-114,244.4	-80,555.7	-71,771.4	-79,008.5	-60,334.5	-56,904.5	-58,391.4	-125,217.6
Compensation of employees	0.0	-48,283.1	-68,871.9	-1,535,691.0	-2,182,166.3	-2,757,545.2	-33,504.0	-52,007.7	-61,849.2	-64,011.4	-89,503.0
Balance on Income	-85,695.8	-143,534.7	-122,679.3	-114,244.4	-80,555.7	-71,771.4	-377,471.6	-388,889.0	-428,928.7	-344,968.4	-429,202.0
Balance on Goods, Services and Income	-319,904.8	-654,578.2	-1,038,989.0	-1,535,691.0	-2,182,166.3	-2,757,545.2	-4,082,677.6	-3,338,158.7	-4,146,793.8	-7,628,388.1	-6,746,375.3
Current transfers	402,049.2	533,547.7	634,725.4	564,303.4	751,067.4	812,802.4	1,007,107.6	1,165,431.0	1,491,512.4	1,434,156.9	1,285,597.6
Current transfers: Credit	461,300.9	599,225.5	705,588.1	640,549.2	833,626.2	903,114.4	1,102,242.7	1,254,814.4	1,602,104.5	1,579,336.4	1,451,315.8
Government	0.0	530,070.4	627,064.2	543,909.8	714,919.9	782,133.5	714,215.1	861,309.1	1,138,402.9	977,278.7	871,871.8
o/w: Multilateral HIPC relief	0.0	70,779.1	80,315.3	85,486.8	51,870.6	45,664.9	0.0	0.0	0.0	0.0	0.0
Other sectors	412,778.3	69,155.1	78,523.9	96,394.4	118,706.3	120,980.9	388,027.6	393,505.3	463,701.5	602,057.8	579,444.0
Current transfer: Debit	-59,251.7	-65,677.7	-70,862.8	-76,245.8	-82,558.8	-90,312.0	-95,135.1	-89,383.4	-110,592.1	-145,179.6	-165,718.2
B. Capital Account	788,450.1	739,863.5	541,037.2	443,878.8	6,635,983.2	1,134,066.6	625,845.0	577,635.6	752,072.0	1,083,507.5	1,202,646.7
Capital transfers: Credit	759,355.8	701,124.5	541,037.2	443,878.8	6,635,983.2	1,134,066.6	625,845.0	577,635.6	752,072.0	1,083,507.5	1,202,646.7
General Government	313,848.0	662,385.5	497,527.9	395,282.4	6,575,191.3	1,068,011.1	554,342.0	495,853.5	663,813.2	984,454.8	1,102,686.8
Project		314,903.5	316,369.1	268,739.8	319,319.8	417,361.1	554,342.0	495,853.5	663,813.2	984,454.8	1,102,686.8
Debt forgiveness (including MDRI)		347,482.0	181,158.8	126,542.6	6,255,871.5	650,650.0	0.0	0.0	0.0	0.0	0.0
Other sectors	29,094.2	38,739.0	43,509.3	48,596.4	60,791.9	66,055.5	71,503.0	81,782.2	88,258.9	99,052.8	99,960.0
Capital transfers: Debit	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total, Groups A plus B	870,594.4	618,833.0	136,773.6	-527,508.7	5,204,884.3	-810,676.2	-2,449,725.0	-1,795,092.1	-1,903,209.3	-5,110,723.7	-4,258,131.0
C. Financial Account, excl. reserves and related items	246,814.2	197,016.1	331,375.7	627,454.0	-4,958,544.3	1,187,617.3	3,210,873.8	2,486,193.8	4,274,386.2	5,309,490.7	5,752,885.5
Direct investment abroad	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Direct investment in Tanzania	374,648.7	320,089.8	360,137.9	558,626.1	749,326.1	805,042.3	1,654,808.8	1,244,132.8	2,529,557.7	1,914,713.7	2,682,803.8
Portfolio investment	2,126.5	2,804.2	2,614.4	2,822.1	3,286.2	3,428.9	1,934.8	4,504.5	4,662.7	6,050.5	1,586.6
Other investment	-129,961.0	-125,877.9	-31,376.6	66,005.8	-5,711,156.6	379,146.2	1,554,130.2	1,237,556.5	1,740,165.8	3,388,726.6	3,068,495.1
Total, Groups A through C	1,117,408.6	815,849.1	468,149.3	99,945.3	246,340.0	376,941.1	761,148.8	691,101.7	2,371,176.8	198,767.0	1,494,754.5
D. Net Errors and Omissions	-1,224,711.8	-756,560.1	-174,035.5	-315,284.7	292,032.9	135,010.5	-572,112.4	-210,554.5	-1,827,170.3	-487,145.8	-980,588.2
Overall balance (Total, Groups A through D)	-107,303.2	59,289.0	294,113.8	-215,339.5	538,372.9	511,951.6	189,036.4	480,547.2	544,006.6	-288,378.7	514,166.3
E. Reserves and Related Items	107,303.2	-59,289.0	-294,113.8	215,339.5	-538,372.9	-511,951.6	-189,036.4	-480,547.2	-544,006.6	288,378.7	-514,166.3
Reserve assets	-361,263.0	-531,123.4	-320,492.9	283,425.0	-145,178.1	-520,398.2	-188,802.8	-885,176.8	-580,486.6	297,302.7	-511,772.6
Use of Fund credit and loans	25,131.2	-3,012.9	-36,813.2	-89,416.7	-393,194.8	8,446.6	-233.6	404,629.6	36,480.1	-8,923.9	-2,393.7
Exceptional financing	443,435.0	474,847.3	63,192.4	21,331.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rescheduled debt	9,438.0	90,258.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Debt forgiveness	415,897.7	347,482.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interest arrears	17,758.1	30,679.7	23,819.7	14,096.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Principal arrears	341.2	6,426.8	39,372.7	7,235.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Memorandum items											
GDP(mp) Mill. TZS	10,444.5	12,107.1	13,971.6	15,965.3	17,941.3	20,948.4	24,781.7	28,212.6	32,293.5	37,717.1	44,858.2
GDP(mp) Mill. USD	10,799.9	11,653.4	12,828.0	14,139.1	14,308.4	16,838.6	20,704.9	21,602.4	23,138.1	24,217.4	28,451.6
CAB/GDP	0.4	-0.5	-3.8	-6.1	-7.7	-10.2	-12.4	-8.4	-8.5	-16.5	-12.3
CAB/GDP (excl. current official transfers)	-3.3	-5.9	-8.3	-9.5	-11.6	-13.9	-15.3	-11.4	-11.9	-19.0	-14.3
Gross Official Reserves (Mill. USD)	1,561.7	2,017.6	2,306.7	2,049.5	2,136.9	2,724.3	2,872.6	3,552.5	3,948.0	3,744.6	4,068.1
Months of Imports	8.7	9.1	7.1	5.4	5.6	5.2	4.0	5.6	5.2	3.7	3.9
Months of Imports (Excluding FDI related imports)	10.3	10.1	8.9	7.1	5.4	5.6	4.6	6.3	6.2	4.1	4.3
Net International Reserves (year end), Mill. USD	1,156.7	1,588.1	1,882.9	1,702.5	2,121.4	2,706.5	2,855.0	3,224.3	3,594.2	3,395.2	3,721.3
Change in Net International Reserves, Mill. USD*	-326.7	-431.4	-294.9	180.5	-418.9	-585.2	-148.4	-369.9	199.0	199.0	-326.1
Exchange rate (end of period)	976.7	1,063.6	1,043.0	1,165.5	1,261.6	1,132.1	1,280.3	1,313.3	1,453.5	1,566.7	1,571.6
Exchange rate (annual average)	967.1	1,038.9	1,089.1	1,129.2	1,253.9	1,244.1	1,196.9	1,306.0	1,395.7	1,557.4	1,571.7

Notes: Balance of Payments (BOP) statistics have changed from previous publications due to adoption of results from Private Capital Flows (PCF) and Tourism surveys and changes from some other data sources.

Export figures contain estimates for unrecorded trade

P = Provisional, r = Revised, -Ve and +Ve signs is in accordance with Bop Manual 5

Source: Bank of Tanzania



A4.0 Balance of Payments and Foreign Trade Developments

Table A4.3: Tanzania Exports by Type of Commodity, 2004 - 2013

Commodity	Unit	January - June									
		2004	2005	2006	2007	2008	2009 ^r	2010 ^r	2011 ^r	2012 ^r	2013 ^p
A: Traditional Exports :											
COFFEE											
Value	Millions of USD	23.9	45.7	31.9	62.7	50.5	69.6	30.2	85.6	88.7	106.6
Volume	000' Tonnes	18.8	28.7	15.2	29.4	21.8	35.0	10.6	24.7	17.9	34.0
Unit Price	USD/Tonne	1,271.3	1,591.0	2,107.4	2,134.0	2,314.3	1,987.6	2,845.7	3,473.9	4,947.5	3,139.7
COTTON											
Value	Millions of USD	10.4	29.4	37.0	8.2	26.3	42.1	22.9	6.4	32.4	26.7
Volume	000' Tonnes	14.7	28.8	36.6	8.2	19.1	37.4	21.0	4.5	19.6	19.7
Unit Price	USD/Tonne	706.7	1,018.7	1,011.9	1,000.8	1,375.6	1,125.8	1,089.6	1,437.3	1,653.4	1,357.4
SISAL											
Value	Millions of USD	4.0	4.0	3.1	5.4	8.3	2.4	5.6	8.5	9.7	5.7
Volume	000' Tonnes	7.4	5.1	4.1	6.2	7.3	6.4	6.4	7.1	7.0	4.4
Unit Price	USD/Tonne	543.3	793.5	767.5	874.3	1,127.5	369.9	871.0	1,190.6	1,376.6	1,304.3
TEA											
Value	Millions of USD	18.5	16.3	18.2	19.8	25.7	23.0	31.9	27.7	33.3	35.4
Volume	000' Tonnes	14.9	14.2	14.2	14.3	18.0	19.2	16.6	16.4	16.9	17.2
Unit Price	USD/Tonne	1,246.8	1,153.1	1,276.2	1,385.4	1,424.6	1,199.6	1,916.5	1,685.6	1,969.1	2,063.1
TOBACCO											
Value	Millions of USD	16.2	17.4	15.6	33.3	76.0	49.1	110.4	167.0	157.6	33.0
Volume	000' Tonnes	10.7	10.4	5.9	15.8	21.1	18.6	28.1	38.6	46.5	12.6
Unit Price	USD/Tonne	1,513.1	1,673.7	2,644.4	2,110.8	3,592.7	2,644.4	3,929.7	4,321.7	3,385.5	2,616.2
CASHEWNUTS											
Value	Millions of USD	10.5	4.0	19.4	8.7	43.5	47.8	27.1	60.6	104.5	97.0
Volume	000' Tonnes	16.7	4.6	26.1	17.8	51.6	66.9	37.3	57.0	94.8	87.6
Unit Price	USD/Tonne	626.7	874.7	744.3	488.9	842.7	714.0	726.3	1,063.1	1,102.4	1,107.7
CLOVES											
Value	Millions of USD	5.2	1.4	2.4	4.0	4.0	5.2	0.7	0.6	24.1	12.2
Volume	000' Tonnes	2.7	0.5	0.8	1.4	1.1	1.8	0.3	0.1	2.0	1.2
Unit Price	USD/Tonne	1,923.5	2,996.0	3,197.4	2,954.8	3,519.1	2,867.4	2,735.3	4,608.0	12,058.9	9,801.2
Sub Total	Millions of USD	88.7	118.3	127.7	142.3	234.1	239.2	228.7	356.4	450.1	316.7
B. Non-Traditional Exports:											
Minerals	Millions of USD	313.4	355.8	386.3	416.7	681.8	481.5	745.8	1,023.3	1,126.4	885.3
Manufactured Goods	Millions of USD	44.8	64.5	89.8	120.9	296.1	237.4	351.7	448.3	508.7	467.4
Others Exports	Millions of USD	169.7	205.2	212.8	245.0	272.0	258.4	293.3	292.5	472.7	389.2
Sub Total	Millions of USD	527.9	625.5	689.0	782.6	1,249.9	977.3	1,390.8	1,764.0	2,107.8	1,741.9
Grand Total	Millions of USD	616.6	743.8	816.7	924.9	1,484.0	1,216.5	1,619.5	2,120.4	2,557.9	2,058.6

Notes: 1. Figures do not include adjustments on unrecorded trade

r = Revised

P = Provisional

Source: Bank of Tanzania and Tanzania Revenue Authority (Customs Department).



A4.0 Balance of Payments and Foreign Trade Developments

Table A4.4: Tanzania's Exports by Type of Commodity, 2004 - 2013

		January - June									
	Unit	2004	2005	2006	2007	2008	2009 ^r	2010 ^r	2011 ^r	2012 ^r	2013 ^p
A: Traditional Exports:											
COFFEE											
Value	Millions of TZS	26,379.4	50,453.6	38,412.6	80,085.4	59,698.0	90,844.7	40,057.8	127,623.8	139,435.4	169,275.3
Volume	000' Tonnes	18.8	28.7	15.2	29.4	21.8	35.0	10.6	24.7	17.9	34.0
Unit Price	TZS/Tonne	1,402,966.4	1,756,638.3	2,535,010.4	2,723,708.9	2,733,854.8	2,594,973.2	3,780,865.3	5,176,855.9	7,778,837.2	4,983,416.6
COTTON											
Value	Millions of TZS	11,402.0	32,566.5	44,835.5	10,508.5	31,167.8	55,040.2	30,436.6	9,634.0	50,902.2	42,294.0
Volume	000' Tonnes	14.7	28.8	36.6	8.2	19.1	37.4	21.0	4.5	19.6	19.7
Unit Price	TZS/Tonne	777,918.8	1,129,088.9	1,225,961.8	1,277,316.2	1,631,765.6	1,471,660.6	1,446,357.5	2,156,109.7	2,598,558.3	2,147,909.6
SISAL											
Value	Millions of TZS	4,454.9	4,467.1	3,789.3	6,893.6	9,798.6	3,094.8	7,506.6	12,692.8	15,172.0	9,039.2
Volume	000' Tonnes	7.4	5.1	4.1	6.2	7.3	2.6	6.4	8.5	7.0	4.4
Unit Price	TZS/Tonne	601,616.4	877,816.7	928,063.8	1,114,136.2	1,334,435.7	1,193,586	1,167,607	1,499,085	2,164,027.6	2,073,878.7
TEA											
Value	Millions of TZS	20,528.4	18,078.7	22,165.7	25,216.6	30,499.1	29,987.6	42,699.2	41,595.6	52,299.7	56,317.9
Volume	000' Tonnes	14.9	14.2	14.2	14.3	18.0	19.2	16.6	16.4	16.9	17.2
Unit Price	TZS/Tonne	1,379,760.9	1,276,554.9	1,555,706.8	1,761,721.1	1,692,682.7	1,564,214.0	2,568,038.5	2,531,636.2	3,094,955.6	3,278,148.0
TOBACCO											
Value	Millions of TZS	17,838.6	19,122.2	18,824.5	42,535.5	89,675.7	63,932.8	147,185.0	248,012.1	247,818.3	52,202.9
Volume	000' Tonnes	10.7	10.4	5.9	15.8	21.1	18.6	28.1	38.6	46.5	12.6
Unit Price	TZS/Tonne	1,665,541.4	1,836,415.2	3,191,667.1	2,693,993.8	4,240,657.6	3,440,790.5	5,240,697.7	6,419,612.3	5,324,538.0	4,140,187.5
RAW CASHEWNUTS											
Value	Millions of TZS	11,393.0	4,353.5	22,938.7	11,204.5	50,554.0	61,955.8	35,770.9	89,364.7	164,179.1	153,741.2
Volume	000' Tonnes	16.7	4.6	26.1	17.8	51.6	66.9	37.3	57.0	94.8	87.6
Unit Price	TZS/Tonne	680,540.3	953,214.5	879,177.4	630,885.1	980,209.6	925,957.7	960,246.0	1,567,931.2	1,732,121.4	1,755,144.4
CLOVES											
Value	Millions of TZS	5,677.3	1,567.4	2,873.0	5,209.9	4,620.8	6,791.7	972.5	856.1	37,819.6	19,316.5
Volume	000' Tonnes	2.7	0.5	0.8	1.4	1.1	1.8	0.3	0.1	2.0	1.2
Unit Price	TZS/Tonne	2,108,946.6	3,292,833.5	3,779,651.1	3,812,400.4	4,111,265.0	3,723,534.7	3,631,388.6	6,848,614.1	18,957,217.1	15,515,280.8
SubTotal	Millions of TZS	97,673.7	130,609.0	153,839.2	181,654.0	276,013.8	311,647.7	304,628.5	529,779.0	707,626.3	502,187.0
B: Non Traditional:											
Minerals	Millions of TZS	348,026.3	395,095.5	471,181.5	530,861.2	808,730.2	628,830.6	1,001,286.6	1,535,588.7	1,771,343.2	1,408,134.8
Manufactured goods	Millions of TZS	49,660.0	71,683.4	109,356.6	153,834.0	350,275.4	309,666.0	473,363.6	672,480.9	799,662.2	742,855.8
Other exports	Millions of TZS	187,816.6	227,894.5	258,953.5	312,265.1	321,987.1	337,007.5	385,734.8	439,122.8	743,079.9	619,107.0
Sub Total	Millions of TZS	585,503.0	694,673.5	839,491.6	996,960.3	1,480,992.7	1,275,504.1	1,860,385.0	2,647,192.4	3,314,085.4	2,770,097.5
Grand Total	Millions of TZS	683,176.7	825,282.5	993,330.8	1,178,614.3	1,757,006.6	1,587,151.8	2,165,013.5	3,176,971.4	4,021,711.7	3,272,284.5

Notes: 1. Prior to 2002 figures for TZS were converted from USD using quarterly average exchange rates. Beginning 2002 monthly average exchange rates are applied

3. Export figures do not include adjustments on unrecorded trade on annual data

P = Provisional, r = Revised

Source: Bank of Tanzania and Tanzania Revenue Authority (Customs Department).



Table A4.5: Tanzania's Imports (c.i.f) by Major Category, 2004 - 2013

Millions of USD

Category	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013 ^P
A. Capital Goods:	415.2	539.6	738.7	944.5	1,571.6	1,340.9	1,309.0	1,758.9	1,939.6	1,686.4
Transport Equipment	122.0	130.8	199.9	229.3	468.2	393.9	398.8	535.8	569.0	540.8
Building and Construction	92.5	124.4	177.0	217.7	374.7	269.4	291.3	405.8	424.5	445.8
Machinery	200.7	284.5	361.8	497.5	728.8	677.7	618.9	817.3	946.1	699.7
B. Intermediate Goods:	392.7	565.1	779.3	978.6	1,435.0	839.1	1,586.7	1,834.8	2,284.3	2,763.7
Oil	246.5	415.2	594.0	760.7	1,055.9	575.5	1,249.9	1,393.5	1,786.2	2,375.6
o/w Crude Oil	0.0	0.0	0.0	0.0	1,055.9	575.5	1,249.9	1,365.7	1,786.2	2,375.6
White products	246.5	415.2	594.0	760.7	0.0	0.0	0.0	0.0	0.0	0.0
Fertilizers	21.5	27.4	7.9	11.7	53.4	36.1	29.4	60.6	42.8	49.9
Industrial Raw Material	124.6	122.5	177.4	206.2	325.6	227.5	307.3	380.6	455.4	338.1
C. Consumer Goods :	400.9	377.4	446.4	559.4	750.7	707.1	828.4	1,060.3	1,295.4	1,241.9
Food and Food stuffs	153.9	84.2	161.0	149.6	150.5	198.5	245.5	330.8	408.0	406.8
All Other Consumer Goods	246.9	293.2	285.4	409.8	600.2	508.6	582.9	729.6	887.4	835.1
TOTAL	1,208.7	1,482.1	1,964.3	2,482.4	3,757.2	2,887.1	3,724.1	4,654.0	5,519.3	5,692.0

Note: P = Provisional

Source: Bank of Tanzania and Tanzania Revenue Authority



Table A4.6: Tanzania's Imports (c.i.f) by Major Category, 2003-2012

Millions of TZS										
Category	January - June									
	2004	2005	2006	2007	2008	2009	2010	2011	2012 ^r	2013 ^p
A. Capital Goods:	459,244.6	598,517.8	900,330.1	1,201,716.5	1,868,681.3	1,748,809.5	1,754,392.8	2,641,806.7	3,049,354.5	2,680,541.0
Transport Equipment	134,977.5	145,071.3	243,394.7	291,827.6	556,594.7	513,891.7	534,826.1	804,889.0	894,657.1	859,668.8
Building and Construction	102,457.8	137,927.4	215,841.5	277,198.3	445,458.2	351,052.0	390,353.0	609,850.7	667,338.9	708,507.4
Machinery	221,809.3	315,519.1	441,093.9	632,690.6	866,628.5	883,865.8	829,213.8	1,227,066.9	1,487,358.5	1,112,364.7
B. Intermediate Goods:	434,491.7	625,753.8	950,298.4	1,247,866.2	1,704,084.4	1,093,337.9	2,129,167.7	2,757,165.6	3,591,278.9	4,394,353.5
Oil	272,742.1	459,332.3	724,304.2	970,178.3	1,254,535.7	749,773.5	1,677,028.0	2,095,770.7	2,808,232.4	3,777,166.7
Fertilizers	23,882.7	30,470.3	9,686.6	14,827.0	63,563.0	47,029.6	39,639.7	90,457.1	67,301.4	79,561.0
Industrial Raw Material	137,866.8	135,951.2	216,307.5	262,860.9	385,985.8	296,534.8	412,500.0	570,937.7	715,745.0	537,625.8
C. Consumer Goods:	443,743.4	418,787.4	544,036.7	712,192.9	890,476.2	922,348.7	1,111,765.2	1,589,987.4	2,036,571.9	1,974,279.3
Food and Food stuffs	170,361.1	93,434.7	196,488.9	190,658.6	177,886.2	258,868.6	328,602.9	495,119.7	641,392.9	646,568.4
All Other Consumer Goods	273,382.3	325,352.6	347,547.8	521,534.4	712,590.0	663,480.1	783,162.4	1,094,867.7	1,395,179.0	1,327,710.9
TOTAL	1,337,479.6	1,643,059.0	2,394,665.1	3,161,775.6	4,463,242.0	3,764,496.1	4,995,325.8	6,988,959.7	8,677,205.3	9,049,173.8

Notes: p = Provisional, r = revised

Conversion to TZS from USD is done using monthly average exchange rate

Source: Bank of Tanzania and Tanzania Revenue Authority



Table A4.7: Official and Forex Bureau Exchange Rates, Mean Selling Rates in TZS, 2003 - 2013

TZS

End of Period	Bureau* (average) USD	Official (End of Period)										
		Pound Sterling	USD	Deutsche Mark	Swiss Francs	Dutch Guilder	French Francs	Belgium Francs	Italian Lire	Swedish Kroner	Japanese Yen	Euro
2003	1,070.0	1,894.2	1,063.6	479.9	857.3	425.9	143.1	23.3	0.5	147.3	9.9	1,337.2
2004	1,072.0	2,009.3	1,043.0	470.6	920.8	417.7	140.3	22.8	0.5	157.5	10.2	1,420.6
2005	1,141.0	2,012.6	1,165.5	525.9	889.8	466.7	156.8	25.5	0.5	147.1	9.9	1,384.7
2006	1,263.4	2,479.5	1,261.6	569.3	1,034.2	505.2	169.7	27.6	0.6	183.8	10.6	1,662.0
2008	1,221.1	1,849.8	1,280.3	577.7	1,210.6	512.7	172.2	28.0	0.6	165.0	14.2	1,803.3
2009	1,338.3	2,113.0	1,353.6	592.7	1,266.3	526.0	176.7	28.7	0.6	183.4	14.2	1,877.0
2010	1,427.0	2,262.0	1,455.2	620.0	1,556.0	582.7	195.8	31.8	0.7	216.5	17.9	1,934.6
2011	1,561.2	2,438.3	1,571.7	669.7	1,670.0	629.4	211.5	34.4	0.7	228.0	20.4	2,032.2
2012	2,566.5		1,572.2	669.7	1,724.6	629.6	211.5	34.4	0.7	243.2	18.0	2,084.2
2011-Jan	1,474.8	2,384.2	1,484.7	632.6	1,575.9	594.6	199.7	32.5	0.7	230.9	18.1	2,037.9
Feb	1,487.7	2,443.2	1,501.7	639.8	1,611.7	601.4	202.0	32.9	0.7	237.6	18.3	2,074.1
Mar	1,495.4	2,388.3	1,488.9	634.4	1,616.9	596.2	200.3	32.6	0.7	235.5	17.8	2,109.8
Apr	1,497.3	2,496.1	1,496.7	637.7	1,724.7	599.4	201.4	32.7	0.7	247.4	18.4	2,214.7
May	1,516.8	2,504.1	1,519.7	647.5	1,781.9	608.6	204.5	33.2	0.7	246.7	18.7	2,193.6
Jun	1,547.7	2,538.0	1,582.4	674.2	1,878.7	633.7	212.9	34.6	0.7	250.7	19.6	2,293.0
Jul	1,556.2	2,593.9	1,576.5	671.7	1,989.9	631.3	212.1	34.5	0.7	251.7	20.4	2,269.4
Aug	1,578.9	2,598.6	1,605.0	683.9	2,023.7	642.7	215.9	35.1	0.7	250.7	20.9	2,289.6
Sep	1,620.8	2,516.8	1,623.1	691.5	1,780.8	650.0	218.4	35.5	0.7	234.3	21.1	2,163.3
Oct	1,659.3	2,643.4	1,645.7	701.2	1,871.3	659.0	221.4	36.0	0.8	252.0	21.0	2,275.5
Nov	1,695.4	2,598.8	1,654.9	705.1	1,812.1	662.7	222.6	36.2	0.8	245.0	21.3	2,228.3
Dec	1,604.7	2,438.3	1,571.7	669.7	1,670.0	629.4	211.5	34.4	0.7	228.0	20.4	2,032.2
2012-Jan	1,582.8	2,482.5	1,575.3	671.2	1,709.5	630.9	211.9	34.5	0.7	231.4	20.7	2,059.5
Feb	1,576.2	2,507.2	1,573.8	670.5	1,743.1	630.2	211.7	34.4	0.7	238.2	19.4	2,100.6
Mar	1,585.1	2,515.8	1,573.7	670.5	1,742.8	630.2	211.7	34.4	0.7	238.0	18.9	2,098.6
Apr		2,547.5	1,569.0	668.5	1,726.7	628.3	211.1	34.3	0.7	233.5	19.5	2,075.0
May		2,415.1	1,571.0	669.4	1,615.2	629.1	211.4	34.4	0.7	215.8	20.0	1,940.3
Jun		2,458.0	1,569.8	668.7	1,649.4	628.6	211.2	34.3	0.7	226.3	19.7	1,981.6
Jul		2,465.9	1,574.4	670.6	1,611.2	630.5	211.8	34.4	0.7	231.1	20.2	1,935.1
Aug		2,488.4	1,568.1	668.0	1,642.5	628.0	211.0	34.3	0.7	236.8	20.0	1,972.3
Sep		2,531.8	1,570.2	668.8	1,665.3	628.8	211.2	34.3	0.7	238.8	20.2	2,012.9
Oct		2,537.5	1,573.2	670.1	1,688.4	630.0	211.7	34.4	0.7	237.4	19.7	2,039.3
Nov		2,519.8	1,571.2	669.2	1,698.0	629.2	211.4	34.4	0.7	236.7	19.1	2,048.3
Dec		2,566.5	1,572.2	669.7	1,724.6	629.6	211.5	34.4	0.7	243.2	18.0	2,084.2
2013-Jan		2,509.6	1,581.7	673.7	1,737.0	633.4	212.8	34.6	0.7	249.4	17.2	2,154.3
Feb		2,404.8	1,585.0	675.1	1,693.1	634.8	213.2	34.7	0.7	245.7	17.1	2,072.7
Mar		2,424.0	1,590.8	677.6	1,682.4	637.1	214.0	34.8	0.7	244.6	17.1	2,046.3
Apr		2,475.4	1,592.1	678.1	1,715.3	637.6	214.2	34.8	0.7	245.9	16.4	2,097.1
May		2,434.2	1,599.7	681.4	1,672.9	640.6	215.2	35.0	0.7	241.8	15.9	2,081.6
Jun		2,446.6	1,602.7	682.6	1,697.5	641.8	215.6	35.1	0.7	238.3	16.2	2,093.8

Note: * Period Average
Source: Bank of Tanzania



A4.0 Balance of Payments and Foreign Trade Developments

Table A4.8: Tanzania's Trade Balance, 2003 - 2013*Millions of TZS*

Period	Total Exports	Total Imports (f.o.b)	Trade Balance
2003	1,270,085.4	2,011,339.1	-741,253.7
2004	1,606,630.3	2,697,276.6	-1,090,646.3
2005	1,900,603.1	3,390,754.3	-1,490,151.2
2006	2,186,017.5	4,855,151.0	-2,669,133.5
2007	2,762,367.5	6,025,493.0	-3,263,125.5
2008	4,280,466.1	8,385,462.4	-4,104,996.4
2009	4,294,644.0	8,369,982.1	-4,075,338.1
2010 ^r	8,829,856.7	11,013,002.2	-2,183,145.5
2011	7,952,485.7	15,383,157.2	-7,430,671.5
2012 ^r	9,238,221.4	16,227,331.7	-6,989,110.3
2009 - 1st Quarter	826,435.7	1,821,780.7	-995,344.9
2nd Quarter	757,488.0	1,603,910.8	-846,422.8
3rd Quarter	1,022,617.3	2,063,150.1	-1,040,532.8
4th Quarter	1,127,932.0	2,127,842.1	-999,910.1
2010 ^r - 1st Quarter	1,173,697.3	2,220,970.9	-1,047,273.7
2nd Quarter	1,781,516.0	2,324,775.5	-543,259.6
3rd Quarter	2,262,541.6	2,571,520.3	-308,978.7
4th Quarter	2,460,381.5	2,904,565.3	-444,183.8
2011 - 1st Quarter	1,671,570.2	2,856,450.6	-1,184,880.4
2nd Quarter	1,492,708.5	3,503,356.0	-2,010,647.5
3rd Quarter	1,853,624.4	4,318,400.2	-2,464,775.8
4th Quarter	1,897,301.9	4,704,950.4	-2,807,648.5
2012 ^r - 1st Quarter	1,953,256.2	3,929,081.1	-1,975,824.9
2nd Quarter	2,002,284.9	3,967,175.7	-1,964,890.8
3rd Quarter	2,048,591.5	4,238,817.4	-2,190,225.9
4th Quarter	2,029,103.5	4,092,257.5	-2,063,154.0
2013 ^p - 1st Quarter	1,632,944.2	4,677,382.7	-3,044,438.5
2nd Quarter	1,639,340.2	4,371,791.1	-2,732,450.8

Notes: 1. Conversion to TZS from USD is done using monthly average exchange rate

2. Annual figures for Goods Export include adjustments on unrecorded trade

r = Revised

P = Provisional,

Source: Bank of Tanzania and Tanzania Revenue Authority



Table A4.9 : Tanzania's Exports by Major Commodity Groups, 2003 - 2013

Millions of TZS

Period	Coffee	Cotton	Sisal	Tea	Tobacco	Cashewnuts	Minerals	Manufactured Products	Others	Total
2003	51,707.4	48,322.9	7,558.3	25,660.8	41,752.2	43,892.4	574,707.1	87,344.6	389,139.5	1,270,085.4
2004	53,820.7	80,072.4	7,882.7	32,816.6	72,229.6	72,256.9	745,876.0	119,310.3	432,365.2	1,606,630.3
2005	83,557.3	127,177.7	8,176.1	28,830.4	91,361.4	54,234.2	802,997.8	177,271.4	526,996.9	1,900,603.1
2006	76,357.9	69,083.0	7,618.4	38,682.7	83,047.2	48,619.7	1,050,622.5	245,717.2	566,268.9	2,186,017.5
2007	121,980.5	79,942.5	11,091.9	35,890.5	108,563.7	30,983.7	1,056,594.0	383,242.5	682,277.9	2,510,567.2
2008	119,755.0	138,618.8	18,662.1	50,900.2	210,297.4	51,602.7	1,414,865.8	890,116.3	827,326.1	3,722,144.4
2009	145,296.6	145,010.8	8,785.0	61,604.7	166,116.0	89,270.3	1,665,516.8	661,442.0	791,430.8	3,734,473.0
2010	144,831.7	119,157.8	15,208.5	68,716.1	325,161.2	138,193.5	2,182,318.5	1,364,438.0	925,372.3	5,283,397.5
2011	220,392.5	99,733.7	26,347.4	73,095.9	434,458.5	164,338.6	3,569,417.9	1,339,540.9	987,879.7	6,915,205.0
2012 ^f	293,256.4	259,069.4	28,871.7	88,106.6	550,106.4	224,005.3	3,439,064.9	1,630,482.9	1,520,272.4	8,033,236.0
2009 - 1st Quarter	45,311.9	23,672.9	2,304.7	17,666.0	50,032.7	61,643.2	280,898.8	170,012.6	174,892.9	826,435.7
2nd Quarter	45,532.8	31,367.3	790.1	12,321.6	13,900.2	312.6	347,798.5	139,653.4	165,811.6	757,488.0
3rd Quarter	15,314.5	38,641.2	3,162.4	7,213.0	27,535.3	0.0	508,687.4	160,740.7	261,322.8	1,022,617.3
4th Quarter	39,137.5	51,329.4	2,527.8	24,404.0	74,647.8	27,314.5	528,132.1	191,035.4	189,403.6	1,127,932.0
2010 - 1st Quarter	32,606.3	24,947.2	3,754.6	21,382.0	101,772.4	34,035.7	459,775.3	197,286.5	199,370.7	1,074,930.7
2nd Quarter	7,451.4	5,489.4	3,752.0	21,317.2	45,412.6	1,735.2	541,511.2	276,077.1	187,336.6	1,090,082.8
3rd Quarter	13,153.8	62,025.4	3,409.3	9,695.2	62,074.1	137.2	570,574.9	447,695.8	280,201.5	1,448,967.2
4th Quarter	91,620.2	26,695.8	4,292.6	16,321.7	115,902.1	102,285.4	610,457.1	443,378.6	258,463.4	1,669,416.8
2011 - 1st Quarter	92,699.8	6,505.6	6,503.2	18,872.8	189,407.5	89,079.4	751,311.5	305,927.8	211,262.6	1,671,570.2
2nd Quarter	34,924.0	3,128.3	6,189.6	22,722.8	58,604.6	285.3	784,277.2	366,553.1	216,023.5	1,492,708.5
3rd Quarter	18,517.2	41,881.3	7,352.3	14,278.0	30,652.9	133.4	1,111,033.7	329,271.6	300,504.0	1,853,624.4
4th Quarter	74,251.5	48,218.4	6,302.4	17,222.3	155,793.4	74,840.5	922,795.4	337,788.4	260,089.6	1,897,301.9
2012 ^f - 1st Quarter	96,075.7	25,479.1	7,628.2	24,605.4	176,517.0	54,571.9	897,714.7	338,636.5	332,027.6	1,953,256.2
2nd Quarter	43,359.7	25,423.1	7,543.8	27,694.3	71,301.2	109,607.1	813,670.4	461,025.7	442,659.5	2,002,284.9
3rd Quarter	44,692.2	91,629.5	7,943.3	14,631.8	122,290.9	995.4	860,842.2	497,722.5	407,843.8	2,048,591.5
4th Quarter	109,128.8	116,537.7	5,756.4	21,175.0	179,997.3	58,830.8	866,837.7	333,098.2	337,741.5	2,029,103.5
2013 ^p - 1st Quarter	111,443.3	39,237.4	4,114.3	30,081.9	44,615.1	112,560.4	631,120.9	362,399.5	297,371.4	1,632,944.2
2nd Quarter	57,832.0	3,056.6	4,924.9	26,235.9	11,169.4	41,180.8	729,619.3	380,456.2	341,212.2	1,595,687.3

Notes: - Conversion to TZS from USD is done using monthly average exchange rate

- Export figures does not include adjustments on unrecorded trade

Source: Bank of Tanzania and Tanzania Revenue Authority



A4.0 Balance of Payments and Foreign Trade Developments

Table A4.10: Tanzania's Imports (c.i.f) by Major Commodity Groups, 2003 - 2013
Millions of TZS

Period	Transport. equipments	Building and construction	Machinery	Oil	Fertilizers	Industrial raw materials	Food and food stuffs	Other consumer goods	Total
2003	242,650.3	172,680.1	431,840.8	420,218.6	29,803.0	257,364.5	189,915.6	465,789.9	2,210,262.7
2004	274,058.7	221,417.4	531,532.9	684,762.0	64,593.3	271,303.3	297,986.0	618,386.7	2,964,040.2
2005	361,239.3	320,289.7	659,589.2	1,051,579.8	80,505.5	316,573.4	209,558.1	726,768.6	3,726,103.6
2006	516,422.2	466,475.8	998,263.2	1,582,296.9	76,129.2	520,749.9	342,020.5	832,972.9	5,335,330.8
2007 ^f	649,792.5	568,312.8	1,189,576.5	1,998,112.3	79,605.2	610,800.6	424,907.2	1,100,313.7	6,621,420.8
2008	1,114,286.6	940,527.0	1,799,531.6	2,523,077.3	226,010.1	753,441.0	399,258.6	1,458,661.7	9,214,793.9
2009	1,074,114.1	801,009.8	1,768,267.3	1,897,538.6	136,461.1	677,252.0	492,509.4	1,522,829.6	8,369,982.1
2010 ^f	1,392,264.7	940,536.4	1,849,759.5	3,092,378.3	179,820.7	926,873.8	707,538.8	1,924,154.9	11,013,327.2
2011	1,729,600.1	1,298,783.4	3,090,632.0	5,566,864.3	304,635.2	1,258,969.8	1,030,563.9	2,624,519.6	16,904,568.3
2012	2,000,255.0	1,391,564.8	2,974,964.7	5,849,008.6	231,129.1	1,391,347.4	1,133,890.0	2,860,073.0	17,832,232.7
2009 - 1st Quarter	264,990.2	203,692.3	454,290.0	421,834.2	33,021.8	162,703.1	120,007.2	341,417.9	2,001,956.8
2nd Quarter	248,901.5	147,359.7	429,575.8	327,939.3	14,007.8	133,831.7	138,861.4	322,062.2	1,762,539.4
3rd Quarter	277,433.0	164,741.2	464,801.1	582,683.3	42,719.2	188,127.4	86,155.6	460,537.1	2,267,197.9
4th Quarter	282,789.3	285,216.6	419,600.4	565,081.9	46,712.3	192,589.9	147,485.2	398,812.4	2,338,288.0
2010 ^f - 1st Quarter	272,944.0	208,787.7	442,856.5	782,585.7	14,106.1	194,678.7	174,839.5	349,829.3	2,440,627.4
2nd Quarter	261,882.1	181,565.3	386,357.2	894,442.4	25,533.6	217,821.4	153,763.4	433,333.1	2,554,698.4
3rd Quarter	382,548.9	283,320.5	440,869.5	676,750.7	87,405.7	230,994.6	181,127.9	542,833.2	2,825,851.2
4th Quarter	474,889.7	266,862.9	579,676.2	738,599.5	52,775.3	283,379.2	197,808.1	598,159.4	3,192,150.2
2011 - 1st Quarter	373,055.7	254,054.3	573,402.8	781,526.8	45,155.9	286,324.0	283,312.9	542,124.3	3,138,956.7
2nd Quarter	431,858.0	355,702.1	653,572.5	1,314,243.9	45,301.2	284,613.7	211,806.8	552,743.5	3,849,841.7
3rd Quarter	470,303.4	330,236.9	782,721.1	1,763,297.0	129,708.7	322,462.6	237,966.7	708,798.3	4,745,494.7
4th Quarter	454,383.1	358,790.2	1,080,935.5	1,707,796.5	84,469.4	365,569.5	297,477.4	820,853.5	5,170,275.1
2012 - 1st Quarter	410,913.4	324,294.2	709,201.3	1,456,181.9	53,656.4	324,168.4	333,281.4	705,974.6	4,317,671.5
2nd Quarter	483,743.8	343,044.7	778,157.2	1,352,050.5	13,645.0	391,576.6	308,111.5	689,204.4	4,359,533.8
3rd Quarter	536,487.7	363,396.6	790,298.8	1,602,579.5	54,944.0	349,199.6	256,362.5	704,772.4	4,658,041.1
4th Quarter	569,110.1	360,829.3	697,307.5	1,438,196.6	108,883.7	326,402.8	236,134.6	760,121.7	4,496,986.3
2013 ^P - 1st Quarter	415,654.5	358,508.6	550,871.0	2,099,558.4	29,036.9	257,264.2	326,846.0	639,643.1	4,677,382.7
2nd Quarter	444,014.3	349,998.9	561,493.8	1,677,608.3	50,524.1	280,361.6	319,722.4	688,067.7	4,371,791.1

Notes: - Conversion to TZS from USD is done using monthly average exchange rate

Source: Bank of Tanzania and Tanzania Revenue Authority



A4.0 Balance of Payments and Foreign Trade Developments

Table A4.11: Tanzania's Exports by Country of Destination, 2003 - 2012

Millions of TZS

Country	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012 ^P
Australia	1,837.0	2,285.0	2,784.1	3,748.2	9,608.5	7,333.9	8,779.1	17,364.7	24,278.9	22,196.4
Belgium	36,460.5	28,848.3	34,130.6	32,979.1	32,079.9	53,929.9	102,452.2	131,477.2	130,053.8	238,009.8
Burundi	4,893.9	8,203.8	8,250.8	4,416.2	51,645.5	23,026.9	31,203.1	72,981.2	48,639.0	72,026.5
Canada	1,710.1	5,202.8	44,236.8	7,295.6	2,819.7	4,438.1	8,048.1	6,548.3	7,893.9	39,683.0
China	3,796.8	76,742.7	101,838.0	149,327.3	175,726.7	264,279.9	480,248.1	908,359.8	1,041,130.6	817,984.8
Democratic Republic of Congo	12,839.9	11,050.4	14,251.0	26,859.4	69,409.6	150,644.2	105,445.0	196,384.8	188,788.8	285,425.7
Denmark	2,738.4	2,787.9	1,812.1	956.0	2,118.8	4,558.2	6,663.6	3,792.1	14,362.2	16,811.9
Eire/Ireland	0.0	113.8	81.6	655.9	986.0	346.6	2,180.0	2,840.4	5,295.0	2,912.8
France	80,728.7	10,393.2	7,369.9	9,329.5	11,323.5	27,761.9	15,259.8	16,156.7	23,037.3	25,291.3
Germany	32,075.0	35,845.2	76,198.8	125,860.7	105,204.0	77,790.6	74,094.5	192,110.3	352,058.6	455,746.3
Hong Kong	10,254.9	13,376.3	10,810.1	8,459.5	17,582.0	15,785.0	112,968.9	18,059.8	17,450.8	36,367.4
India	75,129.7	109,671.9	71,299.6	70,439.1	96,171.0	203,097.2	242,591.1	312,958.9	320,197.9	748,938.4
Indonesia	7,538.4	6,325.6	7,934.2	10,150.3	19,543.6	28,665.0	27,800.7	20,291.7	34,422.1	63,764.2
Italy	24,203.3	30,252.1	41,232.4	36,333.5	69,176.5	79,549.7	70,979.1	93,626.5	78,699.4	78,750.3
Japan	92,164.9	70,065.3	77,602.4	82,003.2	71,038.2	161,859.3	217,362.0	300,373.0	547,693.7	466,079.8
Kenya	81,088.1	91,145.8	86,178.8	111,502.9	125,790.9	277,819.7	234,125.4	425,809.7	333,609.9	520,143.0
Malaysia	1,223.7	2,469.2	18,144.3	1,763.8	2,150.8	3,484.9	3,896.0	6,778.2	13,622.5	15,423.3
Mozambique	1,812.0	3,694.3	7,339.1	13,109.5	23,762.9	37,142.9	26,814.7	25,390.2	97,802.9	83,499.8
Netherland	70,206.3	65,072.5	101,091.7	108,244.8	112,651.0	184,508.2	219,871.2	128,355.1	144,176.6	177,033.8
New Zealand	46.9	146.8	166.8	110.1	4,055.1	2,886.6	2,685.8	2,871.0	1,158.8	4,902.4
Norway	287.7	198.8	610.9	637.7	2,163.9	2,165.5	1,763.6	1,685.6	4,476.3	29,027.4
Pakistan	7,941.1	7,888.4	8,139.7	17,228.8	31,167.6	13,460.4	14,248.2	13,938.2	22,998.1	51,882.0
Portugal	4,105.5	5,112.8	5,401.2	9,290.4	38,120.6	15,493.6	17,558.2	17,534.7	20,693.0	19,820.8
Singapore	13,750.7	16,672.9	21,332.9	5,593.4	4,958.6	13,179.5	8,411.8	19,328.8	17,259.1	38,225.8
Somalia	166.0	-	163.5	248.0	533.3	3,315.5	797.1	8,243.0	1,095.5	1,637.0
South Africa	38,781.2	124,015.6	310,978.1	198,557.2	201,331.5	274,866.9	225,538.0	596,978.4	1,312,795.7	1,521,227.4
Spain	10,537.8	12,536.6	10,478.5	13,066.8	23,048.8	30,640.2	27,950.0	30,138.0	21,706.3	25,753.9
Sri Lanka	348.9	86.1	87.7	2,132.6	3,548.7	3,076.1	703.9	2,836.8	2,786.0	2,244.1
St. Helena	2,096.9	4,344.0	1,993.9	0.1	74.3	442.5	7,993.4	8,721.0	0.0	25.4
Sweden	1,241.2	833.5	670.3	635.4	3,148.6	1,738.1	3,590.3	3,334.2	4,827.2	8,235.1
Switzerland	13,017.0	32,444.7	123,193.2	299,805.4	498,327.3	668,711.0	617,209.6	982,361.5	1,292,703.6	1,245,696.8
Taiwan	1,721.3	2,807.2	2,687.0	1,280.5	1,587.4	751.7	5,322.8	3,322.7	1,609.7	1,804.8
Thailand	3,770.9	5,844.0	13,938.7	11,590.6	14,401.1	16,207.2	18,475.9	27,650.7	11,488.0	56,213.6
Uganda	8,764.0	12,752.5	22,672.6	24,466.8	23,992.1	47,871.3	62,993.8	67,049.4	70,430.1	103,386.6
United Arab Emirates	15,926.0	19,093.6	38,060.5	51,389.6	110,022.1	77,325.4	88,169.9	79,186.8	118,325.6	148,006.1
United Kingdom	402,153.1	506,516.3	132,490.3	84,324.4	31,875.0	76,505.2	40,186.8	45,218.9	45,327.4	71,042.2
United States	11,701.5	14,949.0	18,658.6	24,223.4	42,518.8	65,122.8	52,093.1	66,563.0	74,953.9	105,008.4
USSR/Russia	2,148.4	3,202.0	2,502.4	2,809.8	6,471.1	6,002.7	7,692.4	5,953.8	10,252.4	16,698.1
Yugoslavia	11.7	10.0	14.6	6.9	7.2	0.0	52.0	80.7	0.0	12.6
Zambia	18,010.7	7,359.2	9,855.9	18,948.8	27,910.2	43,237.0	58,526.8	76,618.2	74,470.4	112,288.0
Others	172,855.4	256,270.1	463,919.5	834,791.2	694,315.1	666,976.0	522,228.7	486,854.1	476,156.2	634,270.0
Grand Total	1,270,085.4	1,606,630.3	1,900,603.1	2,404,572.1	2,762,367.5	3,635,997.3	3,774,974.3	5,426,128.1	7,008,727.3	8,363,496.8

Notes: P = Provisional

From 2006 onwards, others include information of unrecorded exports

Source: Bank of Tanzania and Tanzania Revenue Authority



A4.0 Balance of Payments and Foreign Trade Developments

Table A4.12: Tanzania's Imports(c.i.f) by Country of Origins, 2003 - 2012

Millions of TZS

Country	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012 ^P
Argentina	2,838.0	28,661.1	30,351.9	17,350.0	30,983.3	73,480.0	49,197.8	43,764.4	43,764.4	192,859.5
Australia	56,923.1	81,839.2	47,218.4	33,464.4	31,464.1	67,419.6	162,610.7	222,797.3	223,875.8	193,689.0
Belgium	34,733.3	28,433.0	52,655.6	92,631.6	135,951.8	147,083.8	141,919.9	183,024.4	183,919.9	345,750.8
Brazil	29,425.3	7,408.6	18,272.6	14,878.6	24,508.0	15,568.2	70,214.0	57,470.7	57,472.2	90,275.9
Burundi	335.2	17.4	292.7	2.2	19.8	505.8	402.5	840.9	873.1	6,066.4
Canada	19,831.9	43,271.7	39,883.8	46,281.9	44,284.7	67,545.8	46,496.3	52,136.1	52,224.8	174,316.9
China	120,836.0	186,806.9	245,399.1	381,692.1	512,890.5	841,597.9	895,038.2	1,212,792.9	1,244,042.7	1,814,049.4
Democratic Republic of Congo	755.7	871.4	578.9	182.9	741.7	4,488.9	1,608.3	1,569.4	2,649.0	1,414.0
Denmark	20,986.5	23,707.1	26,746.4	15,467.7	28,043.1	31,505.4	146,074.4	45,086.5	46,559.7	42,975.4
Eire/Ireland	9,891.6	14,253.2	13,295.5	19,100.7	31,135.6	22,158.2	20,975.8	23,203.4	24,374.8	26,989.4
Finland	17,304.6	30,375.1	24,374.8	18,736.0	132,226.1	50,262.2	57,744.7	56,518.6	56,740.4	35,449.7
France	42,339.6	44,123.7	101,366.0	71,087.6	162,119.1	188,717.9	145,111.1	178,242.4	178,641.4	169,788.8
Germany, Federal	71,117.2	82,045.5	99,024.1	187,389.6	194,240.2	249,035.3	293,353.5	254,335.7	255,395.3	292,440.9
Hong Kong	10,266.9	7,505.5	8,735.1	10,244.8	14,678.7	21,392.8	40,597.2	33,316.7	33,379.8	83,187.0
India	174,081.9	235,431.2	211,290.9	293,344.2	631,862.4	1,016,503.4	999,540.7	1,238,372.1	1,239,134.6	1,373,732.4
Indonesia	78,906.7	94,189.1	101,631.7	196,028.5	159,404.0	107,733.2	141,412.0	155,616.9	155,779.5	370,583.0
Iran	2,540.3	4,924.7	6,846.7	17,700.9	26,294.4	40,971.1	14,444.8	30,679.7	30,721.8	73,137.1
Italy	40,758.2	44,219.2	45,360.9	113,221.1	102,750.6	104,384.0	128,860.1	133,376.4	137,417.7	182,804.2
Japan	174,790.5	196,765.2	225,925.7	310,375.3	325,726.2	405,343.6	545,953.7	786,056.8	794,383.2	808,560.1
Kenya	120,287.3	141,789.9	175,332.0	191,252.1	124,630.1	233,967.0	393,748.1	380,896.0	388,779.9	880,188.6
Malaysia	18,352.8	21,091.2	23,813.2	118,687.4	182,428.7	192,254.7	87,695.2	147,925.2	147,925.2	137,851.0
Mexico	1,943.4	1,129.5	145.2	13,386.5	3,247.0	134.3	1,276.5	1,821.5	1,821.5	1,713.9
Mozambique	951.4	1,695.4	2,247.7	21,226.5	20,988.4	21,513.2	11,857.6	26,518.2	26,630.0	17,471.4
Netherlands	33,050.5	46,611.0	75,922.8	106,637.9	106,273.9	248,052.9	122,100.0	199,052.2	201,588.3	248,542.6
New Zealand	1,671.4	2,419.7	1,870.3	2,092.7	3,012.6	3,702.9	2,856.2	5,273.0	5,273.0	3,862.6
Norway	3,309.1	3,711.7	4,289.6	10,277.6	11,071.4	21,264.1	17,987.5	22,328.7	22,329.5	92,221.8
Pakistan	13,590.0	8,162.0	7,830.3	18,370.8	15,119.0	20,052.2	36,140.5	59,658.7	59,681.9	122,635.0
Portugal	248.9	557.0	1,666.9	32.9	472.3	917.3	1,111.2	12,852.1	1,659.6	2,836.0
Saudi Arabia	53,383.7	60,386.5	46,722.5	312,889.5	272,318.0	304,719.1	213,014.2	275,426.8	275,502.5	360,197.8
Singapore	17,100.1	47,997.5	10,417.2	16,611.1	31,354.5	518,267.5	248,364.3	614,911.4	616,616.3	230,638.6
Somalia	69.7	16.0	242.4	5.6	119.5	1,112.3	389.6	45.1	45.1	10.2
South Africa	284,591.5	360,025.5	440,090.2	675,401.5	730,969.6	935,205.5	888,001.2	1,067,772.7	1,068,580.0	1,458,335.4
South Korea	29,104.5	28,983.8	37,945.3	82,165.3	93,625.6	100,735.3	97,885.1	177,995.5	178,066.5	186,529.9
Spain	13,969.4	32,021.0	16,051.8	17,247.0	22,224.5	34,692.4	40,871.4	51,360.9	51,361.0	73,332.5
Sri Lanka	492.5	882.0	1,283.5	2,075.8	3,752.7	3,189.5	3,162.3	3,455.9	3,456.8	5,430.4
Swaziland	12,682.5	18,762.2	20,856.4	20,746.1	25,062.1	90,423.8	34,720.6	45,396.1	45,484.8	54,770.3
Sweden	39,983.3	25,822.1	80,804.8	64,454.9	128,595.2	167,644.2	108,717.5	84,766.0	89,267.9	172,910.7
Switzerland	23,814.5	20,481.9	28,593.0	84,076.7	214,218.6	162,881.0	174,060.1	777,212.0	777,236.5	2,467,204.2
Taiwan	8,903.4	11,083.6	13,441.9	14,394.7	20,746.3	13,436.4	16,269.3	37,636.5	37,636.6	45,242.7
Thailand	21,503.4	32,296.5	28,032.1	45,613.7	73,378.3	88,341.7	92,154.4	111,230.5	112,855.6	118,265.0
Turkey	4,656.5	5,023.9	9,409.8	38,857.8	57,646.7	93,229.0	98,961.8	82,466.5	82,466.5	185,925.6
Uganda	8,538.5	8,330.5	5,786.3	4,766.4	7,980.4	7,588.6	15,693.6	24,750.7	25,121.8	169,013.6
United Arab Emirate	152,331.1	201,204.2	220,274.8	618,949.9	963,802.7	1,053,525.3	816,795.9	930,045.0	933,293.0	1,600,011.8
United Kingdom	111,107.3	120,177.3	135,618.2	194,536.0	214,155.8	195,135.0	237,245.8	287,635.6	289,496.1	574,249.3
United States	72,310.7	85,113.2	112,741.8	150,019.1	233,287.9	236,992.6	179,535.0	215,698.5	218,798.5	372,948.8
USSR/Russia	7,063.8	2,277.8	36,993.1	53,694.5	88,679.5	87,823.1	84,124.2	140,583.7	140,660.6	127,112.8
Yugoslavia	15.2	0.0	0.0	0.9	0.0	0.0	7.1	145.1	144.2	1.0
Zambia	2,080.4	6,697.1	4,423.9	14,334.2	2,288.7	32,663.2	30,731.4	42,674.9	42,684.3	62,753.6
Zimbabwe	1,222.3	1,601.0	1,955.3	1,611.0	23,035.2	1,732.1	834.1	1,546.4	1,546.4	4,569.6
Others	243,271.3	512,840.3	882,050.5	601,734.5	357,611.5	194,497.6	541,051.0	548,607.7	559,073.0	2,221,046.6
Grand Total	2,210,262.7	2,964,040.1	3,726,103.6	5,335,330.8	6,621,420.8	8,521,390.8	8,498,918.4	11,086,890.7	11,166,432.9	18,275,893.1

Note: P = Provisional

From 2006, others include information of unrecorded imports

Source: Bank of Tanzania and Tanzania Revenue Authority

**Table A4.13: Tanzania's Exports to COMESA Countries, 2003 -2012**

Country	<i>Millions of TZS</i>											
	2003	2004	2005	2006	2007	2008	2009	2010 ^r	2011	2012 ^p		
Burundi	4,893.9	8,203.8	8,250.8	4,416.2	51,645.5	23,026.9	31,203.1	72,981.2	48,639.0	72,026.5		
Comoro	1,334.8	1,275.9	1,568.2	9,322.2	4,470.3	58,707.8	283.3	0.0	1,249.7	3,287.5		
Djibouti	29.0	66.3	9.1	4.9	59.5	383.5	233.3	374.4	1,402.1	1,062.1		
Ethiopia	729.7	1,921.7	1,893.4	786.9	1,098.2	1,091.4	778.2	2,215.8	558.1	4,679.1		
Kenya	81,088.1	91,145.8	86,178.8	111,502.9	125,790.9	277,819.7	234,125.4	334,400.2	333,609.9	520,143.0		
Lesotho	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	13.0	0.0		
Malawi	8,746.4	13,530.2	916.6	22,206.9	24,476.1	49,913.5	33,151.2	56,575.8	81,048.3	139,858.5		
Mauritius	738.5	583.0	3,713.8	1,134.0	2,196.0	1,084.8	1,928.7	2,268.4	3,818.0	7,305.8		
Rwanda	2,644.5	3,177.5	3,376.8	3,401.5	13,913.2	24,340.0	19,887.6	120,820.8	103,886.5	115,323.9		
Somalia	166.0	0.0	163.5	248.0	533.3	3,315.5	797.1	8,243.0	1,095.5	1,637.0		
Swaziland	5.3	3,103.7	626.3	2,350.4	242.7	759.1	27,515.6	1,737.3	19,693.7	3,546.4		
Uganda	8,764.0	12,752.5	22,672.6	24,466.8	23,992.1	47,871.3	62,993.8	67,049.4	70,430.1	103,386.6		
Zambia	18,010.7	7,359.2	9,855.9	18,948.8	27,910.2	43,237.0	58,526.8	76,618.2	74,470.4	112,288.0		
Zimbabwe	3,966.7	1,347.3	1,750.5	1,483.2	857.2	1,360.1	7,556.0	1,970.8	6,510.6	7,478.8		
Grand Total	131,117.6	144,466.9	140,976.6	200,272.8	277,185.1	532,910.7	478,980.1	745,255.3	746,424.8	1,092,023.3		

Note: r = Revised

P = Provisional

Source: Bank of Tanzania and Tanzania Revenue Authority

Table A4.14: Tanzania's Direct Imports from COMESA Countries, 2003 - 2012*Millions of TZS*

Country	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012 ^P
Burundi	335.2	17.4	292.7	2.2	19.8	505.8	402.5	840.9	873.1	6,066.4
Comoro	0.3	0.0	28.4	23.6	0.0	17.2	13.9	61.2	67.5	35.3
Djibouti	415.7	297.1	1,378.8	0.0	0.0	1.4	44.0	25.9	1,587.6	104.4
Ethiopia	128.8	1,138.1	1,181.1	202.2	114.7	32.5	192.6	105.8	105.8	1,615.2
Kenya	120,287.3	141,789.9	175,332.0	191,252.1	124,630.1	233,967.0	393,748.1	380,896.0	388,779.9	880,188.6
Lesotho	0.0	0.0	0.0	79.5	10.9	2.6	56.7	213.1	213.1	141.5
Malawi	1,455.3	3,090.3	3,629.4	4,586.2	8,034.3	7,889.7	13,988.5	16,850.5	16,877.0	19,599.0
Mauritius	1,831.1	4,426.6	5,154.7	3,788.7	3,247.0	1,375.1	5,051.9	11,351.0	11,474.3	28,331.8
Rwanda	833.1	126.8	32.7	190.1	18.2	59.4	25.0	1,959.4	1,962.1	3,305.7
Somalia	69.7	16.0	5.6	5.6	119.5	1,112.3	389.6	45.1	45.1	10.2
Swaziland	12,682.5	18,762.2	20,856.4	20,746.1	25,062.1	90,423.8	34,720.6	45,396.1	45,484.8	54,770.3
Uganda	8,538.5	4,989.4	4,766.4	4,766.4	7,980.4	7,588.6	15,693.6	930,045.0	25,121.8	169,013.6
Zambia	2,080.4	6,697.1	4,423.9	14,334.2	2,288.7	32,663.2	30,731.4	42,674.9	42,684.3	62,753.6
Zimbabwe	1,222.3	1,601.0	1,955.3	1,611.0	23,035.2	1,732.1	834.1	1,546.4	1,546.4	4,569.6
Grand Total	149,880.2	182,952.0	219,037.4	241,587.9	194,560.9	377,370.6	495,892.5	1,432,011.4	536,822.7	1,230,505.2

Note: P = Provisional

Source: Bank of Tanzania and Tanzania Revenue Authority



A4.0 Balance of Payments and Foreign Trade Developments.

Table A4.15: Tanzania Services, Income and Transfer, 2003 - 2013

Millions of TZS

Period	Services			Income			Current Transfers		
	Net	Receipts	Payments	Net	Receipts	Payments	Net	Receipts	Payments
2003	230,210.2	984,865.9	754,655.7	-143,534.7	90,724.5	234,259.2	533,547.7	599,225.5	65,677.7
2004	174,336.7	1,232,378.9	1,058,042.2	-123,872.5	88,631.0	212,503.5	634,725.4	705,588.1	70,862.8
2005	68,704.6	1,434,007.9	1,365,303.3	-117,241.4	1,365,303.3	208,868.7	564,303.4	640,549.2	76,245.8
2006	348,968.3	1,916,071.1	1,567,102.8	-80,555.7	100,753.5	181,309.2	751,067.4	833,626.2	82,558.8
2007	577,348.2	2,333,405.5	1,756,057.4	-71,771.3	133,511.4	205,282.7	812,802.4	903,114.4	90,312.0
2008	465,749.1	2,389,020.3	1,923,271.2	-110,193.6	146,275.1	256,468.7	739,197.4	834,389.8	95,192.4
2009	192,745.8	2,448,649.9	2,255,904.0	-94,166.0	212,818.7	306,984.7	921,982.7	1,012,343.6	90,360.9
2010 ^r	285,330.4	2,882,125.1	2,596,794.7	-58,079.4	226,138.2	284,217.6	1,491,512.4	1,602,104.5	110,592.1
2011 ^r	147,092.3	3,599,316.2	3,452,223.9	-349,024.2	285,405.3	634,429.6	1,434,156.9	1,579,336.4	145,179.6
2012 ^r	671,936.9	4,379,336.8	3,707,399.9	-420,020.0	205,969.6	635,171.6	1,285,897.6	1,451,315.8	165,718.2
2009 - 1st Quarter	-31,416.8	540,276.9	571,693.8	-36,896.9	38,673.1	75,570.0	182,832.5	204,006.9	21,174.3
2nd Quarter	17,047.4	512,606.8	495,559.5	-15,907.2	51,020.4	66,927.6	97,513.9	119,009.7	21,495.7
3rd Quarter	97,540.6	694,851.7	597,311.1	-24,393.0	61,492.4	85,885.4	495,696.2	519,497.1	23,800.9
4th Quarter	109,574.8	700,914.4	591,339.6	-160,089.9	61,632.7	78,601.6	145,040.1	169,830.0	23,890.0
2010 - 1st Quarter	-24,403.5	581,290.6	605,694.0	-17,116.3	46,777.0	63,893.3	281,850.3	305,762.9	23,912.6
2nd Quarter	47,986.3	611,404.3	563,418.0	-38,752.2	44,055.0	82,807.2	117,960.7	142,489.1	24,528.4
3rd Quarter	199,761.8	856,125.0	656,363.2	-9,263.3	59,002.4	68,265.7	312,381.1	344,482.2	32,101.1
4th Quarter	61,985.8	833,305.2	771,319.5	7,052.3	76,303.7	69,251.4	779,320.3	809,370.3	30,050.0
2011 - 1st Quarter	-15,711.3	739,430.1	755,141.4	-57,109.5	83,442.2	140,551.7	156,097.6	185,964.7	29,867.1
2nd Quarter	14,137.9	743,548.0	729,410.1	-77,088.1	75,676.4	152,764.5	209,723.4	241,229.6	31,506.2
3rd Quarter ^r	157,509.6	1,087,772.0	930,262.4	-111,864.3	56,683.3	168,547.5	131,402.0	172,123.4	40,721.3
4th Quarter ^r	-8,844.0	1,028,566.0	1,037,410.0	-102,962.4	69,603.5	172,565.9	936,933.9	980,018.7	43,084.9
2012 - 1st Quarter	-15,750.0	904,286.6	920,036.6	-91,964.1	60,542.7	152,506.8	153,635.9	196,783.2	43,147.3
2nd Quarter	113,245.8	952,834.5	839,588.7	-105,956.3	56,639.7	162,595.9	267,228.5	317,601.5	50,373.0
3rd Quarter	330,519.2	1,263,644.3	933,125.1	-105,245.4	37,480.5	142,725.9	498,027.1	534,281.0	36,254.0
4th Quarter	243,921.8	1,258,571.4	1,014,649.5	-126,036.2	51,306.7	177,342.9	366,706.1	402,650.0	35,943.9
2013 - 1st Quarter ^p	56,246.9	1,038,204.9	981,958.0	-116,465.2	52,723.0	169,188.3	217,447.2	241,423.7	23,976.5
2nd Quarter ^r	219,906.6	1,065,768.2	845,861.5	-132,002.3	52,331.4	184,333.7	157,842.3	181,967.3	24,125.0

Notes: P = Provisional,

r=Revised

Source: Bank of Tanzania

Table A4.16: Foreign Reserve Position* (Revised), 2003 - 2013

Millions of TZS

End of Period	Bank of Tanzania										Net official Position	Commercial banks						Total Net Position
	Foreign Exchange					Other Foreign						Liquid Foreign			Other Foreign			
	Assets	Liabilities	Net	Assets	SDRs	RPF	UFC	Total	Assets	Liabilities		Net	Assets	Liabilities	Net	Assets	Liabilities	
Dec. 2003	2,146,859.8	505,373.5	1,641,486.3	927.5	525.4	35,972.1	465,069.4	2,143,980.8	2,143,980.8	2,143,980.8	2,143,980.8	669,630.5	19,092.0	650,538.4	12,719.0	2,008.2	667,249.3	2,805,230.1
2004	2,406,605.2	492,560.3	1,914,044.9	853.3	73.5	15,950.6	441,131.5	2,372,053.7	2,372,053.7	2,372,053.7	2,372,053.7	712,372.0	28,056.6	584,315.4	2,127.9	1,663.5	584,779.8	2,956,833.5
2005	2,393,321.3	456,679.4	1,936,642.0	4,661.3	821.8	15,360.6	399,184.6	2,356,670.2	2,356,670.2	2,356,670.2	2,356,670.2	770,842.1	35,960.2	734,881.9	21,862.5	28,315.2	728,429.2	3,085,099.4
2006	2,700,270.8	79,016.8	2,621,254.0	4,297.2	28.3	22,541.5	15,943.6	2,664,064.3	2,664,064.3	2,664,064.3	2,664,064.3	1,060,922.8	86,035.0	974,887.8	33,859.8	12,622.8	996,124.8	3,660,189.1
2007	3,093,395.6	84,906.6	3,008,489.0	9,198.9	178.8	-15,400.1	20,036.6	3,022,503.2	3,022,503.2	3,022,503.2	3,022,503.2	876,515.8	227,379.8	649,136.0	67,263.4	82,986.5	633,413.0	3,655,916.2
2008	3,686,518.0	94,370.9	3,592,147.1	8,767.6	39.2	32,106.5	22,086.5	3,655,146.9	3,655,146.9	3,655,146.9	3,655,146.9	730,323.0	165,433.4	564,889.6	104,411.9	174,691.2	4,149,757.2	5,729,985.6
2009	4,670,324.6	825,323.3	3,845,001.2	4,844.1	325,589.8	27,478.6	432,562.1	4,635,475.8	4,635,475.8	4,635,475.8	4,635,475.8	1,040,125.4	121,488.1	918,637.3	254,471.2	78,598.7	1,094,509.8	6,419,757.2
2010	5,704,951.4	94,370.9	5,610,580.5	8,767.6	39.2	32,106.5	22,086.5	5,635,146.9	5,635,146.9	5,635,146.9	5,635,146.9	730,323.0	165,433.4	564,889.6	104,411.9	174,691.2	4,149,757.2	7,199,035.0
2011	5,867,546.9	1,004,357.1	4,863,189.8	1,055.6	375,910.7	-700.9	549,138.6	5,788,593.7	5,788,593.7	5,788,593.7	5,788,593.7	1,505,320.6	226,393.5	1,278,927.2	191,567.7	60,053.6	1,410,441.3	7,199,035.0
2012	6,396,204.6	1,011,099.5	5,385,105.1	2,919.8	373,865.6	48,877.2	546,738.4	6,357,506.1	6,357,506.1	6,357,506.1	6,357,506.1	1,260,420.2	274,789.9	985,630.3	133,720.7	108,647.9	1,010,703.1	7,368,209.1
2011- Mar	5,507,700.1	992,309.3	4,515,390.8	5,372.6	371,467.7	84,022.5	541,617.6	5,517,871.2	5,517,871.2	5,517,871.2	5,517,871.2	1,352,865.5	150,881.9	1,201,983.7	329,414.4	220,010.4	1,311,387.7	6,829,258.9
Jun	5,681,226.5	1,063,137.1	4,618,089.4	5,906.9	397,912.9	24,281.7	576,552.6	5,622,743.5	5,622,743.5	5,622,743.5	5,622,743.5	1,410,944.4	223,061.0	1,187,883.3	248,066.0	250,004.3	1,185,945.0	6,808,688.5
Sep	5,673,777.6	1,072,430.8	4,601,346.9	2,200.1	401,612.4	30,899.9	582,293.3	5,618,352.6	5,618,352.6	5,618,352.6	5,618,352.6	1,514,742.8	191,755.7	1,322,987.1	173,365.5	81,089.3	1,415,263.3	7,033,615.9
Dec	5,867,546.9	1,004,357.1	4,863,189.8	1,055.6	375,910.7	-700.9	549,138.6	5,788,593.7	5,788,593.7	5,788,593.7	5,788,593.7	1,505,320.6	226,393.5	1,278,927.2	191,567.7	60,053.6	1,410,441.3	7,199,035.0
2012- Mar	5,549,385.9	1,018,032.0	4,531,353.9	2,163.9	380,145.3	6,441.2	554,233.5	5,474,337.9	5,474,337.9	5,474,337.9	5,474,337.9	1,405,328.2	213,748.8	1,191,579.4	204,417.1	63,547.5	1,332,449.1	6,806,786.9
Jun	5,959,839.1	994,446.9	4,965,392.2	2,506.4	369,525.3	39,836.5	539,104.4	5,916,364.8	5,916,364.8	5,916,364.8	5,916,364.8	1,298,654.8	268,670.1	1,029,984.7	131,247.5	96,462.4	1,064,769.8	6,981,134.6
Sep	6,374,926.2	1,011,163.0	5,363,763.2	2,743.8	374,697.6	49,055.2	548,467.2	6,338,726.9	6,338,726.9	6,338,726.9	6,338,726.9	1,368,900.0	274,447.4	1,094,452.6	52,834.6	139,020.4	1,008,266.8	7,346,993.7
Dec	6,396,204.6	1,011,099.5	5,385,105.1	2,919.8	373,865.6	48,877.2	546,738.4	6,357,506.1	6,357,506.1	6,357,506.1	6,357,506.1	1,260,420.2	274,789.9	985,630.3	133,720.7	108,647.9	1,010,703.1	7,368,209.1
2013- Mar	7,029,461.7	1,172,354.2	5,857,107.6	1,890.0	366,950.5	41,762.2	714,333.5	6,982,043.8	6,982,043.8	6,982,043.8	6,982,043.8	1,394,622.6	427,641.1	966,981.5	151,305.1	163,552.0	954,734.5	7,936,778.3
Jun	6,989,844.7	1,187,797.9	5,802,046.8	2,469.0	370,513.0	24,364.5	722,593.6	6,921,986.9	6,921,986.9	6,921,986.9	6,921,986.9	1,236,116.1	683,397.9	552,718.2	66,193.2	199,613.9	419,297.6	7,341,284.4
2013-January	6,128,945.9	1,021,623.2	5,107,322.7	2,587.2	377,762.7	53,885.1	552,683.3	6,094,241.1	6,094,241.1	6,094,241.1	6,094,241.1	1,002,234.7	241,390.1	760,844.6	136,319.1	76,437.2	820,726.5	6,914,967.6
February	6,090,162.9	1,184,997.9	4,905,164.9	2,232.0	371,368.4	46,592.4	722,128.1	6,047,485.7	6,047,485.7	6,047,485.7	6,047,485.7	1,213,294.9	251,501.0	961,793.8	66,724.9	90,527.4	937,991.4	6,985,477.1
March	7,029,461.7	1,172,354.2	5,857,107.6	1,890.0	366,950.5	41,762.2	714,333.5	6,982,043.8	6,982,043.8	6,982,043.8	6,982,043.8	1,394,622.6	427,641.1	966,981.5	151,305.1	163,552.0	954,734.5	7,936,778.3
April	6,975,270.2	1,183,349.8	5,791,920.4	2,545.7	369,606.5	46,055.2	719,972.1	6,930,099.9	6,930,099.9	6,930,099.9	6,930,099.9	1,295,648.1	634,397.4	661,250.7	158,255.5	100,621.4	718,884.7	7,648,984.6
May	6,848,590.8	1,179,736.6	5,668,854.2	1,934.0	368,450.5	22,610.6	717,761.1	6,779,610.3	6,779,610.3	6,779,610.3	6,779,610.3	1,277,352.9	601,957.2	675,395.7	113,336.6	141,452.5	647,279.7	7,426,890.1
June	6,989,844.7	1,187,797.9	5,802,046.8	2,469.0	370,513.0	24,364.5	722,593.6	6,921,986.9	6,921,986.9	6,921,986.9	6,921,986.9	1,236,116.1	683,397.9	552,718.2	66,193.2	99,613.9	419,297.6	7,341,284.4

Note: SDRs => Special Drawing Rights, RPF => Reserve Position in the Fund, UFC => Use of Fund Credit

Source: Bank of Tanzania





A5.0 National Debt Developments

Table A5.1: National Debt Developments, 2004- 2013

Millions of USD

Item	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10 ¹	2010/11 ¹	2011/12 ^P	2012/13 ^P
1. Overall Total Debt Committed ¹	8,088.3	8,345.1	8,638.9	5,212.4	6,776.3	8,120.1	9,548.3	11,336.1	14,098.1	16,694.4
Disbursed outstanding debt	6,678.3	6,799.5	6,971.1	3,442.3	4,483.1	5,483.0	6,558.3	7,843.7	8,873.0	10,693.4
Undisbursed debt	1,410.0	1,545.6	1,667.7	1,770.1	2,293.2	2,637.1	2,990.0	3,492.4	5,225.1	6,001.0
2. Disbursed Debt by Creditor Category ²	6,678.3	6,799.6	6,971.1	3,442.3	4,483.1	5,483.0	6,558.3	7,843.7	8,873.0	10,693.4
Bilateral debt	1,483.6	1,502.3	1,492.5	910.5	934.2	933.5	955.4	978.7	1,015.8	940.9
Multilateral debt	4,570.0	4,626.3	4,720.6	1,772.6	2,620.2	3,430.1	4,204.8	5,250.2	5,615.8	6,265.5
Commercial debt	391.2	416.4	481.7	437.3	617.9	700.3	815.2	1,037.9	1,628.7	2,813.2
Export credits	233.5	254.5	276.4	321.9	310.8	419.1	582.9	576.9	612.7	673.8
3. Disbursed Debt by Borrower Category ²	6,678.3	6,799.5	6,971.1	3,442.3	4,483.1	5,483.0	6,558.3	7,843.7	8,873.0	10,693.4
o/w: Central Government	6,092.0	5,830.6	5,971.2	2,692.0	3,582.5	4,118.2	4,816.9	6,057.8	7,141.3	8,716.7
Public Corporations	149.1	477.5	445.4	167.8	156.3	392.4	534.7	557.8	404.6	454.8
Private Sector	437.2	491.5	554.6	582.5	744.4	972.4	1,206.7	1,228.0	1,327.0	1,521.9
4. Disbursed Debt by Use of Funds ²	6,678.2	6,799.5	6,971.1	3,442.3	4,483.1	5,483.0	6,558.3	7,843.7	8,873.0	10,693.4
o/w: Balance of payment support	1,275.1	1,335.1	1,392.6	1,019.3	1,470.3	1,935.2	2,121.2	2,348.5	2,522.0	2,533.9
Transport & Telecommunication	1,085.1	1,073.5	1,087.9	425.3	571.5	635.4	720.2	990.4	1,391.3	1,757.1
Agriculture	967.7	1,077.8	1,050.1	338.1	437.0	599.0	712.2	837.4	761.5	926.3
Energy & Mining	924.3	1,070.3	955.2	606.9	670.2	758.7	802.2	728.4	652.7	878.2
Industries	352.7	405.5	409.0	162.8	137.4	141.9	178.8	201.7	193.0	216.5
Social Welfare & Education	333.3	611.7	647.3	433.2	639.7	756.8	874.8	1,201.1	1,620.7	2,157.6
Finance and Insurance	82.3	96.6	98.7	64.4	74.2	73.8	88.4	188.9	326.5	344.6
Tourism	80.2	80.1	80.8	73.0	70.7	90.6	101.8	123.2	119.1	100.6
Others	1,577.5	1,048.9	1,249.8	319.3	412.2	491.7	958.6	1,224.2	1,286.3	1,778.6
5. Total Amount of Loans Contracted ¹	229.7	376.4	264.0	966.3	752.6	965.9	1,309.1	446.7	486.6	1,073.7
Government	209.4	335.4	165.0	930.0	516.7	218.0	1,047.1	287.7	414.5	674.5
Public Corporations	0.0	0.0	0.0	0.0	0.0	336.0	0.0	0.0	0.0	149.2
Private	20.3	41.0	99.0	36.3	235.9	412.0	262.0	159.0	72.1	250.0
6. Disbursements ¹	234.7	190.2	207.1	449.5	586.1	1,148.6	1,103.7	482.3	1,370.3	2,173.1
Government	205.9	161.4	179.1	432.6	560.6	649.0	869.3	400.1	1,145.7	1,874.0
Public Corporations	2.0	0.0	0.0	0.0	0.4	246.7	63.4	0.0	0.0	114.1
Private	26.8	28.8	28.0	16.9	25.1	252.9	171.0	82.1	224.6	185.0
7. Scheduled Debt Service ¹	334.4	355.1	373.6	336.9	193.2	271.0				
8. Actual Debt Service ¹	99.3	112.9	180.6	42.0	86.0	56.1	71.1	104.3	99.4	148.3
Principal	68.6	86.0	90.3	20.6	55.9	25.5	36.9	59.3	44.5	54.5
Interest	30.6	26.9	60.3	21.4	30.1	30.5	34.2	45.0	48.6	62.8
Others	0.1	0.0	30.0	0.0	0.0	0.0	0.0	0.0	6.3	31.0
9. Net Transfers	135.4	77.3	26.5	407.5	500.1	1,092.5	1,032.6	377.9	1,270.9	2,024.8
10. Total Arrears by Creditor Category ²	2,297.8	2,470.5	2,374.7	2,199.5	2,453.2	2,809.8	2,761.5	3,036.4	2,634.1	2,770.7
o/w : Principal	1,119.1	1,135.2	1,116.4	980.9	1,089.8	1,293.4	1,122.0	1,242.5	1,152.4	1,374.9
Bilateral	658.8	669.4	609.0	377.7	423.8	452.8	464.5	397.7	403.3	356.5
Multilateral*	28.3	5.9	11.9	13.6	8.4	17.2	17.0	14.7	6.4	19.8
Commercial	240.2	249.2	275.0	339.5	359.2	449.3	384.7	493.2	464.8	674.6
Other Private Creditors	191.8	210.7	220.4	250.1	298.5	374.1	255.8	336.9	277.9	324.0
Interest	1,178.7	1,335.3	1,258.3	1,218.6	1,363.3	1,516.3	1,639.5	1,793.8	1,481.6	1,395.8
Bilateral	693.0	818.8	682.2	536.1	611.3	669.5	720.7	730.9	770.5	767.2
Multilateral*	27.3	23.4	22.0	27.7	0.1	10.9	17.0	17.4	7.5	5.4
Commercial	287.1	333.7	372.9	440.0	517.7	562.0	603.9	697.2	567.9	516.1
Other Private Creditors	171.3	159.4	181.2	214.8	234.3	274.0	297.9	348.3	135.7	107.1
11. Total Debt Stock	8,742.3	9,087.5	9,635.4	6,158.8	7,581.4	8,740.5	10,207.3	12,001.5	13,002.0	15,608.6
External Debt Stock	7,857.0	8,134.8	8,229.5	4,660.9	5,846.4	6,999.4	8,197.8	9,637.5	10,354.6	12,089.2
Domestic Debt Stock	885.3	952.6	1,405.9	1,497.9	1,735.0	1,741.1	2,009.5	2,364.1	2,647.4	3,519.4
12. Export of Goods and Services	2,221.0	2,843.4	3,148.7	3,565.6	4,526.7	4,660.1	5,085.1	6,412.1	7,197.5	8,249.3
14. GDP at Market (current) prices	12,090.6	13,713.9	14,319.2	15,144.6	19,301.7	20,156.2	22,903.2	23,745.8	24,099.2	28,451.6
15. External Debt Stock as % of GDP	65.0	59.3	57.5	30.8	30.3	34.7	35.8	40.6	43.0	42.5
16. Total Debt Stock as % of GDP	72.3	66.3	67.3	40.7	39.3	43.4	44.6	50.5	54.0	54.9
17. External Debt Service as % of Exports	4.5	4.0	5.7	1.2	1.9	1.2	1.4	1.6	1.4	1.8
18. External Debt as % of Exports	353.8	286.1	261.4	130.7	129.2	150.2	161.2	150.3	143.9	146.5
End of Period Exchange Rate (TZS/US\$)	1,107.3	1,165.5	1,253.1	1,265.0	1,180.9	1,299.4	1,379.4	1,579.7	1,568.9	1,602.7

NB. Multilateral*: multilateral arrears are those owed by the private companies

1) During the period. 2) End of period

Source: Ministry of Finance & Bank of Tanzania



Table A6.1.1: Zanzibar Gross Domestic Product (GDP) by Kind of Economic Activity, at Current Prices, 2003 - 2012

Millions of TZS

Economic Activity	2003	2004	2005	2006	2007	2008	2009	2010 ^r	2011 ^r	2012 ^P
Agriculture, forestry & fishing	61,312.1	80,434.8	92,529.2	150,500.0	161,000.0	229,600.0	271,000.0	306,800.0	386,100.0	408,400.0
Crops	35,552.4	47,281.7	51,700.0	104,200.0	100,300.0	159,600.0	182,900.0	201,100.0	251,000.0	256,300.0
Livestock	12,221.6	14,786.1	16,280.8	20,900.0	25,800.0	34,400.0	39,300.0	44,100.0	49,900.0	51,500.0
Forestry & hunting	1,097.2	1,181.6	1,268.9	1,800.0	2,200.0	2,600.0	2,800.0	3,300.0	4,400.0	4,500.0
Fishing	12,440.9	17,185.5	23,279.5	23,500.0	32,700.0	33,000.0	46,000.0	58,300.0	80,800.0	96,100.0
Industry	37,640.6	45,902.5	53,580.5	75,400.0	88,400.0	106,400.0	114,900.0	119,300.0	143,700.0	157,900.0
Mining & quarrying	2,236.2	2,512.0	3,190.3	3,800.0	4,700.0	7,000.0	8,500.0	9,500.0	12,300.0	14,300.0
Manufacturing	16,845.6	17,229.7	19,399.2	23,400.0	26,600.0	32,000.0	36,100.0	39,500.0	46,400.0	46,500.0
Electricity, gas & water supply	4,726.9	5,638.6	6,435.8	9,900.0	11,100.0	12,800.0	12,300.0	13,100.0	17,800.0	20,400.0
Construction	13,831.9	20,522.1	24,555.3	38,300.0	46,000.0	54,600.0	58,000.0	57,200.0	67,200.0	76,700.0
Services	148,605.3	173,687.4	199,197.0	222,100.0	258,600.0	319,300.0	387,700.0	405,300.0	526,800.0	614,000.0
Trade & repairs	27,811.8	30,628.2	38,600.0	45,300.0	55,400.0	65,000.0	73,500.0	83,400.0	116,100.0	127,200.0
Hotels & restaurants	16,128.6	19,869.9	30,580.9	38,900.0	46,000.0	55,200.0	63,100.0	68,900.0	87,400.0	87,500.0
Transport & communications	23,522.0	27,005.1	31,500.0	34,500.0	40,500.0	59,600.0	98,000.0	85,800.0	110,700.0	130,600.0
Financial intermediation	4,581.4	5,569.1	7,800.0	8,000.0	10,800.0	13,700.0	15,400.0	19,800.0	23,500.0	26,300.0
Real estate & business services	2,862.9	3,240.1	3,728.9	4,500.0	5,400.0	6,800.0	7,700.0	8,600.0	10,300.0	11,100.0
Public administration	50,578.9	60,138.0	56,729.3	53,700.0	59,200.0	72,300.0	80,000.0	86,000.0	106,000.0	132,200.0
Education	17,355.7	20,556.0	22,660.3	27,700.0	30,500.0	33,600.0	35,600.0	37,300.0	55,100.0	74,700.0
Health	4,622.2	5,356.6	6,090.6	7,500.0	8,700.0	10,600.0	11,600.0	12,400.0	13,800.0	19,300.0
Other social & personal services	1,141.7	1,324.4	1,506.9	1,800.0	2,100.0	2,500.0	2,800.0	3,100.0	3,900.0	5,100.0
Adjustment to market prices								831,400.0	1,056,600.0	1,180,300.0
Taxes on products	39,073.0	44,300.9	49,569.0	62,000.0	78,700.0	92,300.0	105,900.0	115,300.0	141,500.0	173,900.0
GDP at Current Market Prices	286,631.0	344,325.6	394,875.7	510,000.0	586,700.0	747,600.0	879,500.0	946,700.0	1,198,100.0	1,354,200.0
Population "000"	1,011.0	1,041.0	1,072.0	1,104.0	1,137.0	1,171.0	1,206.0	1,211.0	1,247.0	1,303.0
GDP per capita: TZS "000"	283.5	330.8	369.1	462.0	516.0	638.4	726.0	782.0	960.0	1,003.0
Exchange rate: TZS/USD	1,040.0	1,091.0	1,127.9	1,255.0	1,247.8	1,197.0	1,307.0	1,396.0	1,557.0	1,572.0

Notes: P = Provisional, r = Revised

Source: Office of Chief Government Statistician-Zanzibar



Table A6.1.2: Zanzibar Gross Domestic Product (GDP) by Kind of Economic Activity, Percentage Share in Total GDP, at Current Prices, 2003 - 2012

Economic Activity	2003	2004	2005	2006	2007	2008	2009	2010 ^r	2011 ^r	2012 ^p
Agriculture, forestry & fishing	21.4	23.4	23.4	29.5	27.4	30.7	30.8	32.4	32.2	30.2
Crops	12.4	13.7	13.1	20.4	17.1	21.3	20.8	21.2	20.9	18.9
Livestock	4.3	4.3	4.1	4.1	4.4	4.6	4.5	4.7	4.2	3.8
Forestry & hunting	0.4	0.3	0.3	0.4	0.4	0.3	0.3	0.3	0.4	0.3
Fishing	4.3	5.0	5.9	4.6	5.6	4.4	5.2	6.2	6.7	7.1
Industry	13.1	13.3	13.6	14.8	15.1	14.2	13.1	12.6	12.0	11.7
Mining & quarrying	0.8	0.7	0.8	0.7	0.8	0.9	1.0	1.0	1.0	1.1
Manufacturing	5.9	5.0	4.9	4.6	4.5	4.3	4.1	4.2	3.9	3.4
Electricity, gas & water supply	1.6	1.6	1.6	1.9	1.9	1.7	1.4	1.4	1.5	1.5
Construction	4.8	6.0	6.2	7.5	7.8	7.3	6.6	6.0	5.6	5.7
Services	51.8	50.4	50.4	43.5	44.1	42.7	44.1	42.8	44.0	45.3
Trade & repairs	9.7	8.9	9.8	8.9	9.4	8.7	8.4	8.8	9.7	9.4
Hotels & restaurants	5.6	5.8	7.7	7.6	7.8	7.4	7.2	7.3	7.3	6.5
Transport & communications	8.2	7.8	8.0	6.8	6.9	8.0	11.1	9.1	9.2	9.6
Financial intermediation	1.6	1.6	2.0	1.6	1.8	1.8	1.8	2.1	2.0	1.9
Real estate & business services	1.0	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.8
Public administration	17.6	17.5	14.4	10.5	10.1	9.7	9.1	9.1	8.8	9.8
Education	6.1	6.0	5.7	5.4	5.2	4.5	4.0	3.9	4.6	5.5
Health	1.6	1.6	1.5	1.5	1.5	1.4	1.3	1.3	1.2	1.4
Other social & personal services	0.4	0.4	0.4	0.4	0.4	0.3	0.3	0.3	0.3	0.4
Adjustment to market prices										
Taxes on products	13.6	12.9	12.6	12.2	13.4	12.3	12.0	12.2	11.8	12.8
GDP at Current Market Prices	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Notes: P = Provisional, r = Revised
Source: Office of Chief Government Statistician - Zanzibar



Table A6.1.3 : Zanzibar Gross Domestic Product (GDP) by Kind of Economic Activity, at 2001 Constant Prices, 2003 -2012

Millions of TZS

Economic Activity	2003	2004	2005	2006	2007	2008	2009 ^r	2010	2011 ^r	2012 ^p
Agriculture, forestry & fishing	57,959.7	59,579.1	61,279.6	72,700.0	72,400.0	76,500.0	79,900.0	82,400.0	84,700.0	85,700.0
Crops	36,557.2	37,288.8	37,900.9	49,000.0	48,000.0	51,100.0	53,700.0	55,600.0	55,900.0	56,200.0
Livestock	10,086.5	10,441.7	10,810.1	11,200.0	11,600.0	12,000.0	12,400.0	12,800.0	13,200.0	13,600.0
Forestry & hunting	1,097.2	1,138.2	1,178.9	1,200.0	1,300.0	1,300.0	1,400.0	1,400.0	1,500.0	1,500.0
Fishing	10,218.8	10,710.3	11,389.7	11,300.0	11,500.0	12,100.0	12,400.0	12,600.0	14,100.0	14,400.0
Industry	32,633.6	36,726.0	39,146.8	46,000.0	48,100.0	49,200.0	50,800.0	51,800.0	54,700.0	59,700.0
Mining & quarrying	1,946.4	2,027.9	2,341.7	2,400.0	2,600.0	3,200.0	3,600.0	3,800.0	4,300.0	5,000.0
Manufacturing	14,662.7	13,908.8	14,239.4	14,700.0	14,800.0	15,000.0	15,300.0	15,800.0	16,200.0	16,200.0
Electricity, gas & water supply	3,985.0	4,222.8	4,541.6	4,800.0	5,100.0	5,200.0	5,300.0	5,300.0	6,100.0	6,400.0
Construction	12,039.5	16,566.6	18,024.1	24,100.0	25,600.0	25,800.0	26,600.0	26,900.0	28,100.0	32,100.0
Services	125,213.2	133,587.6	140,646.4	136,700.0	150,880.0	160,600.0	174,700.0	190,700.0	207,000.0	225,400.0
Trade & repairs	24,217.4	24,748.0	28,400.0	28,600.0	30,900.0	30,100.0	31,300.0	33,500.0	40,700.0	44,600.0
Hotels & restaurants	14,038.6	15,648.8	21,899.4	23,900.0	25,000.0	24,900.0	26,100.0	26,900.0	29,600.0	29,700.0
Transport & communications	19,755.5	21,122.7	23,200.0	23,300.0	32,000.0	39,800.0	48,700.0	58,100.0	63,600.0	76,200.0
Financial intermediation	3,852.7	4,587.4	5,214.1	4,700.0	5,700.0	5,900.0	6,000.0	7,500.0	7,800.0	8,600.0
Real estate & business services	2,481.5	2,597.7	2,720.1	2,800.0	3,000.0	3,100.0	3,300.0	3,400.0	3,600.0	3,800.0
Public administration	41,773.1	44,657.4	38,616.1	31,600.0	32,000.0	33,200.0	34,600.0	35,500.0	35,600.0	35,700.0
Education	14,334.1	15,264.5	15,425.1	16,300.0	16,500.0	17,500.0	18,500.0	19,400.0	19,900.0	20,200.0
Health	3,817.5	3,977.7	4,145.9	4,390.0	4,680.0	4,900.0	5,000.0	5,100.0	4,900.0	5,200.0
Other social & personal services	942.9	983.5	1,025.7	1,100.0	1,100.0	1,200.0	1,200.0	1,300.0	1,300.0	1,400.0
Adjustment to market prices										
Taxes on products	39,863.0	42,427.6	44,500.0	47,200.0	50,100.0	52,900.0	56,400.0	60,000.0	64,100.0	68,500.0
Total GDP at market Prices	255,700.0	272,400.0	285,600.0	302,600.0	321,480.0	339,200.0	361,800.0	384,900.0	410,500.0	439,300.0

Notes: P = Provisional, r = Revised

Source: Office of Chief Government Statistician - Zanzibar



Table A6.1.4: Zanzibar Gross Domestic Product (GDP) by Kind of Economic Activity, Percentage Share in Total GDP, at 2001 Constant Prices, 2003 - 2012

Economic Activity	2003	2004	2005	2006	2007	2008	2009	2010 ^r	2011 ^r	2012 ^p
Agriculture, forestry & fishing	22.7	21.9	21.5	24.0	22.5	22.6	22.1	21.4	20.6	19.5
Crops	14.3	13.7	13.3	16.2	14.9	15.1	14.8	14.4	13.6	12.8
Livestock	3.9	3.8	3.8	3.7	3.6	3.5	3.4	3.3	3.2	3.1
Forestry & hunting	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.3
Fishing	4.0	3.9	4.0	3.7	3.6	3.6	3.4	3.3	3.4	3.3
Industry	12.8	13.5	13.7	15.2	15.0	14.5	14.0	13.5	13.3	13.6
Mining & quarrying	0.8	0.7	0.8	0.8	0.8	0.9	1.0	1.0	1.0	1.1
Manufacturing	5.7	5.1	5.0	4.9	4.6	4.4	4.2	4.1	3.9	3.7
Electricity, gas & water supply	1.6	1.6	1.6	1.6	1.6	1.5	1.5	1.4	1.5	1.5
Construction	4.7	6.1	6.3	8.0	8.0	7.6	7.4	7.0	6.8	7.3
Services	49.0	49.0	49.2	45.2	46.9	47.3	48.3	49.5	50.4	51.3
Trade & repairs	9.5	9.1	9.9	9.5	9.6	8.9	8.7	8.7	9.9	10.2
Hotels & restaurants	5.5	5.7	7.7	7.9	7.8	7.3	7.2	7.0	7.2	6.8
Transport & communications	7.7	7.8	8.1	7.7	10.0	11.7	13.5	15.1	15.5	17.3
Financial intermediation	1.5	1.7	1.8	1.6	1.8	1.7	1.7	1.9	1.9	2.0
Real estate & business services	1.0	1.0	1.0	0.9	0.9	0.9	0.9	0.9	0.9	0.9
Public administration	16.3	16.4	13.5	10.4	10.0	9.8	9.6	9.2	8.7	8.1
Education	5.6	5.6	5.4	5.4	5.1	5.2	5.1	5.0	4.8	4.6
Health	1.5	1.5	1.5	1.5	1.5	1.4	1.4	1.3	1.2	1.2
Other social & personal services	0.4	0.4	0.4	0.4	0.3	0.4	0.3	0.3	0.3	0.3
Adjustment to market prices										
Taxes on products	15.6	15.6	15.6	15.6	15.6	15.6	15.6	15.6	15.6	15.6
Total GDP at market prices	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Notes: P = Provisional, r = Revised

Source: Office of Chief Government Statistician - Zanzibar and BoT



Table A6.1.5: Zanzibar Gross Domestic Product (GDP) by kind of Economic Activity, Percentage Annual Growth Rates, at 2001 Constant Prices, 2003 - 2012

Economic Activity	2003	2004	2005	2006	2007	2008	2009	2010 ^r	2011 ^r	2012 ^p
Agriculture, forestry & fishing	4.2	2.8	2.8	18.7	-0.4	5.7	4.4	3.1	2.8	1.2
Crops	5.0	2.0	1.6	29.4	-2.0	6.5	5.1	3.5	0.5	0.5
Livestock	3.5	3.5	3.5	3.5	3.6	3.5	3.3	3.2	3.1	3.0
Forestry & hunting	1.3	3.7	3.6	3.8	8.3	3.0	7.7	0.0	7.1	0.0
Fishing	2.6	4.8	6.3	-1.0	1.8	5.2	2.5	1.6	11.9	2.1
Industry	16.3	12.5	6.6	17.6	4.6	1.9	3.3	2.0	5.6	9.1
Mining & quarrying	36.0	4.2	15.5	3.0	8.3	22.8	12.5	5.6	13.2	16.3
Manufacturing	12.7	-5.1	2.4	3.5	0.7	1.1	2.0	3.3	2.5	0.0
Electricity, gas & water supply	4.4	6.0	7.6	5.0	6.3	0.9	1.9	0.0	15.1	4.9
Construction	22.9	37.6	8.8	33.8	6.2	0.5	3.1	1.1	4.5	14.2
Services	4.3	6.7	5.3	-2.8	10.4	6.1	8.8	9.2	8.5	8.9
Trade & repairs	0.4	2.2	14.6	1.0	8.0	-4.3	4.0	7.0	21.5	9.6
Hotels & restaurants	-8.1	11.5	39.9	9.2	4.6	-0.5	4.8	3.1	10.0	0.3
Transport & communications	20.8	6.9	9.9	0.4	37.3	24.1	22.4	19.3	9.5	19.8
Financial intermediation	8.7	19.1	13.7	-10.2	21.3	4.0	1.7	25.0	4.0	10.3
Real estate & business services	4.7	4.7	4.7	4.7	7.1	4.8	6.5	3.0	5.9	5.6
Public administration	3.4	6.9	-13.5	-18.3	1.3	4.0	4.2	2.6	0.3	0.3
Education	3.5	6.5	1.1	5.4	1.2	6.4	5.7	4.9	2.6	1.5
Health	16.5	4.2	4.2	5.9	6.6	4.5	2.0	2.0	-3.9	6.1
Other social & personal services	4.3	4.3	4.3	4.3	0.0	4.3	0.0	8.3	0.0	7.7
Total GDP at market prices	5.9	6.5	4.9	6.0	6.3	5.3	6.7	6.4	6.7	7.0

Notes: P = Provisional

r = Revised

Source: Office of Chief Government Statistician-Zanzibar



A6.1: Zanzibar Output and Prices

Table A6.1.6 Marketed Production of Zanzibar Major Export Commodities, 2003 - 2012

Crop	Metric tons									
	2003	2004	2005	2006	2007	2008	2009	2010 ^r	2011 ^r	2012 ^P
Cloves	5,219.0	4,097.6	3,266.7	3,156.7	1,085.6	4,007.0	3,536.0	2,129.0	3,743.0	1,755.4
Clove Stems	497.0	476.0	350.6	128.8	226.5	345.4	445.0	280.0	468.0	328.4
Seaweeds	9,261.0	7,184.5	7,361.8	7,543.1	8,485.0	11,177.0	10,248.0	11,937.0	13,193.0	15,087.0
Rubber	0.0	683.0	711.0	886.8	974.2	1,479.0	428.0	564.0	457.0	385.0

Notes: P = Provisional

r = Revised

Source: Office of Chief Government Statistician - Zanzibar

**Table A6.1.7: Production of Selected Commodities in Zanzibar, 2003 - 2012**

Commodity	Units	2003	2004	2005	2006	2007	2008	2009	2010	2011 ^r	2012 ^p
Wheat Flour	Ton	21,446.0	16,753.0	14,822.0	10,590.0	1,026.0	0.0	0.0	0.0	0.0	0.0
Beverage	Litres'000'	6,250.0	7,132.0	8,435.0	10,246.0	9,925.0	12,780.0	13,800.0	15,414.0	17,199.0	14,409.0
Animal Feed	Tons	1,520.0	1,277.0	1,001.0	842.0	1,115.0	215.0	0.0	0.0	0.0	1.0
Super Shine Audio	Cartoon	0.0	54,685.0	47,976.5	63,240.0	70,597.0	-	-	-	-	-
Super Shine Video	Cartoon	0.0	40,577.0	31,038.5	23,339.0	10,090.0	-	-	-	-	-
Coconut oil	Tons	3.1	66.0	89.0	82.0	77.0	-	-	-	-	-
Bread	No.'000'	59,992.0	68,706.0	77,331.0	87,037.0	97,960.0	102,050.0	105,531.0	108,264.0	111,512.0	114,858.0
Copra Cakes	Tons	2.0	59.0	31.0	46.0	49.0	-	-	-	-	-
Jewellery (Gold/Silver)	Grams	29,165.0	35,125.0	19,090.0	16,737.0	7,563.0	7,526.0	9,710.0	9,508.0	8,602.0	8,172.0
Noodles	Kg	159,133.0	193,656.0	93,830.0	61,085.0	58,807.0	71,072.0	75,600.0	80,417.0	189,000.0	199,000.0
Mineral Water	Litres'000'	0.0	3,136.0	2,975.1	5,033.0	3,631.0	-	-	-	-	-
Door UPVC	Nos.	0.0	70.0	18.0	32.0	53.0	33.0	43.0	125.0	140.0	95.0
Window UPVC	Nos.	0.0	150.0	15.0	59.0	161.0	35.0	98.0	43.0	95.0	201.0
Video/Radio Tape	Cartons	97,223.0	107,273.0	81,918.0	86,579.0	80,687.0	61,167.0	30,742.0	30,648.0	14,517.0	4,646.0
Garments Dish Dash (Nguo)	Pcs	3,324.0	4,929.0	3,860.0	2,004.0	5,338.0	3,778	4,392	4,648	4,672	2,877

Note: P = Provisional.

0.0 = No Production

Source: Office of Chief Government Statistician - Zanzibar.



Table A6.1.8: Zanzibar Consumer Price Index, 2008 - 2013

Base: August 2012 = 100

End of Period	Non- Food																
	Total Index	Alcoholic Beverages, Tobacco and Narcotics			Clothing and Footwear		Housing, Water, electricity, Gas and Other Fuels		Furnishing, H/hold Equipment & Routine H/hold Maintenance		Health	Transport	Communi- cation	Recreation and Culture	Edu- cation	Restaurants and Hotels	Miscellaneous Goods & Services.
		Food	Total	0.3	9.3	17.1	4.6	2.8	6.3	2.6	0.8	1.3	2.1	3.2			
Weights (%)	100.0	49.5	50.5														
2008	67.3	65.3	70.2	44.5	63.0	73.5	63.1	55.8	84.9	98.3	72.7	67.7	59.8	80.0			
2009	73.9	72.3	75.2	52.2	67.4	81.9	68.4	61.0	82.5	98.1	75.5	71.0	66.9	90.0			
2010	84.3	84.3	83.8	69.7	75.8	89.4	75.2	75.4	90.9	99.0	83.1	82.6	82.4	90.0			
2011	90.1	91.6	87.7	73.6	80.4	93.3	79.3	82.3	96.5	99.7	86.4	84.8	87.0	85.9			
2012	98.5	97.7	99.3	96.0	97.5	100.5	98.0	97.3	101.3	99.8	98.7	100.3	98.6	99.3			
2011 -Mar	84.5	85.2	83.1	69.7	75.0	88.2	74.4	80.1	89.5	99.7	82.8	84.8	82.4	83.2			
Jun	88.1	89.4	85.9	73.3	77.3	92.3	76.1	80.9	95.2	99.7	83.2	84.8	84.4	84.5			
Sep	92.0	93.8	89.3	73.5	82.7	95.0	80.7	83.9	99.4	99.7	88.8	84.8	87.3	87.0			
Dec	95.8	98.0	92.7	77.9	86.7	97.7	86.0	84.3	101.8	99.7	90.7	84.8	93.9	88.8			
2012 -Mar	98.6	100.4	96.0	84.6	91.3	100.2	93.1	89.2	99.5	99.9	93.6	100.0	95.1	93.5			
Jun	97.0	95.7	98.7	95.8	96.0	100.4	97.1	97.8	100.3	100.0	97.0	100.0	98.3	97.7			
Sep	99.0	97.9	100.3	100.0	100.1	100.3	100.0	100.2	101.2	100.0	99.7	100.3	99.9	99.9			
Dec	99.5	96.9	102.2	103.7	102.7	101.2	102.0	101.9	104.1	99.5	104.6	100.9	101.1	106.1			
2013 - Mar	101.5	98.6	104.4	104.6	105.8	103.8	103.3	102.6	103.4	99.4	109.2	112.4	101.3	109.9			
Jun	102.7	99.5	106.0	106.3	108.1	106.1	103.9	102.4	104.8	99.4	110.3	115.5	99.3	112.1			
2012- Jan	99.2	102.2	95.0	81.0	87.7	100.6	91.3	85.4	99.9	99.7	93.6	100.0	94.7	92.6			
Feb	99.1	101.2	96.0	81.0	92.5	100.2	93.2	90.0	98.9	100.0	93.6	100.0	94.7	93.1			
Mar	97.5	97.7	97.0	91.8	93.8	99.9	94.7	92.4	99.7	100.0	93.6	100.0	95.7	94.8			
Apr	96.7	96.0	97.5	95.7	94.8	99.6	95.5	93.2	99.8	100.0	96.0	100.0	97.4	96.3			
May	97.4	96.5	98.6	97.1	95.0	100.2	96.8	100.2	100.9	100.0	96.0	100.0	97.4	97.8			
Jun	96.9	94.6	99.9	94.6	98.2	101.3	98.9	100.2	100.3	100.0	99.0	100.0	100.0	99.0			
Jul	98.3	97.2	99.9	100.0	99.3	100.2	99.6	100.2	99.8	100.0	99.0	100.0	100.0	99.9			
Aug	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0			
Sep	98.7	96.5	100.9	100.0	101.2	100.6	100.3	100.3	103.7	100.0	100.0	100.9	99.8	99.8			
Oct	99.2	96.7	101.7	103.6	101.9	101.4	100.5	101.2	103.9	99.5	102.6	100.9	100.6	102.7			
Nov	99.3	96.3	102.4	103.8	102.6	101.5	102.5	102.1	104.1	99.5	104.3	100.9	100.7	106.4			
Dec	100.1	97.6	102.6	103.8	103.5	100.7	102.9	102.4	104.4	99.5	107.0	100.9	101.9	109.3			
2013- Jan	101.0	98.5	103.5	103.8	103.7	101.7	102.9	103.1	104.8	99.4	108.3	112.4	102.5	109.7			
Feb	101.5	98.4	104.7	103.7	106.3	104.8	103.3	102.4	102.7	99.4	109.5	112.4	101.9	109.8			
Mar	101.9	98.9	104.9	106.3	107.5	104.9	103.6	102.4	102.6	99.4	109.9	112.4	99.4	110.2			
Apr	103.6	101.3	105.9	106.3	107.7	106.3	103.7	102.4	105.6	99.4	109.9	113.6	99.2	110.6			
May	102.7	99.2	106.2	106.3	108.1	106.4	103.7	102.4	105.7	99.4	110.5	116.5	99.5	112.7			
Jun	101.8	98.1	106.0	106.3	108.5	105.6	104.3	102.4	103.0	99.4	110.5	116.5	99.2	112.9			

Notes: Please note that effective from September 2012, OCGS started to publish inflation rates basing on new CPI sub-groups weights using results of 2009/10 Household Budget Survey and changed base period from December 2005=100 to August 2012=100.

Source: Office of Chief Government Statistician (OCGS) - Zanzibar and BoT

Table A6.1.9: Zanzibar Consumer Price Index, Twelve Months Percentage Change, 2008 -2013

Base: August 2012 = 100

End of Period	Total Index	Non- Food										Education	Restaurants and Hotels	Miscellaneous Goods & Services.
		Food	Total	Alcoholic Beverages, Tobacco and Narcotics	Clothing and Footwear	Housing, Water, electricity, Gas and Other Fuels	Furnishing, H/hold Routine H/hold Maintenance	Health	Transport	Communi- cation	Recreation and Culture			
Weights (%)	100.0	49.5	50.5	0.3	9.3	17.1	4.6	2.8	6.3	2.6	0.8	1.3	2.1	3.2
2008	20.5	24.1	16.6	8.0	8.3	21.8	13.1	18.0	19.1	-1.5	8.4	7.3	24.5	19.0
2009	9.2	10.1	6.6	17.4	6.7	11.6	8.2	8.8	-3.6	0.0	3.8	4.6	12.2	11.8
2010	6.1	6.2	25.6	3.7	5.5	4.5	3.7	12.1	4.4	0.1	5.6	13.0	16.0	3.9
2011	14.7	18.8	9.9	12.1	12.8	9.2	11.6	20.2	13.1	1.5	8.2	5.5	11.7	-8.6
2012	9.6	7.1	13.2	30.4	21.4	7.9	23.7	18.1	5.2	0.2	14.4	18.2	13.5	15.6
2011 -Mar	9.1	11.2	6.8	12.6	7.7	5.6	6.3	21.5	9.0	1.6	6.4	5.5	11.7	-11.9
Jun	14.5	19.4	8.7	18.2	10.1	8.4	8.3	19.8	12.9	1.6	5.7	5.5	10.1	-9.8
Sep	16.1	20.8	10.5	5.0	15.6	9.5	13.2	23.9	14.0	1.6	10.8	5.5	8.7	-8.4
Dec	19.1	23.8	13.7	12.4	17.9	13.0	18.7	15.5	16.3	1.1	10.0	5.5	16.2	-4.5
2012 -Mar	16.7	17.9	15.6	21.3	21.7	13.7	25.0	11.3	11.2	0.2	13.1	17.9	15.3	12.3
Jun	10.2	7.1	14.8	30.8	24.2	8.7	27.5	21.0	5.4	0.3	16.7	17.9	16.5	15.6
Sep	7.7	4.4	12.3	36.1	21.2	5.6	23.9	19.4	1.8	0.3	12.2	18.2	14.5	14.8
Dec	3.9	-1.2	10.3	33.3	18.4	3.6	18.5	20.8	2.3	-0.2	15.4	18.9	7.7	19.5
2013 - Mar	2.3	-1.7	8.7	24.0	15.9	3.6	11.0	15.1	3.9	-0.5	16.7	12.4	6.5	17.5
Jun	4.8	2.8	6.6	11.0	12.6	5.1	6.9	4.4	4.3	-0.6	13.5	15.3	1.1	14.7
2012 -Jan	19.9	23.4	15.6	16.8	17.4	15.8	23.9	7.0	13.9	0.0	13.6	17.9	16.3	10.9
Feb	17.4	18.6	16.1	15.9	23.1	14.1	25.3	12.6	11.3	0.3	12.9	17.9	16.3	12.9
Mar	12.9	11.6	15.0	31.1	24.6	11.1	25.9	14.4	8.6	0.3	12.9	17.9	13.5	13.2
Apr	9.9	7.0	14.2	30.6	24.3	8.6	26.2	15.2	6.4	0.3	15.4	17.9	15.4	14.0
May	11.6	9.6	14.8	32.6	22.4	8.7	26.9	23.9	7.5	0.3	15.4	17.9	15.4	15.7
Jun	9.0	4.8	15.4	29.2	25.7	8.9	29.4	23.9	2.4	0.3	19.1	17.9	18.5	17.1
Jul	9.4	6.7	13.6	36.5	26.7	6.0	27.2	19.5	1.3	0.3	13.0	17.9	15.9	15.8
Aug	8.0	5.6	11.7	36.5	18.4	5.0	23.7	19.2	0.9	0.3	11.9	17.9	15.9	14.5
Sep	5.6	1.0	11.6	35.2	18.6	5.7	20.8	19.6	3.1	0.3	11.9	18.9	11.6	14.2
Oct	4.6	-0.4	11.0	37.7	18.9	5.1	18.8	20.7	3.2	-0.2	14.8	18.9	7.3	17.5
Nov	4.2	-1.2	10.8	34.7	18.0	4.3	20.4	21.9	1.8	-0.2	14.2	18.9	7.2	21.2
Dec	3.0	-2.0	9.2	27.4	18.3	1.4	16.5	19.9	1.9	-0.2	17.2	18.9	8.5	19.8
2013 - Jan	1.8	-3.6	8.9	28.2	18.2	1.1	12.8	20.7	4.9	-0.3	15.7	12.4	8.2	18.4
Feb	2.4	-2.8	9.0	28.1	14.9	4.6	10.8	13.8	3.9	-0.6	16.9	12.4	7.6	17.9
Mar	2.7	1.2	8.2	15.8	14.6	5.0	9.4	10.9	2.9	-0.6	17.4	12.4	3.8	16.2
Apr	3.9	2.3	6.1	11.1	13.6	5.0	8.0	8.9	5.5	-0.6	13.9	12.9	1.8	14.8
May	5.4	2.8	7.8	9.4	13.8	6.1	7.1	2.2	4.8	-0.6	15.1	16.5	2.1	15.2
Jun	5.1	3.4	6.1	12.4	10.4	4.3	5.5	2.2	2.6	-0.6	11.6	16.5	-0.8	14.1

Notes: Please note that effective from September 2012, OCGS started to publish inflation rates basing on new CPI sub-groups weights using results of 2009/10 Household Budget Survey and changed base period from December 2005=100 to August 2012=100.

Source: Office of Chief Government Statistician (OCGS) - Zanzibar and BoT



Table A6.2.1: Zanzibar Central Government Operations (Actuals), 2003/04 - 2012/13

Millions of TZS

Item	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Total Revenue	50,955.7	59,763.6	68,648.8	89,627.8	110,357.7	139,742.1	149,495.0	181,502.1	220,017.8	266,161.3
Tax Revenue	47,477.6	55,734.0	63,749.7	83,147.8	102,866.7	130,267.7	138,992.9	164,295.5	195,528.8	254,379.4
Tax on Imports	16,629.8	14,823.1	14,503.8	20,421.5	26,099.9	33,852.5	35,426.8	48,680.2	59,098.2	63,753.0
VAT and Excise Duties (local)	13,591.9	19,266.4	22,023.3	29,091.7	36,172.2	45,019.8	43,028.5	49,259.1	58,995.3	67,868.7
Income Tax	4,971.8	5,743.9	7,871.6	10,071.1	13,593.4	20,085.3	24,665.3	27,670.8	32,569.3	60,700.1
Other taxes	12,284.2	15,900.6	19,351.0	23,563.4	27,001.2	31,310.1	35,872.4	38,685.5	44,866.0	62,057.5
Non-Tax revenue	3,478.1	4,029.6	4,899.0	6,480.0	7,491.0	9,474.4	10,502.1	17,206.6	24,489.0	11,782.0
Total Expenditure	70,215.6	75,684.4	136,702.0	166,189.4	186,257.1	203,434.1	286,308.7	347,976.9	373,978.3	456,586.8
Recurrent Expenditure	68,985.6	72,661.8	91,246.8	93,098.8	124,456.1	137,977.4	167,653.3	188,262.9	233,888.7	300,248.4
Wages and Salaries	51,115.6	46,308.2	46,933.9	46,638.3	59,438.0	63,974.8	72,535.7	84,489.9	118,813.0	132,663.8
Interest Payment	0.0	0.0	1,029.4	2,388.9	1,214.6	1,111.9	858.5	1,639.3	1,356.3	0.0
Local	0.0	0.0	1,029.4	2,388.9	1,214.6	1,111.9	858.5	1,639.3	1,356.3	0.0
Foreign	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other expenditure	17,870.0	26,333.6	43,283.6	44,071.6	65,018.0	72,890.8	94,259.1	102,133.7	113,719.4	167,584.6
Recurrent (Deficit)/Surplus	-18,029.8	-12,898.2	-22,598.0	-3,471.0	-14,098.4	1,764.7	-18,158.2	-6,760.8	-13,870.9	-34,087.1
Development Expenditure	1,230.0	3,022.6	45,455.2	73,090.6	61,801.0	65,456.7	118,655.4	159,714.1	140,089.6	156,338.4
Local	-	-	1,729.6	7,120.5	10,162.6	23,291.1	38,865.0	30,485.4	34,467.3	34,877.6
Foreign	-	-	43,725.7	65,970.1	51,638.5	42,165.6	79,790.4	129,228.7	105,622.3	121,460.8
Deficit before Grants	-19,259.9	-15,920.8	-68,053.3	-76,561.6	-75,899.4	-63,692.0	-136,813.6	-166,474.8	-153,960.5	-190,425.5
Grants	15,295.4	16,575.5	14,770.0	71,467.1	62,885.9	52,995.2	85,777.7	87,476.1	71,285.7	131,873.6
Deficit after Grants	-3,964.5	654.7	-53,283.3	-5,094.5	-13,013.6	-10,696.8	-51,035.9	-78,998.7	-82,674.8	-58,551.9
Adjustment to cash and other items	3,765.0	9,232.7	-2,959.0	8,411.9	-2,347.6	5,487.0	-8,925.2	-355.9	6,707.2	-10,965.0
Overall Deficit cheques issued	-7,729.4	-8,578.0	-50,324.3	-13,506.4	-10,666.0	-16,183.8	-42,110.7	-79,354.6	-75,967.7	-69,516.9
Financing:	7,729.4	8,578.0	50,324.3	13,506.4	-10,666.0	16,183.8	42,110.7	79,354.6	75,967.7	69,516.9
Program loans and I/ Support(cash)	0.0	0.0	43,725.7	14,009.1	15,014.6	12,713.4	42,110.7	79,354.6	61,215.5	69,508.7
Domestic (net)	7,729.4	8,578.0	11,498.6	8,000.0	470.1	3,470.4	0.0	0.0	14,752.2	8.2
Bank	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	8.2
Non-Bank	7,729.4	8,578.0	11,498.6	8,000.0	470.1	4,940.5	0.0	0.0	14,752.2	0.0
Amortization (local)	1,105.0	0.0	-4,900.0	-8,502.7	-4,818.7	-1,470.1	0.0	0.0	0.0	0.0

GDP TZS 1,350.0 billion (2012p current)

Source: President's Office- Finance, Economy and Development Planning (POFEDP), Zanzibar.



A7.0 International Economic and Financial Developments

Table A7.1: Economic Performance in G-7 Countries and the Euro Area, 2003 - 2013

G-7	Annual Percentage Change										Quarter Ending									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2011				2012				2013	
											Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec	Mar	Jun
Canada																				
Real GDP ¹	1.7	2.3	3.1	2.8	2.7	0.5	-2.6	3.3	2.5	2.0	0.9	-0.1	0.9	1.0	1.8	1.9	1.7	1.3	1.4	n.a
Inflation ¹	2.8	1.9	2.2	2.0	2.2	2.3	0.3	1.8	2.9	1.5	2.6	3.4	3.0	2.7	2.3	1.6	1.2	0.9	0.9	0.8
Interest rates ²	2.9	2.3	2.7	4.0	4.3	1.8	0.4	0.6	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.3	1.3	1.0	1.0
France																				
Real GDP ¹	0.5	2.1	1.9	2.2	2.4	0.2	-2.7	1.4	1.7	0.2	0.9	-0.1	0.3	0.2	0.4	0.3	-0.2	0.3	-0.2	0.5
Inflation ¹	2.1	2.3	1.8	1.9	1.6	2.8	0.8	1.5	2.3	2.0	1.8	2.1	2.2	2.4	2.3	2.0	2.0	1.5	-0.2	0.8
Interest rates ²	3.5	3.3	2.2	2.4	2.9	3.6	0.7	0.4	0.7	0.0	0.6	1.0	0.8	0.4	0.1	0.1	0.0	0.0	0.0	0.0
Germany																				
Real GDP ¹	-0.1	1.6	0.8	3.2	2.5	1.3	-4.7	3.6	3.1	0.9	1.3	0.3	0.5	0.7	1.2	1.0	0.6	0.6	0.0	0.7
Inflation ¹	1.0	1.8	1.5	1.8	2.3	2.6	0.3	1.1	2.5	2.0	2.1	2.4	2.5	2.3	2.2	1.9	1.9	2.0	1.5	1.5
Interest rates ²	2.3	1.8	2.1	2.8	3.9	3.8	0.6	0.4	0.8	n.a	0.6	1.0	0.9	0.7	0.3	n.a	n.a	n.a	n.a	n.a
Italy																				
Real GDP ¹	0.4	-0.2	0.7	2.0	1.5	-1.3	-5.0	1.3	0.4	-2.1	0.1	0.3	-0.2	-0.7	-1.4	-2.6	-2.9	-2.4	-0.6	-0.2
Inflation ¹	2.7	2.3	2.2	2.2	2.0	3.3	0.8	1.5	2.9	3.0	2.3	2.6	2.8	3.2	3.3	3.3	3.2	2.5	1.9	1.2
Interest rates ²	2.3	2.1	2.2	3.1	4.3	4.7	1.3	1.0	2.7	2.1	2.0	2.4	3.0	3.6	2.4	1.5	n.a	n.a	0.9	n.a
Japan																				
Real GDP ¹	2.7	2.7	1.9	2.0	2.4	-1.2	-5.2	3.9	-0.8	2.0	-1.7	-0.5	1.4	-0.2	5.3	0.7	0.0	0.2	0.9	0.6
Inflation ¹	-0.3	0.0	-0.3	0.3	0.0	1.4	-1.3	-0.7	-0.3	0.0	-0.5	-0.4	0.1	-0.3	0.3	0.1	-0.4	-0.2	-0.6	-0.3
Interest rates ²	0.0	0.0	0.0	0.1	0.5	0.3	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.3	0.3	0.3	0.3	0.3	0.1	0.1
UK																				
Real GDP ¹	2.8	3.3	2.2	2.8	2.7	0.1	-4.9	1.4	0.7	-0.2	0.2	-0.1	0.6	-0.3	-0.1	-0.5	0.0	0.0	0.3	0.6
Inflation ¹	2.8	2.2	2.1	2.3	2.3	3.8	2.2	3.3	4.5	2.8	4.1	4.4	4.7	4.7	3.5	2.7	2.4	2.7	2.8	2.7
Interest rates ²	3.6	4.3	4.7	4.8	5.7	4.7	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
USA																				
Real GDP ¹	2.5	3.6	3.4	3.2	2.8	0.0	-2.6	3.0	1.7	2.3	0.4	1.3	1.8	3.0	2.0	1.3	2.0	1.9	1.1	1.7
Inflation ¹	2.3	2.7	3.4	3.2	2.8	3.9	0.3	1.6	3.1	2.1	2.1	3.4	3.8	3.3	2.8	1.9	1.7	1.9	1.7	1.4
Interest rates ²	1.1	1.1	5.2	6.3	4.8	0.9	0.2	0.2	0.1	0.1	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
EURO AREA																				
Real GDP ¹	0.4	2.1	1.7	3.0	2.7	0.5	-4.1	3.1	1.4	-0.4	0.8	0.2	0.1	-0.3	0.0	-0.4	-0.8	-0.7	-0.3	0.3
Inflation ¹	2.1	2.0	2.2	2.2	2.1	3.3	0.3	1.6	2.7	2.5	2.5	2.8	2.7	2.9	2.7	2.5	2.5	2.3	1.8	1.4
Interest rates ²	2.3	2.0	2.1	2.8	3.9	3.9	1.0	0.5	0.8	0.1	0.8	1.1	0.9	1.8	1.8	1.8	1.5	1.5	0.0	0.0

Notes: 1 Annual percent change

2 Percent

n.a = not available

Source: IMF World Economic Outlook, Bloomberg system.

**Table A7.2: World Market Prices for Selected Commodities, 2003 - 2013**

Commodity	Unit Price	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2011				2012				2013	
												Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Coffee (Arabica)	USD/Kg	1.4	1.8	2.5	2.5	2.7	3.08	3.17	4.32	5.92	4.11	6.20	6.37	5.98	5.36	4.87	4.00	4.00	3.57	3.36	3.18
Cotton (A index)	USD/Kg	1.4	1.4	1.2	1.3	1.4	1.58	1.38	2.28	2.74	1.97	2.21	3.87	2.59	2.28	2.21	1.99	1.86	1.80	1.98	2.04
Sisal (UG grade)	USD/ton	697.9	862.1	885.0	885.0	971.7	1,156.50	1,059.25	948.34	1,319.17	1,451.25	1,233.33	1,366.67	1,500.00	1,443.33	1,400.00	1,400.00	1,451.67	1,553.33	1,433.33	1,400.00
Tet**	USD/Kg	1.5	1.6	1.5	2.0	1.7	2.22	2.52	2.56	2.92	2.88	2.81	2.66	2.75	2.66	2.67	2.82	3.03	3.00	2.87	2.55
Gold	USD/troy ounce	363.5	409.2	444.8	604.3	696.7	853.53	973.00	1,224.75	1,489.50	1,669.07	1,384.00	1,507.00	1,700.00	1,681.67	1,692.00	1,612.00	1,656.00	1,718.00	1,631.00	1,415.10

Note: ** Mombasa Auction price replaces London Auction price beginning July 1998.

Q = Quarter

Source: <http://www.imf.org> and worldbank.org/prospects


Table A7.3 : Selected Exchange Rates-Currency Units per US Dollar (Period Average), 2003 - 2013

Period	<i>Respective Currency per USD</i>							
	Pound Sterling	Swiss Francs	Swedish Kroners	Japanese Yen	Danish Kroner	Euro	SDR	South Africa Rand
2003	0.612	1.346	8.083	115.947	6.577	0.886	0.714	7.565
2004	0.546	1.243	7.191	108.115	5.988	0.805	0.675	6.460
2005	0.428	1.246	7.098	111.035	5.936	0.815	0.677	6.359
2006	0.554	1.254	7.349	115.854	5.943	0.794	0.680	6.772
2007	0.500	1.200	6.759	117.669	5.433	0.730	0.653	7.045
2008	0.554	1.077	6.668	102.825	5.099	0.680	0.633	8.261
2009	0.642	1.088	7.646	93.570	5.359	0.717	0.649	8.390
2010	0.647	1.043	7.207	87.780	5.622	0.754	0.655	7.328
2011	0.623	0.888	6.482	79.844	5.357	0.719	0.634	7.265
2012	0.631	0.938	6.769	79.814	5.790	0.778	0.632	8.210
2010 - Quarter 1	0.641	1.058	7.195	90.653	53.380	0.722	0.556	7.511
Quarter 2	0.673	1.108	7.582	92.021	5.855	0.787	0.672	7.545
Quarter 3	0.642	1.032	7.270	85.855	5.773	0.775	0.657	7.318
Quarter 4	0.633	0.974	6.784	82.590	5.488	0.736	0.643	6.911
2011- Quarter 1	0.628	0.942	6.487	82.301	5.457	0.732	0.640	7.005
Quarter 2	0.612	0.874	6.264	81.705	5.186	0.695	0.626	6.801
Quarter 3	0.622	0.827	6.477	77.819	5.277	0.709	0.628	7.146
Quarter 4	0.636	0.911	6.746	77.403	5.555	0.742	0.641	8.093
2012 Quarter 1	0.637	0.921	6.754	79.268	5.671	0.763	0.618	7.759
Quarter 2	0.632	0.936	6.952	80.175	5.795	0.780	0.602	8.125
Quarter 3	0.633	0.962	6.741	78.805	5.949	0.799	0.658	8.267
Quarter 4	0.623	0.931	6.644	81.266	5.747	0.771	0.651	8.689
2013 Quarter 1	0.645	0.930	6.433	92.301	5.652	0.758	0.657	8.960
Quarter 2	0.651	0.942	6.554	98.754	5.707	0.766	0.664	9.502

Note: Euro Area consists of 17 Countries

Source: International Financial Statistics (IFS), Monthly Monetary and Financial Statistics (MEI), and Bank of Tanzania computations

**Table A7.4: Bureau de Change Quarterly Transactions, 2003 -2013**

End of Period	Volume of Transactions (Millions of USD)		Exchange Rates (Average TZS/USD)		Mean Rate TZS/USD
	Purchases	Sales	Buying	Selling	
2003	257.08	253.59	1,032.01	1,049.58	1,040.79
2004	310.80	327.60	1,083.13	1,100.93	1,092.03
2005	406.34	409.15	1,122.34	1,139.18	1,130.76
2006	374.73	375.62	1,241.99	1,263.42	1,252.70
2007	423.87	422.43	1,236.92	1,263.25	1,250.09
2008	453.21	448.63	1,193.17	1,221.08	1,207.12
2009	352.90	351.44	1,316.70	1,335.70	1,326.20
2010	323.93	339.50	1,415.81	1,438.13	1,426.97
2011	335.05	335.44	1,547.15	1,575.31	1,561.23
2012	381.36	382.93	1,555.06	1,581.04	1,568.05
2009 - 1st Quarter	84.26	84.04	1,323.00	1,343.07	1,333.04
2nd Quarter	88.93	89.14	1,318.40	1,345.66	1,332.03
3rd Quarter	97.63	97.06	1,309.33	1,325.99	1,317.66
4th Quarter	82.07	81.21	1,316.07	1,328.09	1,322.08
2010 - 1st Quarter	352.90 82.27	81.47	1,333.31	1,352.25	1,342.78
2nd Quarter	84.68	87.61	1,391.35	1,415.04	1,403.19
3rd Quarter	76.33	88.81	1,473.98	1,501.40	1,487.69
4th Quarter	80.65	81.61	1,464.61	1,483.83	1,474.22
2011 - 1st Quarter	82.43	82.60	1,474.38	1,497.50	1,485.94
2nd Quarter	85.13	85.82	1,508.06	1,533.08	1,520.57
3rd Quarter	86.85	86.80	1,574.41	1,596.19	1,585.30
4th Quarter	80.64	80.21	1,631.75	1,674.48	1,653.11
2012 - 1st Quarter	77.88	79.80	1,570.90	1,591.82	1,581.36
2nd Quarter	94.91	93.95	1,530.67	1,581.33	1,556.00
3rd Quarter	99.94	99.47	1,545.33	1,567.33	1,556.33
4th Quarter	108.63	109.72	1,573.33	1,583.67	1,578.50
2013- 1st Quarter	128.11	105.90	1,592.33	1,613.67	1,603.00
2nd Quarter	141.70	148.29	1,615.67	1,626.00	1,620.83

Source: Bank of Tanzania



PART VI LIST OF MANAGEMENT

Name	Title	Telephone Number
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EXECUTIVE OFFICE

Prof. B. Ndulu	Governor	022 223 3020/1/2
Dr. N. E. Mwamba	Deputy Governor (EFP)	022 223 3040/1
J. H. Reli	Deputy Governor (AIC)	022 223 3042/3
L. H. Mkila	Deputy Governor (FSD)	022 223 3044/5

1. GOVERNOR'S OFFICE

M. Nampesya	Personal Assistant to the Governor	022 223 3203
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2. INDEPENDENT DEPARTMENTS

Anti Money Laundering and Combating of Terrorism Unit		
N. D. Mukirya	Associate Director	022 2233248

Conference, Events Management and Bank networking Department		
M. Mugo	Associate Director	022 223 3398/9

Regional Integration Department		
Dr. P. F. Mlozi	Manager	022 223 3472/3

Public Relations & Protocol Department		
Z. K. Mbeo	Manager	022 223 3166/7

Procurement Department		
R. Wanga	Manager	022 223 5194/5

3. DIRECTORATE OF STRATEGIC PLANNING AND PERFORMANCE REVIEW

S. Mrutu	Director	022 223 3423/4
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Strategic Planning Department		
C. Assey	Manager	022 223 3425/6

Technical Assistance Program Coordination Department		
M. M. Mbawala	Manager	022 223 3434/5

**Organization and Methods Department**

F. N. Kazimoto	Manager	022 223 3475/6
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Project Management Department

G. Mwakibolwa	Manager	022 2233278/9
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4. DIRECTORATE OF RISK MANAGEMENT

Dr. M. Kipilimba	Director	022 223 5297/8
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Financial Management Risk Department

N. L. Mapogha	Manager	022 223 5118/9
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Investment Risk Department

V. N. Lema	Manager	022 223 3206/7
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Systems Risk Department

G. M. Mahinya	Manager	022 223 3204/5
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5. DIRECTORATE OF HUMAN RESOURE ANDADMINISTRATION

L. L. Kisarika	Director	022 223 5144/5
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Administrative & General Services Department

C. A. Gama	Associate Director	022 223 5194/5
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Human Resource Department

R. L. Wambali	Manager	022 223 5148/9
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Estate Management Department

J. Malile	Manager	022 2235098/9
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Facilities Management Department

E. M. Twininge	Manager	022 223 5555/6
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6. DIRECTORATE OF BANKING

E. M. Boaz	Director	022 223 5415/6
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Banking Department

H. Mnjovu	Manager	022 223 5134/5
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Currency Department

J. C. Rushaka	Manager	022 223 5672/3
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7. DIRECTORATE OF BANKING SUPERVISION

A. E. Kobello	Director	022 223 5482/3
Banks Supervision Department		
K. Nyoni	Manager	022 2235530/1
Financial Institutions Supervision Department		
S. A Kazimoto	Manager	022 223 5480/1
Licensing, Policy and Operation Review Department		
A. N. Hotay	Manager	022 223 5576/7
Microfinance and Bureau de Change Supervision Department		
A. A. Ukhotyia	Manager	022 223 5585/6

8. DIRECTORATE OF ECONOMIC RESEARCH AND POLICY

Dr. J. L. Masawe	Director	022 223 3328/9
Monetary & Financial Affairs Department		
H.E. Mmbaga	Manager	022 2233 349/50
International Economics & Trade Department		
J. J. Nyella	Manager	022 2233 303/4
Debt Management Department		
Y. A. Mchujuko	Manager	022 223 3378/9
Research Department		
P. L. Kadesha	Manager	022 223 3330/1
Real Sector & Microfinance Department		
F. L. Rutabanzibwa	Manager	022 223 3280/1

9. DIRECTORATE OF FINANCE

J. R. Angelo	Director	022 2235126/7
Domestic Payments and Settlements Department		
M. P. Kobello	Manager	022 223 5624/5
Foreign Payments and Settlements Department		
S. S. Mwakalukwa	Manager	022 223 5628/9
Budget and Financial Reporting Department		
J. Ngelime	Manager	022 2235676



10. DIRECTORATE OF FINANCIAL MARKETS

J. K. Ndisi	Director	022 223 3564/5
Domestic Markets Department		
P. A. Maganga	Manager	022 2233 529/30
Foreign Markets Department		
E. Akaro	Manager	022 223 3520/1
Credit Guarantee Scheme Department		
C. Kimaro	Manager	022 223 3568/9

11. DIRECTORATE OF MANAGEMENT INFORMATION SYSTEMS

A. Massawe	Director	022 223 5136/7
Management Information System Department		
R. S. Rashid	Manager	022 223 5373/4
Systems Analysis and Administration Department		
Y. Simon	Manager	022 223 3732/3
Networks and Office Automation Department		
L. L. Masano	Manager	022 223 3730/1

12. DIRECTORATE OF NATIONAL PAYMENTS SYSTEMS

L. S. Kinunda	Director	022 223 5432/3
Payment System Oversight and Policy Department		
G. K. Tabaro	Manager	022 223 5439/40
System Development & Support Department		
B. J. Dadi	Manager	022 223 5434/5

13. DIRECTORATE OF INTERNAL AUDIT

A. Mwinyimvua	Director	022 223 5240/1
Systems Audit Department		
N. M. Malekani	Manager	022 223 5242/3
Operational Audit Department		
J. S. Juma	Manager	022 223 5255/6



14. DIRECTORATE OF FINANCIAL STABILITY

A. Msutze	Director	022 2233471/2
Macro Surveillance Department		
A. Tunj	Manager	022 2233160/1
Micro Surveillance Department		
Dr. E. Mung'ong'o	Manager	022 2235510/1
Crisis Management Department		
J. Rubuga	Manager	022 2233352/3

15. OFFICE OF THE SECRETARY TO THE BANK

Y. E. Tongola	Secretary to the Bank	022 223 3240/1
Litigation and Investigation Department		
M. K. Ismail	Associate Director	022 223 3225/6
Internal Security Department		
T. P. Mramba	Manager	022 223 5376/7
Board Services & Exchange Management Department		
I. Kihwili	Manager	022 223 3242/3
Legislation Department		
R. Sinamtwa	Manager	022 223 3248/9

16. BANK OF TANZANIA TRAINING INSTITUTE (MWANZA)

J.C. Mlay	Principal	028 250 0352
S. W. Mahembe	Associate Director, Learning & Development	028 250 0068
M. Mziya	Director of Studies	028 250 0982
C. P. Yamo	Manager, Finance & Administration	028 250 2697

17. BOT BRANCHES

Arusha		
O. H. Kitine	Director	027 254 5482
J. Kimwaga	Manager, Operations	027 250 4047
S. M. Chiguma	Manager, Economics	027 254 8443
E.Y. Ndesingo	Manager, Finance & Administration	027 250 4009

**Mbeya**

M.J.C. Gasabile	Director	025 250 4158
H. O. Katundu	Manager, Operations	025 250 2055
Dr. B. Kibesse	Manager, Economics	025 250 2839
R. Jizwalo	Manager, Finance & Administration	025 250 2700

Mwanza

G. C. Maganga	Director	028 250 1015
T. A. Mpelwa	Manager, Operations	028 250 0024
M. N. Rububura	Manager, Economics	028 250 0622
C. A. Kiponda	Manager, Finance & Administration	028 250 0025

Zanzibar

E. Balele	Director	024 223 4503
M. M. Diallo	Manager, Operations	024 223 4506
N. K. Mboje	Manager, Economics	024 223 4507
A. H. Hamisi	Manager, Finance & Administration	024 223 4504



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